**C15. CHAPTER 15**

**INSTALLATION CLOSURE PROCEDURES**

C15.1. GENERAL

 ***C15.1.1. Purpose.*** This chapter provides procedures and specifies timeframes for installation closures. They are intended to systematically curtail supply support, transfer mission-essential materiel, transfer materiel ***that is no longer required***, and redirect mission-essential requisitions for or from activities affected by installation closures. Included are procedures for reporting all installation-owned property not to be transferred with the mission to new location(s).

 ***C15.1.2. Transactions. This chapter addresses the procedures and applicable transactions relevant to installation closures. See the Defense Enterprise Data Standards Office Website for available formats on the DLMS IC page. The corresponding MILSTRIP legacy 80 record position transaction functionality is also provided for ease of interpretation by DLMS users and to support those working in a legacy environment. In addition to the listed MILSTRIP legacy transactions, the DLMS formats may incorporate functionality to support Component-unique transactions as noted in the implementation convention.***

 ***C15.1.2.1. The Requisition Cancellation Transaction is identified by the DLMS 869C by beginning segment (1/BSI08/020 Code AC). This transaction provides the functionality of MILSTRIP legacy DIC AC1, AC2, AC3, AC4, AC5.***

 ***C15.1.2.2. The Request for Mass Cancellation of Requisitions Transaction is identified by the DLMS 869C by beginning segment (1/BSI08/020 Code AC and 1/BSI09/020 Code AW).[[1]](#footnote-1) This transaction provides the functionality of the MILSTRIP Mass Cancellation Message (See Appendix 6.23). There is no MILSTRIP legacy DIC equivalent.***

 ***C15.1.2.3. The Request for Universal Cancellation of Requisitions Transaction is identified by the DLMS 869C by beginning segment (1/BSI08/020 Code AC and 1/BSI09/020 Code C).[[2]](#footnote-2) This transaction provides the functionality of the MILSTRIP Universal Cancellation Message (See Appendix 6.23). There is no MILSTRIP legacy DIC equivalent.***

 ***C15.1.2.4. The Customer Asset Report (Stock Numbered Items) Transaction is identified by the DLMS 180M by beginning segment (1/BGN07/20 Code FT) and baseline item data (1/BLI01/10 Code FS). This transaction provides the functionality of MILSTRIP legacy DIC FTE.***

 ***C15.1.2.5. The Reply to Customer Asset Report Transaction is identified by the DLMS 870M by beginning segment (1/BSR01/20 Code 7) and industry code (2/LQ01/145 Code 0 citing FTR). This transaction provides the functionality of MILSTRIP legacy DIC FTR.***

 ***C15.1.2.6. The Disposal Release Order (DRO) Transaction is identified by the DLMS 940R by beginning segment (1/W0506/0200 Code NE). This transaction provides the functionality of MILSTRIP legacy DIC A5J.***

C15.2. APPLICABILITY AND SCOPE. These procedures and timeframes apply to all DoD installations, both ***Continental U.S. (***CONUS***)*** and ***Outside the Continental U.S. (***OCONUS***)***; DoD tenant and satellite activities; DoD inventory control points (ICP); ***and*** DoD integrated materiel managers (IMM) processing reports for materiel no longer required as a result of an installation closure.

C15.3. EXCLUSIONS. In addition to ***the*** exclusions cited in Chapter 11, the procedures in this chapter do not apply to the following:

 C15.3.1. ***bulk petroleum;***

 ***C15.3.2.*** inter-departmental and intra-departmental purchasing operations;

 C15.3.***3***. forms and publications;

 C15.3.***4***. communications security (COMSEC) equipment, COMSEC aids (keying materiel), and all items including classified components, individual elements, and repair parts that are classified and designated “crypto”, or that are normally handled through crypto channels;

 ***C15.3.5. coal and coke;***

 C15.3.***6***. related personal property reportable to GSA as a part of a real estate package. Related personal property is classified as any property that is:

 C15.3.***6***.1. an integral part of real property or is related to, designed for, or specially adapted to ***the*** functional or productive capacity of ***the*** real property and removal of this personal property would significantly diminish the economic value of ***the*** real property. Normally, common use items, including, but not limited to, general purpose furniture, utensils, office machines, office supplies, or general purpose vehicles are not considered ***to be*** related personal property;

 C15.3.***6***.2. determined by GSA to be related to ***the*** real property;

 C15.3.***7***. installed property (Class II Plant Property);

 C15.3.***8***. real property.

C15.4. INSTALLATION CLOSING PROCEDURES

 C15.4.1. Stratification of Inventory

 C15.4.1.1. Installation Procedures. Do an inventory of all installation-owned property upon receipt of a confirmed closure date. The inventory ***will*** include, but not be limited to, nonconsumable items (recoverable/capitalized assets and assets on table of allowances) and consumable items (assets on working capital fund records). Each designated account ***must*** maintain its identity. Stratify ***the*** inventory applicable to each designated account into three classes of property:

 C15.4.1.1.1. Mission-essential ***and is*** to be transferred to a new location with the mission.

 C15.4.1.1.2. Not mission-essential ***but is*** required for local operations during the period prior to closure.

 C15.4.1.1.3. ***Materiel that is no longer required for*** operational needs.

 C15.4.1.2. Tenant and Satellite Activities. Each tenant and/or satellite activity having custody of installation-owned property ***must*** return that property to the installation. Accountable records ***must reflect*** the returns. Use procedures in subparagraph C15.4.1.1 to inventory and stratify tenant-owned and satellite-owned property.

 C15.4.1.3. Working Capital Fund. Relocate the DoD Component managed working capital fund items with the mission, if mission-essential, or redistribute within the DoD Component working capital funds. Relocate IMM items with the mission, if mission-essential, or report to the IMM for disposition instructions.

 C15.4.2. In-Process Requisitions

 C15.4.2.1. ***Initial*** Requisition Review. Simultaneously with doing the inventory, do a review of the installation requisitions. Identify requisitions that ***will*** be:

 C15.4.2.1.1. continued for shipment to the unit's relocation site.

 C15.4.2.1.2. continued for operational requirements until closure.

 C15.4.2.1.3. canceled ***if materiel is no longer required for*** operational needs. Cancellation***s*** ***will be performed*** by single-line cancellation if time permits. See Chapter 4 for requisition cancellation procedures.

 C15.4.2.2. Sixty-Day Review. Sixty calendar days prior to closure date, review all requisitions again for need. If required, identify requisitions for shipment to the relocation site. Use single-line requisition cancellation procedures to cancel requisitions not required. When time is insufficient to effect single-line cancellations, use the mass or universal cancellation procedures under Chapter ***27. Universal cancellation procedures do not provide for continuation of requisitions for shipment to a new location site.***

 C15.4.3. Disposition of Inventory

 C15.4.3.1. Time-Phased Closing Schedule. The activity being closed ***will*** develop a time-phased schedule to transfer mission-essential property to the new mission location(s). The schedule ***will*** plan ***the*** movement of property at the earliest date without ***impairing*** mission ***capability*** prior to ***the*** transfer. Transfer mission-essential property to ***the*** new location(s) after transfer of the mission only in those circumstances where mission-essential items are required, up to and including the last day prior to mission transfer.

 C15.4.3.2. Review of Non-Mission-Essential Items. In actions involving an installation closure, review and process all ***non-***mission-essential ***items*** under ***the*** provisions of ***DoD Directive 5410.12,*** Economic Adjustment Assistance to Defense-Impacted Communities***, July 5, 2006***. Begin initial review of installation-owned items ***under the provision of DoD Directive 5410.12*** immediately upon completion of the inventory, including items identified as ***no longer required*** and items identified as being necessary for operation of the installation prior to closure. Using these item lists as the basis, make preliminary identification of related personal property as defined by the DoD ***Directive*** 5410.12.

 C15.4.3.3. Review of Host Country Agreements. In actions involving ***the*** closure of OCONUS installations, review and process all items that are not mission-essential and/or items that will not be transferred with the activity under agreements between the United States and ***the*** host country. Begin the review immediately upon completion of the inventory, including those items identified as necessary for ***installation*** operations prior to closure.

 C15.4.3.4. Reporting Excess Materiel. Immediately upon completion of the inventory and, if time permits, not less than six months prior to the announced date of closure, report ***to the appropriate ICP/IMM under Chapter 11 Materiel Returns Program procedures*** all property identified as ***no longer needed by*** the installation and not included in the preliminary list of related personal property. ***Do not report excess property to GSA under Chapter 11 procedures; GSA managed materiel should be redistributed per Service guidance, or alternatively, revert to normal reutilization/transfer/ donation processes.***

 C15.4.3.5. Stratification ***of Property*** for Installation Operations. Stratify all property that is not mission-essential, but is required to operate the installation for all or a portion of the time remaining until closure and is not included in the preliminary list of related personal property. Stratify items in date order ***when*** they will become excess to operational needs. Sixty calendar days prior to the date that each item become***s*** excess, report the item***s*** to the ICP/IMM under ***Chapter 11*** procedures.

 C15.4.3.6. Reporting Personal Property Items. Report items identified as related personal property (***S***ee C15.3.***6***.) to the ICP/IMM using the ***Customer Asset Report*** ***(***DLMS 180M***)*** and ***cite*** Project Code 3QQ. Project Code 3QQ informs the ICP/IMM that the item has been placed on the preliminary inventory of related personal property designated to be transferred to the local community at the time of installation closure. If there is a DoD requirement, delete the item(s) from the inventory of related personal property. Do not report related personal property to GSA under ***materiel returns program (MRP)*** procedures.

 C15.4.3.7. Processing Excess Materiel. When items ***that*** have been reported to ICPs/IMMs as ***no longer needed*** under the above guidance and ***Chapter 11*** procedures and ***for which*** the ICPs/IMMs have indicated a requirement, ***process*** those items using ICP/IMM materiel returns instructions.

 C15.4.3.8. Excess Item Disposal. ***A***ll items reported to the ICPs/IMMs as ***no*** ***longer*** ***needed***, and ***for which the*** ICPs/IMMs provided ***a Reply to Customer Asset Report (***DLMS 870M***) citing*** ***Supply Status*** ***Code*** TC, plus items ***that are*** not reportable to ICPs/IMMs (e.g., locally purchased non-***national stock number (***NSN***)*** items) ***will be disposed*** under DoD Component procedures. All items identified as related personal property (***S***ee C15.3.***6***.) and for which there is no DoD requirement, ***will*** remain with the installation.

 C15.4.3.9. Inactive NSNs. Distribution centers having obsolete or inactive coded NSNs on record ***(items*** without an ***active*** item manager ***in FLIS)*** ***will*** locally prepare a DRO ***(***DLMS 940R***)*** citing U***tilization Code*** M.

C15.5. PROCEDURES FOR THE INVENTORY CONTROL POINT/INTEGRATED MATERIEL MANAGER C15.5.1. ICPs/IMMs ***will*** process customer asset report***s (DLMS 180M)*** for property ***received*** resulting from installation closure using Chapter 11 procedures. ICPs/IMMs ***will*** not direct the return of related personal property identified by Project Code 3QQ unless the item is required to meet an approved force acquisition objective and/or approved pre-positioned war reserve requirement. C15.5.2. When appropriate, ICPs/IMMs ***will*** direct disposal of materiel resulting from base realignment and closure (BRAC) under Chapter ***16*** procedures for directing materiel to DLA Disposition Services. The resulting DRO ***(***DLMS 940R***)*** ***will*** ***cite Utilization Code*** M.

1. ***Mass cancellation and follow-on transactions are DLMS enhancements. Refer to ADC 1132. Delayed implementation authorized.*** [↑](#footnote-ref-1)
2. ***Universal cancellation and follow-on transactions are DLMS enhancements. Refer to ADC 1132. Delayed implementation authorized.***  [↑](#footnote-ref-2)