

DLMSO

Jan 15, 1998

MEMORANDUM FOR: DISTRIBUTION

SUBJECT: Revised Request for Implementation Date (RFID) on Joint Approved MILS Change Letters (AMCLs) 7 (MILSTRAP) and 22 (MILSTRIP) Cooperative Logistics Supply Support Arrangements (DLMS Supply/MILSTRIP/MILSTRAP)

The attached change to DoD 4000.25-M, DLMS, Volume 2, DoD 4000.25-2-M, Military Standard Transaction Reporting and Accounting Procedures (MILSTRAP), and DoD 4000.25-1-M, Military Standard Requisitioning and Issue Procedures (MILSTRIP), is forwarded for evaluation and submission of a single coordinated Service/Agency implementation date.

This change is one of approximately 26 MILSTRIP and MILSTRAP approved changes which the Components were unable to implement on schedule as resources were shifted to support the Corporate Information Management (CIM) single standard system effort. With the demise of that effort, the Defense Logistics Management Office (DLMSO), in conjunction with the DoD Supply PRC, has agreed to establish revised implementation dates for these AMCLs. Joint AMCLs 7 and 22 was initially published as an approved change on October 16, 1990, (with addendum dated February 28, 1991) for implementation November 1, 1993. By request of the Components during the November 17-21, 1997 DoD Supply Process Review Committee (PRC) meeting, DLMSO agreed to reissue this RFID with modification. **Bold underscored** text is used to highlight changes resulting from discussion during the November PRC meeting.

Procedures associated with this approved change have been incorporated in the DoD 4000.25-M, DLMS, Volume 2 based upon the original AMCL. This publication will be updated to reflect the revisions contained in the attachment.

Request the attached change be reviewed and your implementation date be provided to reach this office not later than 45 days from the date of this memorandum.

The DLMSO points of contact are Supply PRC Co-chairs Ms. Ellen Hilert, DSN 427-6117, 703-767-6117, or Ms. Mary Jane Johnson at DSN 427-6123, 703-767-6123 or e-mail: ellen_hilert@hq.dla.mil maryjane_johnson@hq.dla.mil, and Ms. Vermella Saváge, DoD MILSTRIP System Administrator, DSN 427-6127, 703-767-6127, or e-mail: vermella_savage @hq.dla.mil.

/s/

JAMES A. JOHNSON
Director
Defense Logistics Management
Standards Office

Attachment

DISTRIBUTION:
Supply PRC Members:

USA AMCLG-SM/ATCL SAL
USN NAVSUP 4113A/NAVICP 101.01/SPCC-031B
USAF AFMC/LGIM
CMC LPS-1/LPP-2
USCG G-SL
NIMA ST D 101
DLA MMLSC/MMLDA
GSA FSS FCSD/FCSP
DAASC DSDC SSL
DSWA FCPNM
FAA AFZ-500
US TRANSCOM TCJ3/J4
NSA S711
DSAA MEAN-AP
ADUSD(L)MDM

cc:
ARMY LOGSA SATPV L
JLSC-DMP/MMA

**REVISED REQUEST FOR IMPLEMENTATION DATE ON
JOINT APPROVED MILS CHANGE LETTERS (AMCLS)
7 (MILSTRAP) AND 22 (MILSTRIP)
COOPERATIVE LOGISTICS SUPPLY SUPPORT ARRANGEMENTS**

1. REFERENCES:

a. DoD Directive 2000.8, February 12, 1981, Cooperative Logistics Supply Support Arrangements (CLSSAs).

b. DLA-OSC memorandum, March 4, 1988, subject: Proposed Change to MILSTRIP, DoD 4000.25-1-M (NOTAL).

c. DoD 4000.25-1-M, MILSTRIP, May 1, 1987.

d. DoD 4000.25-2-M, MILSTRAP, May 1, 1987.

2. CHANGE CONCEPT/RATIONALE:

a. **Concept:** Expands the CLPSC to differentiate a Foreign Military Sales Order (FMSO) I requisition from a FMSO II requisition. Revises MILSTRAP to require the use of Demand Code P in CLSSA Termination/Drawdown Requisitions related to SPRs.

b. Rationale:

(1) Reference 1.a. requires countries to invest in DoD inventory under a FMSO I when entering into a CLSSA with the U.S. Once the DoD inventory levels have been augmented by the FMSO I investment, the country can submit its requirements under an FMSO II case. Recurring requirements submitted under the FMSO II are included in the IMM's requirements/inventory levels, building the pipeline accordingly. If the country opts, the country can draw down the FMSO I inventory or, if the CLSSA is terminated, all FMSO I stocks may be withdrawn. Currently, the CLPSC in rp 72 does not differentiate between the FMSO II requisition and the FMSO I drawdown/termination requisition.

(2) MILSTRAP, chapter 13, paragraph A.1.j, allows the use of SPRs to forecast initial pipeline stockage requirements in support of approved CLSSAs. DoD Directive 2000.8 (reference 1.a) requires the Services to also forward funds for such SPRs to finance the increased inventory levels. Accordingly, when termination/drawdown requisitions for these requirements are submitted, they should cite Demand Code P.

3. INTERFACE/IMPACT:

a. **Interface:** Between country, DoD case-implementing Military Service (MILSVC) International Logistics Control Office (ILCO), and supporting Component Integrated Materiel Manager

(IMM). Also requires modification of MILSTRAP for preparation of special program requirement (SPR) requisitions to require Demand Code P for CLSSA withdrawal requisitions regardless of SPR status code received. CLSSA termination/drawdown (CLPSC A thru F) is not applicable to DLA.

b. Impact: Changes in DoD 4000.25-1-M and DoD 4000.25-2-M; changes to Service/Agency systems and procedures.

4. PROCEDURES:

a. Revise MILSTRAP, chapter 13, paragraph N.1 to add the following new subparagraph 1 and renumber remaining subparagraphs accordingly:

"1. Enter Demand Code P in all Cooperative Logistics Supply Support Arrangement termination/drawdown requisitions related to a SPR. The demand code in conjunction with the Cooperative Logistics., Program Support Code (see MILSTRIP (reference (h)), appendix B) will properly identify the requisition as previously forecasted and enable the ICP to exclude the demand from the requirements/inventory levels."

b. Revise MILSTRIP:

(1) Chapter 6, paragraph G.3 as follows:

"3. Supply support provided under a CLSSA is intended to provide support to the requiring nation on the same basis that support is provided to U.S. Forces. However, such support cannot be provided if the combat effectiveness of U.S. Forces would be impaired thereby. Consequently, CLSSA support is not to be provided on the same basis for U.S. Forces until after the expiration of a lead time period necessary to augment U.S. stocks to support the agreement. Accordingly, there are two portions to a CLSSA: the FMSO I portion whereby the nation furnishes money up front for investment in inventories and the FMSO II portion whereby the country requisitions requirements. When submitting FMSO II requirements, supply support will be provided on the same basis as U.S. Forces providing adequate time has elapsed for the ICP/IMM to build stock levels. If adequate time has elapsed, this will be considered a programmed requirement; otherwise, it will be considered an unprogrammed requirement. When terminating or renegotiating 4 CLSSA agreement, the country will have the flexibility to revise FMSO I levels. If these levels are revised and/or the CLSSA is terminated, and a requisition/passing order is submitted to "buy out" the FMSO I portion, the Service ILCOs will enter a cooperative logistics program support code (CLPSC) in rp 72 of requisitions and passing orders in order to convey the status of the requirement to an ICP/IMM. That is, the applicable ILCO will convey to the ICP/IMM whether the requisition or passing order is for a programmed requirement, whether it is unprogrammed, or whether it is a CLSSA

termination/renewal. CLPSC codes are contained in appendix B27. If rp 72 is blank or incorrect when the requisition is received by the ICP/IMM, the requisition will be rejected.

a. CLSSA programmed (CLPSC 1) requisitions or passing orders will be processed the same as U.S. Forces, i.e., assets will be released based on the priority designator contained in the requisition in accordance with UMMIPS.

b. For CLSSA unprogrammed (CLPSC 2) requisitions or passing orders, supply support will be provided if stock levels do not drop below the established reorder point level, or if specifically approved by the IMM, assets may be released below the ROP. If sufficient stock balances are not available to fill such requisitions, supply sources will backorder the requirement until expiration of the procurement lead time, or initiate procurement action to fill the requirement. Once the procurement lead time has elapsed, the backorder will then be eligible for release based on the priority designator contained therein and processed under UMMIPS. (Note: If the requested item is nonstocked, upon receipt of the requisition or passing order, the ICP/IMM will generate a direct vendor delivery (DVD) action to fill the requirement and the applicable ILCO will be notified accordingly.)

c. CLSSA termination/drawdown (CLPSC A thru F. These codes are not applicable to DLA). Upon issuing or receiving notice of a request to terminate CLSSA support, the customer will be given the opportunity to withdraw their equity in the DoD inventory and pipeline by submitting a requisition or passing order. The requisition or passing order will be submitted to the applicable Service ILCO. The ILCO will enter the appropriate demand code in the termination/drawdown requisition or passing order to explicitly convey to the ICP/IMM that the demand is to be excluded from requirements/inventory levels. The ILCO will also enter the appropriate CLPSC to show whether the country wants the stock to be delivered or the ICP/IMM to absorb and/or take disposition action in accordance with Service/Agency regulations."

(2) Appendix B8 to add a sentence to the end of the Explanation of Demand Code P as follows:

"Also will be used by ILCOs in CLSSA termination/drawdown requisitions."

(3) Appendix B22, Type of Assistance Codes U and V as follows:

U

FMSO I. This code applies to cash payment for an **FMSO I** Supply Support Arrangement. The purchasing

government buys equity in a specified dollar amount of DoD stocks. DoD maintains that portion of its stocks for eventual delivery to the purchasing government under an

V

FMSO II requisition agreement. **NOTE: The use of this code requires the input of a CLPSC (appendix B27) in rp 72 of CLSSA requisitions and passing orders by the applicable ILCO. FMSO II.** This code applies to cash payment for an **FMSO II** Supply Support Arrangement which permits the purchaser to submit requisitions for common repair parts and secondary items in the DoD stocks of which the purchaser has bought an equity under an FMSO I agreement. **NOTE: The use of this code requires the input of a CLPSC (appendix B27) in rp 72 of CLSSA requisitions and passing orders by the applicable ILCO.**

(4) Appendix B27 with replacement as follows:

APPENDIX B27

COOPERATIVE LOGISTICS PROGRAM SUPPORT CODES

NUMBER OF CHARACTERS:

One
Alpha/Numeric

TYPE OF CODE:

EXPLANATION:

The CLPSC will be inserted, by the case-implementing Military Service, on requisitions submitted for CLSSAs. All CLSSA requisitions or passing orders (NSN only) will be coded with Service Code B, D, K, P, or T, in rp 30, Type of Assistance Code U or V in rp 35, and the appropriate CLPSC in rp 72. Depending on the CLPSC inserted, it can be identified as a programmed, nonprogrammed, or termination/ drawdown requisition by the ICP/IMM processing the requisition. If it is a termination/drawdown requisition or passing order, a demand code of P will be inserted in rp 44 to ensure the demand is not included in the

ICP's/IMM's requirements/

inventory levels.

RECORD POSITION:

<u>CODE</u>	<u>EXPLANATION</u>
1	The lead time necessary for the supply source to augment U.S. stocks to support the CLSSA agreement has passed. The requisition or passing order will be processed and assets released the same as U.S. Forces, based on the PD contained in the requisition.
2	The lead time necessary for the supply source to augment U.S. stocks to support the CLSSA agreement has not passed or the country has opted to have this requirement processed as an unprogrammed requirement. The requisition or passing order will be processed as a backorder until the necessary lead time has elapsed or be placed on procurement.
A	CLSSA termination/drawdown requisition or passing order. The country desires the ICP/IMM to absorb the materiel. If the ICP/IMM cannot absorb the inventory based on their current requirements, the country desires delivery of the FMSO I quantity reflected in rp 25-29 in existing serviceable or reparable condition. (To be used only on transactions for depot-level reparable or other reparable designated as nonconsumable investment items. Demand code in rp 44 will be P. <u>This code is not applicable to DLA.</u>)
B	CLSSA termination/drawdown requisition or passing order. The country desires the IPC/IMM to absorb the materiel. If the ICP/IMM cannot absorb the inventory based on their current requirements, the contry desires delivery of the FMSO I quantity reflected in rp 25-29 in serviceable condition. (Restore reparables to serviceable condition prior to shipment.) (To be used on transactions for both depot-level nonconsumable

investment items as well as consumable expense items. Demand code in rp 44 will be P.

C

This code is not applicable to DLA.)

CLSSA termination/drawdown requisition or passing order. The country desires the ICP/IMM to absorb the materiel. If the ICP/IMM cannot absorb the inventory based on their current requirements, the contry desires delivery of only serviceable assets. The ICP/IMM should take disposition action on the unserviceable assets under applicable Service/Agency regulations. (To be used only on transactions for depot-level reparable or other reparables designated as nonconsumable investment items. Demand code in rp 44 will be P. **This code is not applicable to DLA.)**)

D

CLSSA termination/drawdown requisition or passing order. The country desires the ICP/IMM to absorb the materiel. The country desires that no delivery of serviceable or unserviceable assets be made. If the ICP/IMM cannot absorb the inventory based on their current requirements, the country desires the ICP/IMM to take disposition action on all assets regardless of condition under applicable Service/Agency regulations. (To be used on transactions for both depot-level nonconsumable investment items as well as consumable expense items. Demand code in rp 44 will be P. This code is not applicable to DLA.)

[Code values E and F deleted.]

NOTE: The DoD Component ICP/IMM will process CLSSA requisitions or passing order as follows:

1. If the CLPSC is 1 or 2, the requisition will be appropriately processed as a programmed or nonprogrammed requirement.
2. If the CLPSC is an Alpha A through F, stating it is a drawdown or termination requisition, the ICP/IMM will exclude the demand from its requirements/inventory levels, absorb the requirement or deliver the materiel under S/A procedures, and determine financial obligation of the country.

(5) Appendix B16 to add three new status codes as follows:

CODE

EXPLANATION

CT

Rejected. FMS requisition contains a "U" or "V" in rp 35 and the entry in rp 72 is incorrect or blank. Review records and resubmit with a new document number and a correct CLPSC in rp 72.

DC

Processing of your CLSSA termination/drawdown requisition (CLPSC: A, B, C, or D) has resulted in the quantity reflected in rp 25-29 being

DD

DT

absorbed by the ICP/IMM. [**Text deleted.**] Disposition on any remaining quantity will be communicated by separate status transaction.

Processing of your CLSSA termination/drawdown requisition (CLPSC: C or D) has resulted in the quantity reflected in rp 25-29 not being absorbed by the ICP/IMM. This quantity will not be delivered. Disposition of materiel will be under appropriate Service/Agency regulations. Billing action for this quantity is in process. Status on any remaining quantity will be communicated by a separate transaction.

Canceled. Material for which this termination/drawdown requisition has been submitted is no longer in excess position on ILCO termination liability files.

(6) Appendix C2 Entry and Instructions for rp 72 as follows:

"FMS only. The applicable ILCO will enter the appropriate CLPSC if rp 35 contains a "U" or "V" in the CLSSA requisition or passing order. If blank or incorrect, reject with Status Code CT."