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LOGISTICS AND
MATERIEL READINESS

DLM 4000.25-2, June 25, 2013
Change 2

MILITARY STANDARD TRANSACTION REPORTING AND ACCOUNTABILITY PROCEDURES CHANGE 2

I. This change to DLM 4000.25-2, Military Standard Transaction Reporting and Accountability Procedures (MILSTRAP), June 2012, is published by direction of the Deputy Assistant Secretary of Defense for Supply Chain Integration under the authority of DoD Instruction (DoDI) 4140.01, DoD Supply Chain Materiel Management Policy,” December 14, 2011. Unless otherwise noted, revised text is identified by ***bold, italicized*** print. The exception would be when the entire chapter or appendix is replaced or a new one added.

II. This change includes the following revisions:

A. Administrative update to Acronyms and Abbreviations to correct the acronym for NIMS from National Inventory Management System to National Inventory Management Strategy.

B. Administrative updates throughout chapters 4 and 5 to change ‘shall’ to ‘will’ in accordance with current DOD guidance for DOD issuances. This update is not identified by bold italics.

C. Approved Defense Logistics Management System (DLMS) Changes (ADC) 372 published by DLA Logistics Management Standards Office memorandum dated May 21, 2010. Request for Discrepancy Indicator Code to Identify 527R Materiel Receipt Acknowledgement (MRA) Generated Based on “Virtual Receipt” to Support Navy BRAC SS&D/IMSP. Revises Appendix 2.17.

D. ADC 1022 dated October 19, 2012. Procedures for Processing Depot Returns (including Receipt, Supply Discrepancy Report, and Revision to Time Standard for Reclassification of Supply Condition Code J and K Assets). Revises Chapters 4 and 5.

E. ADC 1034 dated October 23, 2012. Intra-DLA Revision to Procedures to Support DLMS 945A, Materiel Release Advice, Cancellation Reason Code and Denial Management Code for Redistribution Orders Associated with DLA Disposition Services under Reutilization Business Integration. Revises Appendix 2.6.

III. The list below identifies the chapters, appendices or other files from the manual that are replaced by this change:

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IV. This change is incorporated into the on-line DLMS manual at the DLA Logistics Managements Standards Website

www.dla.mil/j-6/dlms/eLibrary/manuals/dlm/dlm_pubs.asp and the PDF file containing the entire set of change files is available at

www.dla.mil/j-6/dlms/eLibrary/Manuals/DLMS/formal_changes.asp



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MILITARY STANDARD TRANSACTION REPORTING AND ACCOUNTABILITY PROCEDURES (MILSTRAP)

PROCESS CHANGE HISTORY

ADC Number	Date	Change Description	Change Number
191	3/14/2006	Management Codes on Supply Status Transaction. This change establishes two new management codes for use on the Supply Status transaction. Both new management codes are authorized for use in the DLMS. Revises Appendix (AP) 2.6., Management Codes, paragraph AP2.6.2. Issue Related Transactions.	0
197	6/5/2006	Request for New Type of Physical Inventory/Transaction History Code and Add Code to Historical Transactions. DLA identified a requirement to have a code to distinguish transaction history associated with annual reconciliation from other transaction history submittals. This change was approved for immediate DLA implementation. Implementation of this change by other DoD Components is optional, but they are encouraged to consider the requirement for their system modernization initiatives. Revises AP2.2. Type of Physical Inventory/Transaction History Codes, and Chapter 7, Physical Inventory Control.	0
198	6/6/2006	Revise DLMS 846P to Provide Capability to Advise When No History is Available in Response to a Transaction History Request. The capability to identify that no history is available in response to a request for transaction history exists in MILSTRAP, but was not incorporated in DLMS. Revises AP2.2. Type of Physical Inventory/Transaction History Codes.	0
218	11/14/2006	Revise MILSTRAP Receipt Transactions to Document Use of Distribution Standard System Operations Control Number (OCN) and Additional Z4/Z6 Requirements. Provides for Distribution Standard System (DSS) entry of the OCN in receipt transactions regardless of materiel owner, to support current use of OCN by Army, Navy, and Mapping. Revises AP3.1. DIC D4_, and AP3.2, DIC D6_.	0

ADC Number	Date	Change Description	Change Number
220	12/8/2008	ADC in Two Parts, Part I: Revise Definitions for Small Arms to Address Light Weapons, and Part II: Visibility and Traceability of Captured, Confiscated or Abandoned Enemy Small Arms and Light Weapons. Revises Term and Definitions, Chapter 12, Small Arms and Light Weapons Serial Number Registration and Reporting, and revises the following appendices to reflect Small Arms and Light Weapons (SA/LW) in place of Small Arms: AP2.1, DIC, AP2.12, Small Arms Transaction Codes, AP2.13, Small Arms Error Transaction Reject Codes; format appendices AP3.31 through AP3.37 (DICs DSA, DSB, DSC, DSD, DSF, DSM, and DSR).	0
232	3/23/2007	Administrative Update to MILSTRAP and DLMS to Clarify Supply Condition Code (SCC) Q is authorized for Turn-in to Defense Reutilization Marketing (Supply). This change revises guidance to support the turn-in of SCC Q materiel to DLA Disposition Services Field Office. This ADC revises AP2.5. Supply Condition Codes.	0
234	4/9/2007	Identification of Intra-Army Data Requirements for DLMS 527R and 527D, and Administrative Update to Batch/Lot and Ull Length. This change incorporates data elements in DLMS required to accurately process intra-Army data for nonprocurement source receipts, dues-in, and advance receipt information (ARI) (prepositioned materiel receipt (PMR) under MILSTRAP). Revises AP3.2, DIC D6_, Materiel Receipt-Other Than Procurement Instrument Source, AP3.12, DIC DF_, Due-In – Other Than Procurement Instrument Source, and AP3.39. DIC DW_, Pre-Positioned Materiel Receipt.	0
235	4/17/2007	Revise DLMS 867I and MILSTRAP Issue Transactions to Support Navy Issue On Request Code. Revises DLMS 867I and DIC D7_ Issue transaction to add the Navy issue on request code in support of an existing Navy requirement. Navy uses the issue on request code when interfacing with DLA DSS. Revises AP3.3. DIC D7_, Issue.	0
236	4/25/2007	Revise the Property Accountability Accuracy Goal for Controlled Inventory Items Not Subject to Annual Complete Physical Inventory. Revises the property accountability records accuracy level, from 85 percent to 95 percent, for controlled inventory items that are not subject to an annual complete physical inventory. Revises Chapter 7, Physical Inventory Control.	0

ADC Number	Date	Change Description	Change Number
237	4/25/2007	Rename Location Audit Program to Record Reconciliation Program. This change renames the Location Audit Program to the Record Reconciliation Program. Revises Terms and Definitions and chapter 7, Physical Inventory Control.	0
240	6/13/2007	Transactions for Stock Screening Request/Reply and Web-Enhanced Stock Screening Requests and Storage Quality Control Reports and Update to MILSTRAP Appendix. This change defines a requirement for new DLMS transactions to be used by supply chain owners/managers to request storage sites to perform stock screening actions and allow storage sites to reply to the owners/managers electronically. Revises AP2.18. Type Inspection Codes.	0
244	5/10/2007	Definition for Reconciliation, Small Arms and Light Weapons (SA/LW) and Clarification of Procedure. This change clarifies the SA/LW reconciliation procedures and revises SA/LW Transaction Code E to acknowledge that when a Service performs the reconciliation with a DLA Distribution Depot, the reconciliation is inter-Component. This ADC revises Chapter 12, SA/LW Serial Number Registration and Reporting, and AP2.12. SA/LW Transaction Reject codes.	0
246	5/22/2007	Revise DS 527R and MILSTRAP Receipt Transactions to Document Use of Navy MTIS Indicator. When sending DIC D6_ receipt to the Navy, DAAS will send MTIS indicator in position 7 of the D6_. This change incorporates the MTIS indicator in DIC D6_.	0
250	7/30/2007	Revise DS 846I and MILSTRAP DZA Asset Status Transactions to Support Army Distribution Operations, and Revise DS 846I for Use of UTC and for Administrative Updates. Incorporates changes to support Army requirements for Asset Status Report transaction (DLMS 846I and corresponding DIC DZA Asset Status), to accommodate recording the on hand quantity of assets being held in the DLA ownership at DLA Defense Depot, Kuwait. Revises Chapter 8, Asset Status Reporting, and AP3.52. DIC DZA, Asset Status.	0

ADC Number	Date	Change Description	Change Number
255	11/20/2007	Storage Activity Accountability to Service Materiel Owners. Revises the chapter 7 procedures to require that the storage activity send the Inventory Owners a quarterly summary of the causative research results for each individual NIIN, for all adjustments of extended dollar value greater than \$16K and any adjustment of an item with a controlled inventory item code that is Classified, Sensitive or Pilferable. This change documents a mechanism for the storage activity to provide the materiel owner with insight for physical inventory adjustments (loss, gain, reversal or no conclusive findings) and loss, damage or destruction of property. Revises Chapter 7, Physical Inventory Control.	0
259	11/9/2007	Revise DS 867I and MILSTRAP Issue Transactions to Support Navy Issue Reversal Code. Revise DLMS 867I transaction to add a "Reason for Reversal Code" in support of an existing Navy legacy system requirement for an issue reversal code. Revises DLMS 867I Issue to add a "Reason for Reversal Code". Revises AP3.3, DIC D7_ Issue, to accommodate Navy's use of a Navy issue reversal code.	0
267	1/30/2008	Interim Change for DLMS 527R Receipt to Support Intra-Army Direct Support/Reparable Exchange Decapitalization Transaction. Documents and incorporates for temporary use, the DLSS requirements for intra-Army data elements, to support the Direct Support/Reparable Exchange receipt and follow-on triggers at the National level. Revises AP3.2, DIC D6_, Materiel Receipt – Other Than Procurement Instrument Source.	0
272	3/4/2008	Revise DLMS 527R and MILSTRAP Receipt Transactions to Add Discrepancy Indicator Codes for use with Intra-Army Discrepancy Receipt Process. Incorporate changes to DLMS 527R to support the existing Intra-Army Single Stock Fund (SSF) Discrepancy Receipt Process. Revises AP2.17, Discrepancy Indicator Codes, and AP3.2, DIC D6_, Materiel Receipt – Other Than Procurement Instrument Source.	0
274	4/1/2008	DLMS and DLSS Changes to Support Army Exchange Pricing. Documents and incorporates DLSS and DLMS requirements for intra-Army data elements to support Army's implementation of Exchange Pricing in order to comply with OSD guidance. Revises Chapter 4, Receipt and Due-In.	0

ADC Number	Date	Change Description	Change Number
287	6/24/2008	Special Program Requirements (SPR) Status and Corresponding DLMS Manual Procedures Administrative Update. This change revises SPR procedures in the DLMS manual to bring the DLMS procedures in line with corresponding MILSTRAP procedural requirements and the existing SPR process. Administrative updates identify DIC functionality associated with the DLMS SPR and War Material Requirement transactions, and updates terminology in the DLMS 830R for consistency with the procedural language. Revises the MILSTRAP DIC Correlation Table.	0
312	1/22/2009	Denial Management Code in a Supply Status Transaction. This change requires that the denial management code approved by ADC 191 for use on a supply status transaction on an intra-Army basis, be established for DOD use. This ADC revises AP2.6., Management Codes, paragraph AP2.6.2. Issue Related Transactions.	0
324	6/24/2009	DLMS Procedures for Materiel Returns from National Inventory Management Strategy (NIMS) Sites and Industrial Sites under Base Realignment and Closure (BRAC). This change documents procedures for materiel returns to the DLA under the NIMS and in support of the 2005 BRAC decision. The change addresses communication between customer, the distribution depot, and the DLA ICP, and establishes new procedures for authorizing and processing customer credit for the returned materiel. Revises Chapter 4, Receipt and Due-in.	0
333	6/24/2009	Revision to DLMS, Volume 2, Chapter for Logistics Asset Support Estimate (LASE); and Administrative Updates to DLMS 846L, 870L, LASE Request Codes and Reject Advice Codes. This change made administrative updates to the DLMS LASE chapter to position it for movement to a combined DLMS/MILSTRAP DLM. ADC 333 is overcome by ADC 400 which eliminated the LASE process.	0

ADC Number	Date	Change Description	Change Number
338A	8/24/2010	New Advice Code for Surge Requirements of Mission Support Material under Navy BRAC Inventory Management and Stock Positioning (IMSP). This change republishes ADC 338 to replace the assigned advice code with a new management code for use on DLMS transactions associated with requisitioning to identify surge requirements for Mission Support Material under DLA-Navy BRAC IMSP. Use of a management code (in lieu of an advice code) to identify surge requirements will allow for continued independent use of applicable advice codes on the requisition. Revises AP2.6 Management Codes, paragraph AP2.6.6. Requisition Transactions.	0
352	2/18/2010	Management Code for Product Quality Deficiency Report (PQDR) Replacement Requisitions. This change authorizes the assignment of a new management code for use on DLMS MILSTRIP requisitions. The new code will indicate the materiel is being re-requisitioned upon determination that the originally requisitioned materiel was deficient and subsequent to submission of a PQDR. Revises AP2.6. Management Codes, paragraph AP2.6.2., Issue Related Transactions, and paragraph AP2.6.6., Requisition Transactions.	0
355	2/5/2010	Revise DLMS 846I, Asset Status Report to Address Intra-Navy Use of Transaction Preparation Date in Multiuse Field of MILSTRAP DZA Transaction. Navy modernized system will be DLMS compliant. This change maps DIC DZA data reflected in intra-Component multiuse field to the DLMS 846I. Revises AP3.52, DIC DZA, Asset Status.	0
359	2/23/2010	Perpetuation of the Denial Management Code to the DLMS Requisition, and Modification of USAF BRAC IMSP SDR Procedures. This change request authorizes the perpetuation of existing management codes on a DLMS requisitioning transaction to indicate a denial has occurred on a prior requested release of materiel purchased by the USAF from DLA under BRAC SS&D IMSP business rules. Revises AP2.6. Management Codes, paragraph AP2.6.6., Requisition Transactions.	0
364	5/18/2010	Revise DoD Physical Inventory Requirements to Allow Annual Complete Inventories as Alternative to Statistical Sampling and Location Survey Requirement. Revises Chapter 7, Physical Inventory Control.	0

ADC Number	Date	Change Description	Change Number
366	4/16/2010	New Special Program Requirement (SPR) Status Code to Reject US Air Force SPRs Submitted for Planning for DLA Managed Consumables (PDMC) Flight. As a result of Air Force standing up the Air Force Global Logistics Support Center (AFGLSC) PDMC flight, SPR input will be superseded by Demand Data Exchange (DDE) for DLA managed assets. Any SPR input which DLA received would conflict with DDE forecasts, and thus need to be rejected back to origin with instruction to follow-up with the appropriate Air Force PDMC office. Revises AP2.11, SPR Status Codes.	0
370	5/18/2010	Requisitioning for Off-Station Forward Site Support and New Non-Inventory Affecting Denial Management Code indicating Off-Station Materiel under Navy BRAC SS&D IMSP. This change provides procedures for storage and distribution of materiel associated with a forward (remote) maintenance site, while under DLA ownership. The materiel will be physically located at the forward site, but the accountability for the materiel will remain at the primary Distribution Depot, which is co-located with the responsible Navy industrial activity. This change assigns a new denial management code for use on the Materiel Release Denial indicating the denial is the result of materiel being physically located outside the physical confines of the storages site to which the MRO was directed. Revises AP2.6. Management Codes, paragraph AP2.6.2., Issue Related Transactions.	0
372	5/21/2010	Request for Discrepancy Indicator Code to Identify 527R MRA Generated Based on "Virtual Receipt" to Support Navy BRAC SS&D/IMSP. This change request is for the assignment of a new Discrepancy Indicator code for use on DLMS 527R standard transactions indicating the MRA is the result of a virtual receipt being posted in a Navy Maintenance system (Material Access Technology (MAT), or Material Resource Planning (MRP) II (MRPII)). This change allows 527R MRA transactions which are generated from the Navy 'virtual' receipt process to include an MRA Discrepancy Indicator code to facilitate recognition by external parties (e.g., logistics response time). Revises AP2.17, Discrepancy Indicator Codes. This change was inadvertently omitted when the Manual was republished and is being added as part of Formal Change 2.	0/2

ADC Number	Date	Change Description	Change Number
375	9/15/2010	New Management Code for Navy Funded Non-Production Support Materiel Ordered under BRAC SS&D/IMSP. This change request is for the assignment of a new Management Code for use on applicable DLMS transactions associated with requisitioning of Navy-funded non-production support materiel ordered under DLA-Navy BRAC IMSP. Revises AP2.6. Management Codes, paragraph AP2.6.2., Issue Related Transactions and paragraph AP2.6.6., Requisition Transactions.	0
391	8/10/2010	New Denial Management Code to Support the New Protection Process at the Navy Shipyards when Protection Document Number/Job Order does not Match DSS Records under BRAC SS&D/IMSP. This change request authorizes the use of a new management code on the DLMS 945A, Material Release Denial, indicating a denial has occurred on a request for a Navy Shipyard maintenance customer. Revises AP2.6. Management Codes, paragraph AP2.6.2., Issue Related Transactions.	0
393	8/4/2010	Revise DLMS 846P, Response to Transaction History Request When No History Available, to Add a Second Iteration of Type Physical Inventory/Transaction History Code. This change recognizes the requirement to carry 2 Type Physical Inventory/Transaction History Codes in 846P when it is used as a "Response to Transaction History Request (No History Available)". DLA requests an optional second iteration of the transaction history code to cite the code which appeared on the associated Transaction History Request, in addition to code value 8 or 9. Revises AP2.2., Type of Physical Inventory/Transaction History Codes.	0
396	10/6/2010	Revised Procedures and Data Content for DLMS Materiel Release Order (940R) and Material Release Advice (945A) and New Denial Management Code for Marine Corps BRAC SDI. This change proposes new procedures and updates the DLMS Material Release Order and Material Release Advice between the Marine Corps Maintenance Center and DLA Depots operating under the DSS. Revises AP2.6. Management Codes, paragraph AP2.6.2., Issue Related Transactions.	0

ADC Number	Date	Change Description	Change Number
398	10/20/2010	Revise DLMS 846A Asset Reclassification, 947I Inventory Adjustment, and Associated Procedures to Support Marine Corps BRAC Storage and Distribution Interface. The DLMS 846A Asset Reclassification transaction will be used in support of Marine Corps and DLA re-identification of assets to support less than unit of issue functionality at the Marine Corps Maintenance Centers. Revises AP2.6 Management Codes.	0
400	4/11/2012	Elimination of the DLMS-MILSTRAP Logistics Asset Support Estimate (LASE) Process no Longer Required by the DOD Components. This change eliminates the DLMS-MILSTRAP LASE process as recommended by the DOD Components after staffing two separate PDCs from DLA and Army respectively. The PDCs documented that DLA and Army were not implementing LASE in their respective enterprise resource planning systems: DLA Enterprise Business System and Army Logistics Modernization Program. The remaining DOD Components agreed to DLA and Army's elimination of the LASE process. In response to the PDCs, Navy and Air Force stated they would not implement LASE in their modernized systems, and Marine Corps also concurred with the elimination of LASE.	0
403	4/25/2011	Administrative Update to Identify MILSTRAP Transactions Authorized for Reversal. This administrative change updates MILSTRAP to identify in a single list, all MILSTRAP transactions that are authorized for reversal. This change clearly identifies all transactions authorized for reversal in one place for easy reference and information. This change also incorporates portions of AMCL 13 in the AP3 Introduction, regarding the MILSTRAP reversal indicator used in place of the former "11-zone overpunch". Revises AP3 Formats Introduction.	0
404	12/9/2010	Revision to Small Arms and Light Weapons Procedure to Address Reporting Foreign Weapon Serial Numbers and Definition Updates. This change provides new procedures for assignment of serial numbers for foreign weapons with unrecognizable serial number character. This ADC revises Chapter 12, SA/LW Serial Number Registration and Reporting, to add new paragraph C12.2.11, and updates "Definitions and Terms."	0

ADC Number	Date	Change Description	Change Number
414	3/28/2011	Revisions to DLMS and MILSTRAP Procedures to Address Owner/Manager Research of Inventory Adjustments (Accounting Error). This change addresses owner/manager research requirements for 'Inventory Adjustments (Accounting Error)' by adding a section on "Research of Potential or Actual Inventory Adjustments (Accounting Errors) – DIC D8B/D9B". In addition, a distinct code list is being added to clearly identify the inventory adjustment 'error classification codes' that apply to the DIC D8B/D9B inventory adjustments (accounting error). Revises Chapter 7, Physical Inventory Control, and adds new Appendix 2.16, Inventory Adjustments - Accounting Error Classification Codes.	0
415	11/29/2011	Revise the DOD Inventory Control Effectiveness (ICE) Report (General Supplies) and Revise Type Physical Inventory/Transaction History Code C and Add Code Z. This change realigns the ICE Report information to enhance data analysis to provide meaningful performance data for the varied range of line items managed by the Components and the depth of inventories, including the Monetary Values related to Record Reconciliation and end of day processing. Revises Definitions, Chapter 7, Physical Inventory Control, as well as, AP2.2, Type of Physical Inventory/Transaction History Codes.	0
423	9/29/2011	Revise DLMS 527D to Allow Use of Supply Condition Code (SCC) with Due-In (Procurement Instrument Source) and Specifically with Logistics Reassignment Memorandum Due-In. Allow Use of SCC with Due-In (Procurement Instrument Source) transactions and specifically with Logistics Reassignment (LR) Memorandum Due-In (MILSTRAP DDX functionally). DLA uses SCC in LR Memorandum Due-In transactions (Procurement Instrument Source). Revises AP3.10, DIC DD_, Due-In Procurement Instrument Source.	0

ADC Number	Date	Change Description	Change Number
441	8/22/2011	Exception Rules to Accommodate Communication of Ammunition/Ammunition Related Quantities in Excess of Five Digits. This change proposes that DLA Transaction Services split large quantities for ammunition communicated via DLMS Transaction into two legacy 80-record position transactions without creating or changing the suffix code. The split into separate transactions is necessary because the legacy format restricts the allowable field length for quantities and does not accommodate residual quantities when using the “M” quantity multiplier described above. The Defense Automatic Addressing System conversion split from a single DLMS transaction into two separate 80-record position legacy transactions will result in the maximum allowable quantity on the first transaction and the residual quantity on the subsequent transaction produced with like document number/suffix. Revises AP3, Formats Introduction.	0
444	12/1/2011	Revise Asset Status Report Transactions, DLMS 846I and MILSTRAP DZA, to Document Ammunition Systems Use by Agreement of Nine Digit Quantity On-Hand. At the end of each day, Army Logistics Modernization Program (LMP) will send a DLMS 846I Asset Status Report to the Air Force, Marine Corps, and Navy to report asset balances for their owned assets stored in an LMP storage location. Revises Chapter 9, Rejection Routing; AP3, Formats Introduction; and AP3.52, DIC DZA, Asset Status.	0
446	11/15/2011	New Supply Condition Code (SCC) T, Serviceable (Ammunition Suitable for Training Use Only). This change established new SCC T for ‘Serviceable (Ammunition Suitable for Training Use Only)’, for use by agreement. SCC T is authorized for Intra-Service use and authorized for staggered implementation for inter-Service use by agreement of impacted trading partners. SCC T is scheduled for October 2012 implementation in the Ordnance Information System used by Navy, Marine Corps, and Coast Guard. For Army, further analysis is required to determine supportability of SCC T in Logistics Modernization Program. Air Force does not use SCC T. Revises AP2.5, Federal Condition Code.	0

ADC Number	Date	Change Description	Change Number
449	11/21/2011	Intra-DLA Revisions to the DLMS 945A, Materiel Release Advice, Cancellation Reason Code, Management codes, and Associated Procedures under RBI. This change revises the DLA Disposition Services procedures in DLMS DLM, Volume 2, Chapter 16 (Changes reflected in DLM reissuance) and revises the definition for Management Code Q expanding applicability to DTID Number for DLA Disposition Services. (Change was missing in Version 0). Revises Appendix 2.6, Management Codes.	1
461	12/1/2011	Revision for Commercial Asset Visibility-Organic Repairables Module (CAV-ORM) Estimated Completion Date on MILSTRAP DAC/DLMS 947I and Administrative Update to 527D, 527R, 856S, and 867I. This change enables CAV-ORM to receive, store, and pass the initial estimated completion date to other systems. CAV-ORM can also accept updated estimated completion date. Revises AP3.8, DIC DAC/DAD, Inventory Adjustment - Dual (Condition/Purpose Transfer).	0
458	12/12/2011	Documentation of Intra-Army Use of Army Data Elements for MILSTRAP DZA and DLMS 846I Asset Status Transactions. This change updated the DIC DZA format multiuse fields to reflect Army's use of Stockage List Code and Project Code; and that DLA Transaction Services mapping between MILSTRAP legacy DZA and DLMS 846I be updated accordingly. Revises AP3.52, DIC DZA, Asset Status.	0
474	4/4/2012	New Materiel Receipt Acknowledgment (MRA) Discrepancy Indicator Code. This change creates a new MRA discrepancy code for use with Navy ships to indicate that an MRA is being submitted in response to a follow-up request, but that there has not yet been an opportunity to pick-up/stow the order due to deployment or extended transit times. Revises Chapter 6, MRA.	0
482	4/12/2012	Revision Documenting Changes to the Materiel Receipt Acknowledgment (MRA) Report. Revises the manual to document the changes to the on-line MRA Management Information Report structure which were agreed to by the Supply Process Review Committee. Updates the report descriptions and provide additional information regarding the capability to save the reports to a spreadsheet for additional analysis. Revises Chapter 6, MRA.	0

ADC Number	Date	Change Description	Change Number
485	3/15/2012	DOD Physical Inventory Control Program (PICP), Chief Financial Officers Act (CFOA) of 1990, Statistical Sampling Requirements and Procedures. In support of the CFOA of 1990 reporting requirements, DLA shall annually prepare and execute the DOD sampling plan using a mutually agreed upon stratified, hierarchical inventory sample for the purpose of accurately estimating the dollar value of the DOD inventory in DLA storage locations. DLA, as the common warehouse provider, stores the preponderance of the DOD on-hand inventories. The purpose of this sample is to estimate the dollar value of the non-fuel portion of the DOD on-hand inventory held in DLA storage. Revises Chapter 7, Physical Inventory Control, in support of the CFOA of 1990 reporting requirements.	0
489	4/25/2012	Administrative Change to Maintain Inventory Control Effectiveness (ICE) Report Ammunition Procedures. This change updates procedures for ICE Report Ammunition to provide explicit procedures specific to the Ammunition report (rather than using references to the ICE Report General Supply procedures). Revises Chapter 7, Physical Inventory Control.	0
1022	10/19/2012	Procedures for Processing Depot Returns (including Receipt, Supply Discrepancy Report (SDR), and Revision to Time Standard for Reclassification of Supply Condition Code J and K Assets). This change documents revises receipt, inventory and SDR procedures to support DLA Distribution Depot processing and automatic disposal of materiel categorized as Supply Condition Code H, Unserviceable (Condemned). This change also revises the dollar value associated with automatic disposal, and revises the time standard for providing disposition on materiel identified upon receipt in SCC J Suspended (In Stock) and K, Suspended (Returns). ADC 1022 also addresses administrative updates and revisions to MILSTRAP to clarify procedures for storage activity receipt of discrepant/unauthorized returns retrograde. Revises MILSTRAP Chapters 4, Receipt and Due-In, and 5, Adjustments.	2

ADC Number	Date	Change Description	Change Number
1034	10/23/2012	Intra-DLA Revision to Procedures to Support DLMS 945A, Materiel Release Advice, Cancellation Reason Code and Denial Management Code for Redistribution Orders Associated with DLA Disposition Services under Reutilization Business Integration (RBI). This change establishes a new Cancellation Reason Code YJ for use on the DLMS 945A Reply to Cancellation Request (Document Identifier Code (DIC) AG6) and a new Denial Management Code N for use on the DLMS 945A Disposal Release Denial (DIC A6J) for proper financial processing of Redistribution Orders (RDO) cancellations and denials within DLA Disposition Services systems under RBI. Revises Appendix 2.6, Management Codes.	2

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ABBREVIATIONS AND ACRONYMS

<u>Acronym or Abbreviation</u>	<u>Definition</u>
ADC	Approved DLMS Change
ADP	Automated Data Processing
ASD (L&MR)	Assistant Secretary of Defense for Logistics and Materiel Readiness)
AMCL	Approved MILSTRAP Change Letter
ANSI ASC	American National Standards Institute Accredited Standards Committee
BRAC	Base Realignment and Closure
CAO	Contract Administrative Office
CLIN	Contract Line Item Number
CLSSA	Cooperative Logistics Supply Support Arrangement
COMSEC	Communications Security
CONUS	Continental United States
CWT	Customer Wait Time
CSI	Critical Safety Item
DAAS	Defense Automated Addressing System
DD Form 1149	Requisition and Invoice/Shipping Document
DD Form 1348-1A	Issue Release/Receipt Document
DoD Form 200	Financial Liability Investigation of Property Loss
DD Form 2338-1	Inventory Control Effectiveness (ICE) Report – Ammunition

<u>Acronym or Abbreviation</u>	<u>Definition</u>
DD Form 2338-2	Inventory Control Effectiveness (ICE) Report -- General Supplies
DFAR	Defense Federal Acquisition Regulation
DIC	Document Identifier Code
DISN	Defense Information Systems Network
DLA	Defense Logistics Agency
DLAR	Defense Logistics Agency Regulation
DLM	Defense Logistics Manual
DLMS	Defense Logistics Management System
DLSS	Defense Logistics Standard System(s)
DMISA	Depot Maintenance Inter-Service Support Agreement
DoD	Department of Defense
DoDAAC	Department of Defense Activity Address Code
DoDI	Department of Defense Instruction
DTID	Disposal Turn-In Document
DTRA	Defense Threat Reduction Agency
DSS	Distribution Standard System
DVD	Direct Vendor Delivery
EBCDIC	Extended Binary Coded Decimal Interchange Code
EDI	Electronic Data Interchange
ETD	Effective Transfer Date
FAR	Federal Acquisition Regulation
FMS	Foreign Military Sales
FSC	Federal Supply Classification

<u>Acronym or Abbreviation</u>	<u>Definition</u>
FSCAP	Flight Safety Critical Aircraft Part
GFM	Government Furnished Materiel
GIM	Gaining Inventory Manager
GSA	General Services Administration
IA	Industrial Activity
ICP	Inventory Control Point
ILCO	International Logistics Control Office
ILP	International Logistics Program
IMM	Integrated Materiel Manager
IMSP	Inventory Management and Stock Positioning
JPIWG	Joint Physical Inventory Working Group
JSA/LWCG	Joint Small Arms and Light Weapons Coordinating Group
LCN	Local Control Number
LIM	Losing Inventory Manager
LMP	Army Logistics Modernization Program
LR	Logistics Reassignment
LRO	Lateral Redistribution Order
M&S	Media and Status
MCN	Management Control Number
MILSBILLS	Military Standard Billing System
MILSTRAP	Military Standard Transaction Reporting and Accountability Procedures

<u>Acronym or Abbreviation</u>	<u>Definition</u>
MILSTRIP	Military Standard Requisitioning and Issue Procedures
MRA	Materiel Receipt Acknowledgment
MRC	Materiel Release Confirmation
MRO	Materiel Release Order
MRP	Materiel Returns Program
NIIN	National Item Identification Number
NIMS	National Inventory Management Strategy
NIPRNET	Non-Secure Internet Protocol Router Network (NIPRNET)
NSN	National Stock Number
OEM	Original Equipment Manufacturer
OWMR	Other War Materiel Requirement
OWRMR	Other War Reserve Materiel Requirement
OWRMRP	Other War Reserve Materiel Requirement, Protectable
PICA	Primary Inventory Control Activity
PICD	Physical Inventory Cutoff Dates
PIIN	Procurement Instrument Identification Number
PMR	Pre-Positioned Materiel Receipt
PO	Purchasing Office
PQDR	Product Quality Deficiency Report
PRC	Process Review Committee
PWRMR	Pre-Positioned War Reserve Materiel Requirement
PWRMRP	Pre-Positioned War Reserve Materiel Requirement, Protectable

**Acronym or
Abbreviation**

Definition

RCS	Report Control Symbol
RDD	Required Delivery Date
RIC	Routing Identifier Code
RP	Record Position
SA/LW	Small Arms and Light Weapons
SCC	Supply Condition Code
SDD	Standard Delivery Date
SDR	Supply Discrepancy Report
SICA	Secondary Inventory Control Activity
SF 364	Standard Form, Supply Discrepancy Report (SDR)
SF 368	Product Quality Deficiency Report (PQDR)
SMCA	Single Manager for Conventional Ammunition
SMR	Source, Maintenance, and Recoverability
SN	Serial Number
SPR	Special Program Requirement
SSA	Supply Support Activity
SS&D	Supply, Storage and Distribution
TIPR	Total Item Property Record
TDR	Transportation Discrepancy Report
UI	Unit of Issue
UIC	Unit Identification Code
UMMIPS	Uniform Materiel Movement and Issue Priority System

<u>Acronym or Abbreviation</u>	<u>Definition</u>
U.S.	United States
USAF	United States Air Force
WMR	War Materiel Requirement
WSN	Weapon Serial Number

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DoD Manuals/Regulations etc.: www.dla.mil/j-6/dlmso/eLibrary/Manuals/regulations.asp

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DoD Component Regulations/Manuals etc.
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DEFINITIONS AND TERMS

ACTIVE FILE (DoD Small Arms/Light Weapons Registry (SA/LW) and Components Registry). A list of weapon serial numbers for which the Component Registry's Military Department or Agency maintains accountability.

ACTIVITY. A unit, organization, or installation performing a function or mission, e.g., reception center, redistribution center, naval station, naval shipyard. (Joint Publication 1-02.)

ADJUSTMENTS, BOOK-TO-BOOK. Mismatches within the storage activity's management system between the quantity-by-location and the owner balances.

ADJUSTMENTS, PHYSICAL INVENTORY. The accounting transaction, which corrects a book balance to agree with the quantity of the item in storage. Such adjustments may result from (1) physical inventory, (2) a potential discrepancy revealed by a materiel release denial or location survey/reconciliation, and (3) erroneous capitalization/decapitalization actions. Excluded are adjustment transactions caused by (1) reidentification of stock, (2) type of pack changes, (3) standard price changes, (4) catalog data changes, (5) supply condition and purpose code changes, and (6) condemnation of materiel resulting from rebuild and surveillance programs. Adjustment transactions directly attributed to computer malfunctions, program errors, and correction of computer system time lags will not be categorized as adjustments due to physical inventory. All such adjustment transactions identified during research will be assigned the appropriate error classification code, and supply system managers will monitor the rate of occurrence.

AGENT (DMISA). The Military Service responsible for providing depot maintenance support to the Principal. (OPNAVINST 4790.14A et al.)

CLASSIFIED ITEMS. (See Controlled Inventory Items.)

COMPONENT REGISTRY. Military Department or Agency, which maintains visibility of all small arms and light weapons (SA/LW) serial numbers within that Component and provides the DoD SA/LW Registry with small arms or light weapons status.

CONTRACT ADMINISTRATION OFFICE. The office which performs assigned functions related to the administration of contracts and assigns pre-award functions.

CONTRACT MAINTENANCE. Any depot level maintenance performed under contract by commercial organizations, including original manufacturer. (OPNAVINST 4790.14A et al.)

CONTROLLED INVENTORY ITEMS. Those items designated as having characteristics which require that they be identified, accounted for, secured, segregated, or handled in a special manner to ensure their safeguard or integrity. Controlled inventory items in descending order of degree of control normally exercised are:

- a. **Classified Items.** Materiel which requires protection in the interest of national security.
- b. **Sensitive Items.** Materiel which requires a high degree of protection and control due to statutory requirements or regulations, such as narcotics and drug abuse items; precious metals; items which are of a high value, highly technical, or hazardous nature; and small arms, light weapons, ammunition, explosives, and demolition materiel (see chapter 7, figure 7-2).
- c. **Pilferable Items.** Materiel having a ready resale value or application to personal possession and which is, therefore, especially subject to theft.

CUSTODIAL ACCOUNTABILITY. The responsibility of the SMCA to maintain data elements in the wholesale inventory record to reflect by ownership code the receipt, issue, balance, and other quantitative and financial data essential for proper control and management of assets which are in the single manager's custody but are owned by another DoD Component. Custodial accountability includes the responsibility to initiate and approve adjustment actions and reports of survey.

CUSTODIAL RESPONSIBILITY. The responsibility of a storage activity, depot, or agent, which is not the designated single manager, to maintain proper custody, care, safekeeping, receipt, issue, and balance data for stored DoD wholesale materiel.

DATA PATTERN MESSAGE. A machine-readable document/transaction in a fixed length, 80 character image/format suitable for mechanical processing upon receipt.

DEFICIENT MATERIAL. See product quality deficiency.

DISCREPANCY WITH MANDATORY RESEARCH REQUIREMENT. Potential or actual physical inventory adjustment, which exceeds established dollar value limits or which is applicable to a controlled inventory item (see chapter 7, figure 7-1).

DEPOT MAINTENANCE INTER-SERVICE SUPPORT AGREEMENT (DMISA). A formalized agreement similar to a contract whereby one Service (the Agent) obligates itself to provide depot maintenance support for another Service (the Principal). (OPNAVINST 4790.14A et al.) For the purpose of this manual, DMISA also covers depot maintenance provided for under inter-Service support agreements not covered by the referenced joint regulation.

DISTRIBUTION SYSTEM. That complex of facilities, installations, methods, patterns, and procedures designed to receive, store, maintain, distribute, and control the flow of materiel between the point of receipt into a military system and the point of issue to using activities and units. (Joint Publication 1-02)

DoD SA/LW REGISTRY. DoD central repository for small arms and light weapons (SA/LW) serial numbers. The registry serves as the single point of access for inquiries relating to the last known record of SA/LW serial numbers. Serial numbers are provided by the Component Registries on a scheduled and as required basis.

DoD SMALL ARMS/LIGHT WEAPONS REGISTRY AND COMPONENT REGISTRY FILES. (See Active File, Inactive File, History File.)

FULL – PIPELINE. A sufficient quantity of assets, on hand and/or on order to meet forecasted demands through a period equal to the procurement lead time plus the safety level and, when applicable, OWRMRP of the LIM.

GAINING INVENTORY MANAGER. The Inventory Manager responsible for assuming wholesale materiel management functions.

HANDGUNS. Handguns are divided into one of two major groups depending upon the location of the chamber. Revolvers have a revolving chamber; pistols have a chamber integral with the barrel. Some handguns include single-shot pistols, revolvers, semi-automatic pistols, and fully automatic, or machine pistols.

HISTORY FILE (DoD Small Arms/Light Weapons Registry and Component Registry). A list of weapon serial numbers which the Component Registry's Military Department or Agency has reported as shipped to another activity, either intra-Service or inter-Service.

INACTIVE FILE (DoD Small Arms/Light Weapons Registry and Component Registry). A list of weapon serial numbers which the Component Registry's Military Department or Agency has reported as demilitarized, lost or stolen, or transferred outside the control of DoD.

INITIAL REGISTRATION. The initial loading of a small arm serial number data into the Component Registry.

INTER-COMPONENT SUPPLY. Exchange of materiel, inventory control documentation, and other management data between a distribution system of one Service or Agency and a distribution system of another.

INTRA-COMPONENT SUPPLY. Exchange of materiel, inventory control documentation, and other management data within or between the distribution systems of a single Service or Agency.

INVENTORY CONTROL POINT. An organizational unit or activity within a DoD supply system that is assigned the primary responsibility for the material management of a group of items either for a particular Service or for the Defense Department as a whole. Material inventory management includes cataloging direction, requirements computation, procurement direction, distribution management, disposal direction, and, generally, rebuild direction. (Joint Publication 1-02.)

INVENTORY CONTROL RECORD. The composite of data entries showing by item the ownership/purpose; condition; location; balances on hand, due-in, or on backorder; and such other management information as may be prescribed by competent authority. It is the primary source of recorded data influencing inventory control, supply distribution, and financial management decisions and actions.

INVENTORY LOT/SEGMENT. A sub grouping of the total items in storage for the purpose of physical inventory counting or location audit. The lot/segment is generally by federal supply class, warehousing, picking station, or some form of commodity grouping.

INVENTORY, SCHEDULED. A physical inventory, which is to be conducted on a group of items within a specified period of time according to an established plan. There are two types of scheduled inventories; complete and sample.

a. Inventory, Complete. An inventory of all conditions of all stock numbers within specified categories.

b. Inventory, Sample. A sample of items selected from an inventory lot in such a manner that each item in the lot has an equal opportunity of being included in the sample.

INVENTORY, UNSCHEDULED. A physical inventory, which is to be conducted on a specific item as a result of some, unscheduled inventory requirement such as an inventory manager or locally initiated request, material release denial, location survey or location reconciliation request, etc. There are two types of unscheduled inventories; special and spot.

a. Inventory, Special. A physical inventory of a specific item(s) as a result of a special requirement generated by the location audit program, pre-procurement, or any other reason deemed appropriate by the item manager, APO or the APO designated representative, or the storage activity.

b. Inventory, Spot. A physical inventory required to be accomplished as a result of a total or partial materiel denial.

LOGISTICS REASSIGNMENT. The transfer of management responsibilities from one materiel manager to another materiel manager.

LOSING INVENTORY MANAGER. The Inventory Manager responsible for relinquishing wholesale materiel management functions.

MAINTENANCE (Material). All action taken to retain material in a serviceable condition or to restore it to serviceability. It includes inspection, testing, servicing, classification as to serviceability, repair, rebuilding, and reclamation. (Joint Publication 1-02.) Maintenance, used generically in this manual, also includes evaluation, assembly, disassembly, conversion, and modification.

MAJOR INVENTORY VARIANCE. Total dollar value of the item overage or shortage for the stock number exceeds \$5,000 or a variance of any value for controlled items.

MANAGEMENT CONTROL ACTIVITY. DoD Component-designated activities that initially receive and effect control over contractor-initiated requisitions for GFM to support commercially performed maintenance contracts or requirements, which would be supplied from the wholesale DoD supply system.

MATERIEL. All items (including ships, tanks, self-propelled weapons, aircraft, etc., and related spares, repair parts, and support equipment, but excluding real property, installations, and utilities) necessary to equip, operate, maintain, and support military activities without distinction as to its application for administrative or combat purposes. (Joint Publication 1-02)

MATERIEL ACCOUNTABILITY. The act of safeguarding, answering for, and exercising proper quantitative and physical controls over DoD materiel, supplies, and equipment in the care and custody of DoD activities.

MATERIEL DENIAL. A notification from a distribution activity advising the originator of an A5_ MRO, or of an A4_ referral order, of failure to ship all or part of the quantity originally directed for shipment.

MATERIEL RECEIPT ACKNOWLEDGMENT. A computer-processable transaction used to advise that materiel has been received and posted and/or to indicate that a discrepancy affects the receipt posting/acknowledgment process.

ORGANIC MAINTENANCE. Maintenance performed by a military department under military control, utilizing Government-owned or controlled facilities, tools, test equipment, spares, repair parts and military or civilian personnel. Depot maintenance support by one Service for another is considered organic within DoD. (OPNAVINST 4790.14A et al.).

OTHER WAR RESERVE MATERIEL REQUIREMENT. This level consists of the war reserve materiel requirement less the pre-positioned war reserve materiel requirement.

OTHER WAR RESERVE MATERIEL REQUIREMENT, PROTECTABLE. The portion of the other war reserve materiel requirement which is protected for purposes of procurement, funding, and inventory management.

PAYBACK. When the SMCA issues materiel from a location where the requesting service owns no materiel, the owning service is compensated for its loss of materiel by a like item and quantity at a location where the requesting service owns some materiel. The payback of the materiel is accomplished by ownership gain/loss transactions.

PHYSICAL INVENTORY CUTOFF DATE. A date established for striking the accountable record balance. This date serves as the reference point for considering the relationship between preinventory/post-inventory transactions and the physical count quantity to determine if the count is in agreement with the inventory record balance.

PHYSICAL INVENTORY INFLOAT CONTROL DATE. A date established for initiating controls on all in process transactions and materials, which could affect the outcome of the inventory.

PILFERABLE ITEMS. (See Controlled Inventory Items.)

POST-COUNT VALIDATION. (See Reconciliation, Physical Inventory.)

POST-POST TRANSACTION. The posting of a transaction to add to or subtract from the accountable stock record balance subsequent to physical issue or storage of a stocked item.

POST-INVENTORY TRANSACTION. Any transaction, causing an increase or decrease to the accountable stock record balance, dated after the established physical inventory cutoff date.

PREINVENTORY PLANNING. Pre-inventory planning is conducted prior to the physical inventory cutoff date to reduce the potential for inventory inaccuracies through:

- a. Actions to ensure location integrity by resolving such situations as un-binned/loose materiel; questionable identity of materiel in location; and multiple conditions, shelf life (including date of pack/date of expiration), and/or materiel lots stored in a single location.

- b. Document cleanup to ensure to the extent possible that adjustments and transaction reversals are posted to the record, in process receipts are stored in location, and related transactions are transmitted to the ICP prior to the established physical inventory cutoff date.

PRE-POSITIONED WAR RESERVE MATERIEL REQUIREMENT. That portion of the war reserve materiel requirement which approved Secretary of Defense guidance dictates be reserved and positioned at or near the point of planned use or issue to the user prior to hostilities, to reduce reaction time and to assure timely support of a specific force/project until replenishment can be effected.

PRE-POSITIONED WAR RESERVE MATERIEL REQUIREMENT, PROTECTABLE.

That portion of the pre-positioned war reserve materiel requirement, which is protected for purposes of procurement, funding, and inventory management.

PRE-POST TRANSACTION. The posting of a transaction to add to or subtract from the accountable stock record prior to physical issue or storage of a stocked item.

PRINCIPAL (DMISA). The Military Service(s) or other Federal Department or Agency(s) [owner(s)] receiving depot maintenance support from the Agent. (OPNAVINST 4790.14A et al.)

PRODUCT QUALITY DEFICIENCY. A defect or nonconforming condition which limits or prohibits the product from fulfilling its intended purpose. Included are deficiencies in design, specification, material, manufacturing, and workmanship. (DLAI 4155.24, et al.)

PROPERTY ACCOUNT. A formal record of property and property transactions in terms of quantity and/or cost, generally by item. An official record of Government property required to be maintained. (Joint Publication 1-02)

PROPERTY ACCOUNTABILITY RECORD. The official record for tangible personal property, including inventory, owned by DoD which is maintained to identify the quantity of an item on hand, unit price, location, physical condition, receipt, issue, authorized stock number, item description, and other such information necessary to properly account for materiel and exercise other inventory management responsibilities.

PURCHASING OFFICE. The office which awards or executes a contract for supplies or services and performs post award functions not assigned to a contract administration office.

RECONCILIATION, PHYSICAL INVENTORY. To obtain agreement between the physical count and record balance by attempting to account for all transactions representing infloat documents.

RECONCILIATION, SMALL ARMS & LIGHT WEAPONS. The process of matching records between the activity(s) having physical custody and/or accountability of small arms and light weapons and the Component Registry for the purpose of ensuring that the records are in agreement and/or adjusting the difference between the records so that the records agree.

RECORD RECONCILIATION PROGRAM. The record reconciliation program consists of actions required to assure compatibility between the assets in storage and the locator records and between the locator records and the owner records. Record reconciliation programs may include quantity. This program is accomplished in two phases:

a. **Location Reconciliation.** A match between valid storage activity records and the owner records, in order to identify and correct situations where items are in physical storage but not on record, on record but not in storage, or where common elements of data (may include quantity) do not match. Research of mismatches, including special inventories when required, results in corrective action.

b. **Location Survey.** A physical verification, other than actual count, between actual assets and recorded location data to ensure that all assets are properly recorded as to location, identity, condition, and unit of issue.

REPAIR AND RETURN. Consignment, without change in ownership, of reparable materiel from an owning activity to a Government, commercial, or industrial maintenance activity for repair and shipment directly back to the owning activity. The owning activity is responsible for negotiating maintenance agreements and preparation of applicable turn-in documents. The activity having custody of the materiel is responsible for maintaining the property accountability record (materiel accountability) prior to an assets induction into maintenance and following its return from maintenance.

REPORTING ACTIVITY. Within the context of chapter 6, the reporting activity for U.S. Forces is the activity identified by the “ship-to” DoDAAC designated by the signal code of the requisition. The reporting activity is normally the requiring activity or unit which receives the materiel and posts it to a record such as a retail stock record, stock record account, property account, etc. For security assistance shipments, the responsible Service ILCO will serve as the reporting activity.

RESEARCH, PHYSICAL INVENTORY. An investigation of potential or actual discrepancies between physical count and recorded balances. The purpose of research is to determine the correct balance and determine the cause of discrepancies. There are three types of research:

a. **Post-count Validation.** A comparison of physical count with recorded balances or another count, with consideration of transactions that have occurred recently. The purpose of post-count validation is to determine the validity of the count. Post-count validation research ends when the accuracy of the count has been verified or when any necessary recounts have been taken. (See figure C7.F1.)

b. **Preadjustment Research.** A review of potential discrepancies which involves the consideration of recent transactions, and verification of catalog data. The purpose

of preadjustment research is to determine the correct balance. Preadjustment research ends when the balance has been verified or the adjustment quantity determined.

c. Causative Research. An investigation of discrepancies (i.e., gains and losses) consisting of (as a minimum) a complete review of all transactions to include supporting documentation, catalog change actions, shipment discrepancies, and unposted or rejected documentation occurring since the last completed inventory. The purpose of causative research is to identify, analyze, and evaluate the cause of inventory discrepancies with the aim of eliminating repetitive errors. Causative research ends when the cause of the discrepancy has been discovered or when, after review of the transactions, no conclusive findings are possible.

RETAIL. Level of inventory below the wholesale level, either at the consumer level (directly supporting customers) or at the intermediate level (supporting a geographical area). (DoD 4140.1-R)

SENSITIVE ITEMS. (See Controlled Inventory Items.)

SHELF LIFE. The total period of time beginning with the date of manufacture/cure/assembly [or inspection/test/restorative action] that an item may remain in the combined wholesale (including manufacturer) and retail storage system and still remain suitable for issue/use by the end user. Shelf life is not to be confused with service life, which is a measurement of anticipated average or mean life of an item (DoD 4140.27-M). Supply condition codes applicable to shelf-life items are described in appendix 2.5.

SHELF-LIFE ITEM. An item of supply possessing deteriorative or unstable characteristics to the degree that a storage time period must be assigned to assure that it will perform satisfactorily in service. (DoD 4140.27-M) (See Type I Shelf-Life Item and Type II Shelf-Life Item.)

SHELF-LIFE EXPIRATION DATE. The date beyond which non extendable shelf-life items (Type I) should be discarded as no longer suitable for issue or use. (DoD 4140.27-M)

SHELF-LIFE INSPECTION/TEST DATES. The date by which extendable shelf-life items (Type II) should be subjected to inspection, test, or restoration. (DoD 4140.27-M)

SINGLE MANAGER FOR CONVENTIONAL AMMUNITION. The responsibility assigned to the Secretary of the Army by the Secretary of Defense for the procurement, production, supply, and maintenance/renovation of conventional ammunition within the DoD. Specific responsibilities, functions, authority, and relationships are set forth in DoD Directive 5160.65.

SMALL ARMS AND LIGHT WEAPONS. For the purpose of small arms and light weapons reporting, small arms and light weapons are defined as man-portable weapons made or modified to military specifications for use as lethal instruments of war that expel a shot, bullet or projectile by action of an explosive. Small Arms are broadly categorized as those weapons intended for use by individual members of armed or security forces. They include handguns; rifles and carbines; sub-machine guns; and light machine guns. Light weapons are broadly categorized as those weapons designed for use by two or three members of armed or security forces serving as a crew, although some may be used by a single person. They include heavy machine guns; hand-held under-barrel and mounted grenade launchers; portable anti-aircraft guns; portable anti-tank guns; recoilless rifles; man-portable launchers of missile and rocket systems; and mortars.

SMALL ARMS/LIGHT WEAPONS SERIAL NUMBER. The total series of characters appearing on the firing component part of a small arm or light weapons.

SMALL ARMS/LIGHT WEAPONS TRANSACTION REPORTING. Reporting of individual transactions affecting the small arms or light weapons serial numbers' status within any Component Registry and the DoD Small Arms/Light Weapons Registry.

STOCK RECORD ACCOUNT. Proper authority may require a basic record showing by item the receipt and issuance of property, the balances on hand, and such other identifying or stock control data. (Joint Publication 1-02)

STORAGE ACTIVITY. The organizational element of a distribution system, which is assigned responsibility for the physical handling of materiel incident to its check-in and inspection (receipt), its keeping and surveillance in a warehouse, shed, or open area (storage), and its selection and shipment (issue).

SUPPLY DISCREPANCY. Errors reportable under DLM 4000.25, Vol 2, Chapter 17. This includes any variation in goods received from data shown on the covering shipping documents (GSA or issue release/receipt document (DD Form 1348-1A); requisition; invoice/shipping document; authorized procurement delivery document or vendor's packing list; or other authorized shipping document) which is not the result of a transportation discrepancy or product quality deficiency. Supply discrepancies encompass variations in condition or quantity, incorrect and misdirected material, receipt of canceled requirements, improper or inadequate technical data or supply documentation, and any unsatisfactory condition due to improper packaging which causes the material to be vulnerable to loss, delay, or damage, or which imposes unnecessary expense to the U.S. Government, e.g., excessive packaging.

TECHNICAL DATA. Recorded information used to define a design and to produce, support, maintain, or operate items of materiel. These data may be recorded as graphic

or pictorial delineations in media such as drawings or photographs; specifications or related performance of design type documents; in machine forms such as punched cards, magnetic tape, computer memory printouts; or may be retained in computer memory. Examples of recorded information include engineering drawings and associated lists specifications, standards, process sheets, manuals, technical reports, catalog item identifications, and related information.

TOTAL ITEM PROPERTY RECORD. The record or record set maintained by the IMM that identifies the quantity, condition, and value of the item assets for each organizational entity having physical custody of the assets. The total item property record includes, as a minimum, materiel that is due-in, in transit, in organic wholesale repair facilities, in a contractor's custody, on loan, on and in wholesale distribution centers, on hand at retail activities, and for reported assets in the custody of users.

TRANSPORTATION DISCREPANCY. Any deviation of shipment received (i.e., quantity, condition, documentation, or deficiencies.) (DoD 4500.9-R)

TYPE I SHELF-LIFE ITEM. An item of supply, which is determined through an evaluation of technical test data and/or actual experience to be an item with a definite non-extendable period of shelf life.

TYPE II SHELF-LIFE ITEM. An item of supply having an assigned shelf-life time period that may be extended after completion of inspection/test/restorative action.

UNCLASSIFIED PROPERTY RECORD. A stock account belonging to a DoD activity whose mission is not classified, whereas a classified account contains information of a sensitive nature, the disclosure of which may be detrimental to the U.S. Government's interest (e.g., small arms or light weapons belonging to intelligence-gathering activities).

WHOLESALE STOCK. Stock, regardless of funding sources, over which the IMM has asset knowledge and exercises unrestricted asset control to meet worldwide inventory management responsibilities. (DoD 4140.1-R)

C4. CHAPTER 4

RECEIPT AND DUE-IN

C4.1. GENERAL

C4.1.1. This chapter prescribes standard procedures for transmitting information about incoming materiel between inventory control points (ICP) and storage activities. It also provides for processing materiel receipt documentation from the storage activity where materiel is received to the owner. The procedures require timely establishment of procurement on-order records and expeditious reflection of assets in the owner's records and related financial account.

C4.1.2. Documentation covering consignment of materiel to storage activities is prescribed in other DoD and DoD Component regulations. These documents are used, together with information developed by inspection and classification procedures, as source data for documenting transactions in terms of this manual. The distribution of disbursement, procurement, and transportation documentation by storage activities is also governed by existing regulations and is, therefore, not a consideration here.

C4.1.3. When data reflected in consignment documentation are converted into MILSTRAP receipt transactions, recording of receipts within the DoD is standardized and complements the principles established in other chapters of this manual.

C4.2. CONTROL OF MATERIEL DUE-IN.

C4.2.1. Due-in transactions are used in establishing and canceling due-in records and when transmitting due-in establishment and cancellation actions. These transactions are identified by document identifier codes (DIC) in the DD series for materiel due-in from procurement instrument sources and in the DF series for materiel due-in from other than procurement instrument sources. Prepare due-in transactions in the Appendix AP3.10 or AP3.12 format.

C4.2.2. When ICPs direct materiel for return based on a reported product quality deficiency, they will prescribe use of Supply Condition CodeSCC (SCC) Q in the disposition instructions to the returning activity. ICPs will establish and monitor due-ins for all returns of potential/confirmed product quality deficiency related materiel, citing the document number included in the report. Provide pre-positioned materiel receipts (PMR) for the returns to receiving storage activities, under C4.3, citing the due-in document number and SCC.

C4.2.3. Due-in records will be established to maintain property accountability or visibility of materiel due-in to inventory, as required under Chapter 7, (C7.2.3. and C7.2.4).

C4.2.4. Due-in records will be maintained in a current status. Use revised delivery schedules, notification of shipment or delayed shipment, repair schedules and repair schedule changes, contracts and contract changes, customer and ICP cancellations, materiel receipts, and completion of shipment tracer/discrepancy reporting actions to establish, revise, or delete due-in records and maintain appropriate delivery dates.

C4.2.5. An audit trail will be established when due-in quantities are deleted or reversed and all due-in deletions and reversals will interface with the financial system. Due-in deletions are prohibited without advance coordination between the supply and financial functions, and with the procurement function for dues-in from procurement instrument sources, unless the supply, financial, and procurement systems are fully integrated. When due-in quantities are deleted or reversed, action will be initiated to correct receiving storage activity PMR records under C4.3.

C4.2.6. Components will establish the necessary interface between the supply and financial operations/functions to account for materiel intransit as required under DoD 7000.14-R, "DoD Financial Management Regulations".

C4.2.7. Owners will monitor due-in records and follow up to storage activities for intransit dues-in under the procedures in C4.10.

C4.3. PRE-POSITIONING DOCUMENTS FOR RECEIPTS

C4.3.1. Owners/Managers will transmit advance notification of scheduled materiel receipts to maintenance and storage activities. Use PMRs, prepared in the appendix AP3.38 or AP3.39 format and identified by DICs in the DU or DW series, for this purpose.

C4.3.2. Storage activities receiving PMRs will maintain them in a suspense file pending receipt of the materiel or of PMR updates from the ICP.

C4.3.3. Upon arrival of the materiel, storage activities will use the PMR suspense records to report the receipt to the ICP. Change or add only those suspense record data elements which are required to prepare the materiel receipt transactions shown in Appendix AP3.1 or AP3.2. Assure that DICs in the materiel receipt transaction are changed to D4_ for DU suspense records and to D6_ for DW_ suspense records. Absence of a PMR is not to delay prompt recording and reporting of materiel receipts. Deletion of pre-positioned suspense records is controlled by the ICP. To delete a suspense record, the ICP will transmit a reversal (reversal indicator in record position 25) of the original PMR to the storage activity. New PMRs and replacement PMRs for deleted documents do not contain the reversal indicator. Proper and accurate maintenance of the PMR suspense file by storage activities is extremely important. Timely updates by the owner/manager are essential to proper and accurate maintenance of the PMR suspense file by the storage activity.

C4.3.4. Under the National Inventory Management Strategy (NIMS) concept of operation, the integrated materiel manager (IMM) may own materiel for managed national stock numbers (NSN) down to the retail level. Such arrangements will be

based on agreements between participating DoD Components. Replenishment of the IMM-owned retail will be accomplished under a push scenario. Redistribution from depot inventory will be accomplished using the MILSTRIP DIC A2_ Redistribution Order transaction. When assets are available to push, DIC DWK PMR will be sent to the NIMS site using standard PMR procedures. Optionally, the DoD Component agreements may authorize the use of DIC DWK for the IMM to notify the NIMS site that materiel to support a NIMS site requirements is delayed¹. In this instance, the DIC DWK will contain the quantity not available for push replenishment, the delay notification status code "BD" and estimated shipping date. If at the time push replenishment is required only a partial quantity is available, then two DWKs will be generated; one for the quantity pushed and one for quantity delayed. These two DWKs will have different documents numbers and the delayed one will have the "BD" notification. Subsequently, if only a partial amount of the quantity previously delayed becomes available to push, two DWKs will be generated. The one for the quantity pushed will maintain the document number of the original delayed notification with the "BD" indicator eliminated. The DWK for the quantity still delayed will be assigned a new document number and a "BD" delayed indicator. If the total quantity is initially delayed and subsequently the total quantity is shipped, the DWK will have the same document number throughout the process. The IMM will update/replace the DWK delayed notification any time either the replenishment quantity or the estimated shipping date changes. New delayed notification will maintain the same document number unless a partial push occurs. Replacement delayed notification under the same or new document number will not require the reversal of the previous DWK. Reversal logic for DWKs indicating that a push shipment has been initiated will follow the requirement in C.4.3.3 above.

C4.3.5. PMR for Materiel Returns under NIMS and Base Realignment and Closure (BRAC) Retail Supply, Storage and Distribution (SS&D)/Inventory Management and Stock Positioning (IMSP). The PMR is used in a variation of the materiel returns program for processing DLA-managed materiel returns to DLA from selected sites in support of the BRAC SS&D/IMSP and NIMS. The returning activity will be responsible for submission of a PMR to the storage site identifying the Military Service activity to which the receipt will be reported for these returns of DLA-managed items. Because the Military Service sites will no longer retain retail stock balances under these programs, DLA will assume ownership of all materials regardless of asset position. Upon notification of receipt by the storage activity by a Defense Logistics Management System (DLMS) 527R (D6A), the Military Service activity will determine if there is a need for the material by another maintenance user (backorder). If so, an issue document will be forwarded to the storage activity for action. If not, a materiel release order will be initiated, directing shipment-in-place (citing the ship-to/supplemental address of the storage activity), authorizing a change of ownership to DLA. The receipt of the returned materiel from the Military Service ownership to DLA will be accomplished with a receipt (DIC D6B).

¹ See ADC 135.

C4.4. MATERIEL RECEIPTS (PROCUREMENT INSTRUMENT SOURCE)

C4.4.1. Storage activities will report receipts of materiel from procurement instrument sources to ICPs using materiel receipt transactions citing a DIC in the D4 series (see Appendix AP3.1). (For logistically reassigned items, report receipts after the ETD in accordance with Chapter 11. However, also see the procedures in C4.8 for reporting receipts of discrepant/deficient shipments.) DICs for reporting procurement receipts for depot inventory are assigned and explained in Appendix AP2.1.

C4.4.2. Receipts from vendors can emanate from central procurement or local procurement actions. Authorized procurement delivery documents should accompany each shipment as prescribed in the Federal Acquisition Regulation (FAR).

C4.4.3. When shipments of materiel received from commercial sources require inspection and/or acceptance at destination, storage activities will accomplish the inspection and/or acceptance and the in-check operations concurrently.

C4.4.3.1. Inspect shelf-life materiel for appropriate condition and type of shelf-life code in accordance with applicable DoD Component prescribed procedures based on [DoD 4140.27-M](#), Shelf-Life Management Manual, May 5, 2003. Mark materiel, as appropriate, for shelf-life code and SCC upon receipt. Package markings will be in accordance with [MIL-STD-129](#).

C4.4.3.2. Based on inspection, storage activities will prepare separate materiel receipt transactions indicating the actual condition of the materiel received. Prepare materiel receipt transactions for discrepant shipments from commercial sources in accordance with the guidelines provided in C4.8.

C4.4.4. Complete the materiel receipt transaction by changing or adding to data in the PMR suspense record, or by extracting data from the consignment documentation.

C4.5. MATERIEL RECEIPTS (OTHER THAN PROCUREMENT INSTRUMENT SOURCE)

C4.5.1. Storage activities will report receipts of materiel from other than procurement instrument sources to ICPs using materiel receipt transactions citing a DIC in the D6 series (see Appendix AP3.2). (For logistically reassigned items, report receipts after the ETD in accordance with Chapter 11. However, also see the procedures in C4.8. for reporting receipts of discrepant/deficient shipments.) DICs to report nonprocurement receipts for depot inventory are assigned and explained in Appendix AP2.1.

C4.5.2. Complete the materiel receipt transaction by changing or adding to data in the PMR suspense record or by extracting data from the consignment documentation.

C4.6. TIME STANDARDS FOR PROCESSING RECEIPTS

C4.6.1. One objective of the MILSTRAP system is to process receipts and reflect them on both the accountable and owner records with minimal delay. Wholesale activity receipt processing performance will, therefore, be measured in two segments:

C4.6.1.1. Date materiel is turned over by the carrier to the designated receiving activity to date when storage location/proof of storage is posted in storage activity records. Materiel is considered to be in storage when it reaches the first location (either temporary or permanent) where actual storage control exists through locator data and the materiel can be issued in response to materiel release documentation.

C4.6.1.2. Date materiel is turned over by the carrier to the designated receiving activity to date of posting to the total item property record.

C4.6.2. MILSTRAP performance standards for processing receipts through these time segments are as follows:

C4.6.2.1. Receipts from new procurement and redistribution² will be processed through segments one and two within 7 calendar days.

C4.6.2.2. All other receipts will be processed through segments one and two within 10 calendar days.

C4.6.3. Recording asset receipts and making asset records visible from the point of inspection and/or acceptance normally will be accomplished within 24 hours (holidays and weekends excepted). The accounting and finance office will be notified of the item receipt within the 24-hour period.

C4.6.4. Address wholesale activity receipt processing effectiveness as prescribed by Chapter 7, (C7.11.2.2.1.). The acceptable DoD performance goals for receipt processing are: percent posted within the time standard, 90 percent; percent stored within the time standard, 90 percent. When computing the overall performance against the above time standards, include receipt transactions frustrated for a long period of time prior to posting/storing.

C4.7. CONTROL OF RECEIPTS

C4.7.1. Storage activities will establish these receipt control procedures for posting information relating to the status of materiel in the storing cycle. The cycle begins with the release of materiel and documents into custody and control of the receiving activity.

² A deviation granted to DLA allows DLA to process redistribution receipts through segments one and two within 10 calendar days.

C4.7.2. After the materiel has been physically received but prior to or concurrent with movement to storage, storage activities will accomplish the following actions:

C4.7.2.1. Establish a transaction suspense record to record the materiel as an in-process receipt.

C4.7.2.2. Prepare and transmit the materiel receipt transaction to the ICP within the prescribed timeframe (see C4.6.).

C4.7.3. When the storage activity receives requisitions or materiel release orders and there is not sufficient materiel available on the onhand balance of the stock record (physically stored), a check will be made of the in-process receipt suspense file to determine if there is an in-process quantity to fully or partially satisfy the requisition document. When in-process receipts are recorded, fill priority 01-08 requirements from these receipts. Defer the filling of priority 09-15 requirements from in-process receipts until proof of storage is recorded.

C4.7.4. Storage activities will periodically refer to the suspense file of in-process receipts to expedite the storage of materiel delayed beyond authorized receipt processing timeframes. Expedite the storing of materiel for which issues have been deferred pending storage.

C4.7.5. After proof of storage is received, storage activities will clear the suspense record, update the storage locator record, and release the deferred issues.

C4.7.6. As an additional aid in control of receipts, ensure that appropriate storage activity records (e.g., stock locator) reflect the date of the last receipt of an item and storage information (e.g., date of storage or some other code indicating that storage has been reported).

C4.8. SUBMITTING REPORTS FOR DISCREPANT/DEFICIENT RECEIPTS

C4.8.1. In addition to processing and reporting materiel receipts, storage activities will submit reports for all discrepant/deficient receipts in accordance with the procedures and forms prescribed by the following:

C4.8.1.1. Supply Discrepancy Reporting (SDR) per [DLM 4000.25, DLMS, Volume 2, Chapter 17](#).

C4.8.1.2. Transportation Discrepancy Report (TDR) per [DTR 4500.9-R](#), "Defense Transportation Regulation", Part II, Chapter 210.

C4.8.1.3. Product Quality Deficiency Report (PQDR) per [DLAR 4155.24/AR 702-7/SECNAVINST 4855.5A/AFR 74-6 and DLAI 4155.24 \(including Enclosures 1 and 2\)](#).

C4.8.1.4. Inspection of Subsistence Supplies and Services per [Joint Regulation DLAR 4155.3/AR 30-12/NAVSUPINST 4355.2D/AFR 74-5/MCO 10110.21E](#).

C4.8.1.5. Other DoD and joint or intra-DoD Component regulations governing discrepancies/deficiencies not covered by the above.

C4.8.2. Neither the dollar value nor the timeframes for submitting discrepancy/deficiency reports apply for reporting the materiel receipt to the cognizant ICP. The receipt reporting timeframes are prescribed by C4.6. The procedures for reporting receipt of discrepant/deficient shipments to the ICP are prescribed by C4.9.

C4.9. PROCESSING DISCREPANT/DEFICIENT RECEIPTS

C4.9.1. General

C4.9.1.1. Upon receipt of all incoming materiel shipments, from procurement and nonprocurement sources, storage activities will research all available documentation and item markings to determine the receipt data (i.e., document number, NSN, or other item identification number, PMR or due-in data, quantity, condition, inspection/ acceptance requirements, etc.). Using this data, storage activities will determine if a discrepancy/deficiency (hereafter referred to as discrepancy or discrepant) exists and will identify its nature.

C4.9.1.1.1. Not all discrepant receipts require submission of discrepancy reports. Storage activities will follow the procedures in C4.8 to determine whether a discrepancy report must be submitted.

C4.9.1.1.2. Management Codes R, S, and U have been assigned in Appendix AP2.6 for use in receipt transactions to identify discrepant receipts for which the procedures in C4.8 require submission of a discrepancy report. The purpose of the codes is to notify the ICP in advance that a receipt was discrepant and that a discrepancy report is being submitted which will provide additional information relating to the reported item. Management Codes S and U are entered only for DIC D4 series receipts and identify vendor caused misdirected shipments and contract over shipments. These discrepancies, which occur more frequently and are more easily resolved than others, are separately identified so ICPs can initiate immediate corrective action before the formal report of discrepancy is received.

C4.9.1.1.3. When part of a receipt is not affected by a discrepancy requiring submission of a discrepancy report, the following receipt reporting procedures may require storage activities to report the nondiscrepant quantity in a separate transaction without citing the discrepant receipt management code. Additionally, the discrepant receipt management code is not used when special circumstances require the use of another management code (e.g., M for automatic disposal by the storage activity, P for storage activity created document number, or Z for explanatory remarks) even though submission of a discrepancy report is required. Prescribed omission or replacement of the discrepant receipt management code in the receipt transaction does not negate the requirements in C4.8 to submit a discrepancy report.

C4.9.1.1.4. Never enter the discrepant receipt management code in transactions for discrepant receipts if the procedures in C4.8 do not require submission of a discrepancy report.

C4.9.1.2. When materiel is received without accompanying documentation, or with inadequate documentation to process the receipt, storage activities will use one of the following data sources to develop materiel receipt transactions:

C4.9.1.2.1. Pre-positioned materiel receipt documents.

C4.9.1.2.2. Authorized procurement delivery documents and vendor packing lists.

C4.9.1.2.3. Advance copies of [DD Forms 1348-1A](#) or [1149](#).

C4.9.1.2.4. Transportation and fiscal records.

C4.9.1.2.5. Container markings.

C4.9.1.2.6. **Contract information available via the [Electronic Document Access \(EDA\) Website](#) reference archive.**

C4.9.1.2.7. Federal Logistics Information System (FLIS) or [WebFLIS](#) data.

C4.9.1.2.8. The [Item Unique Identification \(IUID\) Registry](#) for serially managed assets.

C4.9.1.2.9. Advice provided by the ICP upon request of the storage activity if receipt documentation cannot otherwise be developed.

C4.9.1.2.10. Advice provided by the shipper upon request of the storage activity if receipt documentation cannot otherwise be developed.

C4.9.1.2.11. Advice provided by the U.S. Customs Inspector's Office upon request of the storage activity if the receipt documentation cannot otherwise be developed for receipts which passed through customs.

C4.9.1.3. Normally when a discrepant receipt is retained in U.S. Government custody, whether or not it is U.S. Government-owned, storage activities will store the materiel, submit a DIC D4_/D6_ receipt to the cognizant ICP, and hold the materiel pending receipt of disposition. For improbable situations, storage activities will use exception transactions (i.e., Code Z in the third position of the DIC and/or Management Code Z in record position 72). In these situations, storage activities will provide to the cognizant ICP a separate written explanation which includes the receipt transaction document number and the discrepancy report number when a discrepancy report was required. For nonprocurement receipts with no PMR, see C4.9.3.3.11.

C4.9.1.4. If unusual circumstances prevent normal receipt reporting of discrepant shipments, the storage activity will communicate with the ICP or the contract administrative office (CAO)/Purchasing Office (PO) to determine how the discrepancy report should be submitted and the receipt reported. When the ICP determines that receipt reporting will be delayed pending subsequent action, the storage activity must control the receipt by physically segregating and monitoring the status of the materiel until the receipt is reported or until the ICP directs other disposition (e.g., reshipment, return to shipper, etc.). This paragraph applies only when circumstances exist which prevent normal receipt reporting.

C4.9.1.5. Report discrepant receipts on items which have been logistically reassigned as follows:

C4.9.1.5.1. Report all receipts for which PMRs are established to the LIM or to the GIM under the procedures in Chapter 11, Logistic Reassignments.

C4.9.1.5.2. Research procurement receipts for which no PMR is recorded in coordination with the recorded item manager. The item manager will direct the appropriate reporting of the receipt under the procedures in Chapter 11, Logistic Reassignments, to assure accurate accountability and reporting of the assets is maintained.

C4.9.1.5.3. Report nonprocurement receipts for which no PMR is recorded following C4.9.3.3.11.

C4.9.1.6. When receipts are reported by a storage activity outside the normal distribution system for the NSN, the ICP will record the receipt so assets are issued from that site first. ICPs will effect disposition of such materiel as quickly as possible. If the materiel is not issuable, the ICP will direct repair induction, reclassification, relocation, or disposal using the appropriate transaction prescribed by this manual or MILSTRIP.

C4.9.1.7. Separate and/or secure storage may be required for procurement discrepancies, discrepancies imposing a health/safety hazard, classified risk, etc. When these situations exist, storage activities will take protective measures in accordance with established DoD or DoD Component procedures.

C4.9.2. Receipt Reporting For Discrepant Shipments From Procurement Instrument Sources

C4.9.2.1. When acceptance is accomplished at a point other than destination, storage activities may not reinspect supplies at destination for acceptance purposes. However, storage activities will examine such supplies at destination for identity, damage in transit, quantity, and condition (including proper packing/packaging and labeling). The U.S. Government's right to litigate a discrepant receipt is not affected by the point of acceptance. Consequently, storage activities will report discrepancies detected during the destination examination under the regulations cited in C4.8.

C4.9.2.2. Shipment of procurement receipts directly to disposal is not authorized unless unusual circumstances (e.g., health/safety hazard, etc.) exist and separate/ secure storage facilities, addressed in C.4.9.1.7., are not available. When unusual circumstances require that materiel be shipped directly to the property disposal activity (or that other disposal actions be taken as prescribed by the Services/Agencies), the storage activity will first report the receipt using a DIC D4 series, Materiel Receipt transaction, citing SCC L and Management Code R (discrepant receipt management code). The disposal action will then be reported using a DIC DAC, Dual Inventory Adjustment transaction citing SCC H and Management Code M (excludes shelf-life materiel) or Management Code T (expired shelf-life materiel).

C4.9.2.3. When the receipt cannot initially be identified to an NSN, the procurement instrument and the sources identified in C4.9.1.2. will be used to identify the item.

C4.9.2.4. Unless otherwise allowed by these procedures, storage activities will report discrepant shipments from a procurement instrument source to the ICP using a DIC D4 series Materiel Receipt transaction, the NSN of the item received, and the applicable ownership/purpose code (normally taken from the DIC DU series PMR). In receipt transactions for discrepant quantities, cite SCC L as noted in the next paragraph. Include Management Code R (discrepant receipt management code) when a discrepancy report was required, except as prescribed in C4.9.1.3. or the following subparagraph.

C4.9.2.5. Follow the subsequent procedures to report receipt of discrepant shipments from procurement instrument sources (these categories are not mutually exclusive; multiple discrepancy conditions may exist for a single receipt):

C4.9.2.5.1. Condition of Materiel. Storage activities will report the actual discrepant quantity as a SCC L receipt. Report the nondiscrepant quantity in the actual condition received and do not cite a discrepant receipt management code in the transaction.

C4.9.2.5.2. Documentation. Absence of the **shipping** documentation should not preclude receipt processing and reporting or subsequent issue of the materiel. Storage activities will research in accordance with C4.9.1.2. to report the receipt. The discrepancy reporting requirements in C4.8 still apply.

C4.9.2.5.3. Misdirected Shipments. (Improperly addressed by the procurement instrument source). Storage activities will contact the cognizant ICP to ensure that the procurement instrument requirements (i.e., inspection, acceptance, etc.) are complied with. Report the total quantity in the actual condition received (normally A) and enter Management Code S in record position 72 of the transaction. Upon receipt of the DIC D4_ transaction and prior to posting the receipt as available for issue, owner/managers will initiate immediate action to resolve the discrepancy in accordance

with the procedures in C4.9.3.4. If the ICP or CAO/PO directs reshipment/return of a reported receipt without issuing MILSTRIP materiel release documentation, the storage activity will submit a reversal (reversal indicator in record position 25) of the previously submitted materiel receipt transaction.

C4.9.2.5.4. Overage/Duplicate Shipment. Storage activities will research PMR, receipt, and contract documentation to determine the discrepant quantity. Report confirmed duplicate shipments as discrepant SCC L receipts. When overages are valued above the contract variance clause, or above the excess delivery clause (after considering any allowable variance), report the overage above the allowable variance as a Discrepant Condition L receipt and enter Management Code U in record position 72 of the transaction. ICPs will initiate immediate action to resolve the discrepancy upon receipt of the DIC D4 series transaction (see C4.9.3.4.). Overages within the allowable variance or within the excess delivery clause (after considering any allowable variance) are not considered discrepant. Report the total quantity as a single receipt in the applicable condition, and do not cite a discrepant receipt management code in the transaction.

C4.9.2.5.5. Packaging Discrepancy. Storage activities will report the total discrepant quantity as a SCC L receipt. Report any acceptable quantity in the applicable condition and do not cite the discrepant receipt management code in the transaction. The ICP and/or the contract administrative office (CAO)/purchasing office (PO) will determine whether litigation is required. If litigation is not required the ICP will request that the suspended assets be transferred to the appropriate condition.

C4.9.2.5.6. Shortages/Nonreceipt of Materiel. Storage activities will research PMR, receipt, and contract documentation to determine the discrepant quantity. For shortages, report the total quantity in the condition received. Except for shortages attributed to transportation discrepancies, the receipt will be considered discrepant only if the shortage exceeds the allowable contract variance. When the receipt is discrepant, cite the discrepant receipt management code in the receipt transaction. Nonreceipts are addressed under C4.10.

C4.9.2.5.7. Item Technical Data Marking. (Includes nameplates, logbooks, operating handbooks, special instructions, etc.). Storage activities will report any nondiscrepant quantity as a receipt in the applicable condition without citing the discrepant receipt management code in the transaction. Report the discrepant quantity as a SCC L receipt, and identify and describe the specific technical data discrepancy in the **SDR** for ICP evaluation. If the ICP determines the assets can be issued, the ICP will initiate action to transfer the suspended assets to the appropriate condition.

C4.9.2.5.8. Wrong Item. Storage activities will report the total incorrect quantity of the item received in SCC L. Report any assets in the shipment which are the correct item in the applicable condition and do not cite the discrepant receipt management code in the transaction. If the majority of the assets are the incorrect item, the storage activity may report the total quantity in SCC L based on internal Service/Agency procedure.

C4.9.2.5.9. Product Quality Deficiency. It is normally preferable for the receiving activity to retain custody of the materiel, whether or not it has been accepted. Report the deficient quantity as a SCC Q receipt³. The ICP or CAO/PO will determine if litigation or informal action with the procurement instrument source should be initiated. The ICP will initiate action to transfer the assets under C5.2.2.

C4.9.2.5.10. Transportation Discrepancies. When materiel is accepted by the Transportation Officer, the receipt will be processed and reported in accordance with procedures cited above for the type of discrepancy which exists (e.g., C4.9.2.5.1, Condition of Materiel, for damage, etc.).

C4.9.2.5.11. Procurement Receipts Not Due-in. (No PMR/due is recorded). See C4.9.2.5.3. and C4.9.2.5.4. for processing receipts of misdirected shipments and overages/duplicate shipments, for which PMRs are not normally available.

C4.9.2.5.12. Discrepancies in IUID Data. Report discrepancies involving IUID under DoD IUID supply policy, including but not limited to DoD Unique Item Tracking (UIT) programs, or as contractually required. IUID discrepancies may be related to the packaging label, including automated information technology (AIT) readable content; the item marking, including AIT readable marks; supply documentation; the due-in record; and/or a mismatch between the item and any of these. Discrepancies identified during receipt of new procurement materiel must be reported prior to acceptance (if not accepted at origin). Discrepant materiel may be placed in a suspended condition pending resolution. Discrepancies that resulted in incorrect information within the IUID registry must be reported and corrective action taken.

C4.9.2.5.13. Other Discrepancies. Receipt reporting will depend upon the type of discrepancy involved. When unusual circumstances exist, the receipt and discrepancy reporting requirements provide sufficient time for the storage activity to obtain guidance from the appropriate authority before reporting the receipt or submitting discrepancy report. See the storage and accountability requirements in C4.9.1.4.

C4.9.3. Receipt Reporting For Discrepant Shipments From Non-Procurement Instrument Sources

C4.9.3.1. When the receipt cannot initially be identified to an NSN, the storage activity will attempt to identify the NSN or usage by following the procedures in C4.9.1.2. and report the receipt to the cognizant ICP.

C4.9.3.1.1. If the NSN cannot be identified and the estimated value of the item is under \$100, storage activities will not report the receipt to an ICP. Ship the

³ SCC Q not implemented by Navy. Navy implementation deferred to their Enterprise Resource Planning system modernization initiative.

materiel directly to **DLA Disposition Services** using a local document number. Retain an accessible record of the transaction and its backup for two years.

C4.9.3.1.2. If the NSN cannot be identified and the estimated value of the item is \$100 or more, the storage activity will contact the ICP managing like items to determine disposition. [EXCEPTION: If GSA is the manager of like items, process as prescribed in C4.9.3.3.11.] If the ICP can identify the NSN, the ICP will direct the storage activity to submit the receipt and supply discrepancy report (SDR) to the cognizant ICP. If the ICP cannot identify the NSN, the ICP will provide disposition instructions to the reporting activity. These instructions will include an item identification number (part number, MCN, LCN, etc.) for reporting the receipt and submitting the SDR. If the ICP directs shipment to DLA Disposition Services, the ICP will maintain an accessible record of the transaction and its backup for 2 years.

C4.9.3.2. Unless otherwise allowed by these procedures, storage activities will report discrepant shipments from a nonprocurement instrument source to the ICP using a DIC D6 series Materiel Receipt, the NSN of the item received, and the applicable ownership/purpose code (normally from the DIC DW series PMR). In receipt transactions for discrepant quantities, cite the SCC which most accurately describes the condition of the materiel. Classify and report the materiel in SCC K when the actual condition cannot be determined. Include Management Code R (discrepant receipt management code) when a discrepancy report was required, except as prescribed in C4.9.1.3. above, or the following subparagraph.

C4.9.3.3. The following procedures apply for reporting receipt of discrepant/deficient shipments from nonprocurement sources (these categories are not exclusive; multiple discrepancy conditions may exist for a single receipt):

C4.9.3.3.1. Condition of Materiel

C4.9.3.3.1.1. When inspection of inter-Service/Agency receipts reveals materiel to be SCC H and no PMR is recorded, storage activities will automatically ship discrepant materiel valued at less than **\$500** per item direct to the property disposal activity ***except as specified in these procedures*** or take other automatic disposal actions based on criteria promulgated by the Services/Agencies. This includes Type I shelf-life materiel which has passed the expiration date regardless of value. When automatic disposal action is taken, cite SCC H and Management Code M (excludes shelf-life materiel) or Management Code T (expired shelf-life materiel), in lieu of the discrepant receipt management code, in the receipt transaction for the discrepant quantity.

C4.9.3.3.1.1.1. GSA Managed materiel and Non-Army Managed (NAMI) (Routing Identifier Code (RIC) AJ2) owned materiel will not be subject to the dollar value threshold for disposal eligibility, but will be subject to all other automatic disposal screening criteria.

C4.9.3.3.1.1.2. Automatic disposal does not apply to the following:

C4.9.3.3.1.1.2.1. Materiel that is identified as requiring DEMIL or containing radioactive, classified, or NWRM properties will not be subject to automatic disposal. This includes:

- **DEMIL Codes: B, C, D, E, F, G, or P0**
- **CIIC: A-H, K, L, O, Q, R, S, T, 5, 6, 8, 9**
- **Radioactive Water Type Cargo Codes: A and 4**

C4.9.3.3.1.1.2.2. Materiel owned by U.S. Army Aviation and Missile Command (AMCOM) (RIC B17), will not be subject to automatic disposal.

C4.9.3.3.1.1.2.3. Unidentified materiel will not be subject to automatic disposal. Follow procedures in paragraph C4.9.3.1.

C4.9.3.3.1.1.3. Upon receipt, or subsequent storage activity determination, that materiel is in SCC H, where the above criteria prohibit automatic disposal, an SDR will be prepared clarifying why automatic disposal is not possible and requesting specific disposition instructions. Where applicable the SDR remarks will inform the action activity that the materiel cannot be shipped to the local DLA Disposition Services Field Office and must be sent to an approved DEMIL/destruction center via MILSTRIP DIC A5J generated by the owner/manager.

C4.9.3.3.1.2. Report discrepant quantities other than those mentioned above citing the applicable SCC, or Code K when the condition cannot be determined.

C4.9.3.3.1.3. Report receipt of nondiscrepant quantities in the normal manner and do not cite the discrepant management code in the transaction.

C4.9.3.3.2. Documentation. Absence of the **shipping** documentation should not preclude receipt processing and reporting or subsequent issue of the materiel. Storage activities will research in accordance with C4.9.1.2. to report the receipt. The discrepancy reporting requirements in C4.8 still apply. When the document number in the receipt transaction must be created by the storage activity, cite Management Code P in lieu of the discrepant receipt management code in the transaction.

C4.9.3.3.3. Misdirected Shipments (improperly addressed by the supply activity). Storage activities will report misdirected shipments as receipts to the cognizant ICP. ICPs will effect disposition using the appropriate MILSTRIP transaction.

C4.9.3.3.4. Overage. Report the total quantity received as a single receipt in the applicable condition.

C4.9.3.3.5. Packaging Discrepancy. Storage activities will report the total quantity received as a single transaction in the applicable condition. The storage activity will schedule the discrepant quantity for preservation/packaging/**marking/labeling** in accordance with Service/Agency criteria.

C4.9.3.3.6. Shortages/Nonreceipt of Materiel. For shortages, storage activities will report the total quantity received in the applicable condition. The ICP will initiate any necessary financial adjustment action. Nonreceipts are addressed under C4.10.

C4.9.3.3.7. Item Technical Data Marking. (Includes nameplates, logbooks, operating handbooks, special instructions, etc.). Storage activities will report any nondiscrepant quantity in the applicable condition without citing discrepant receipt management code in the transaction. Report the discrepant quantity as a SCC D receipt. Identify and describe the specific technical data discrepancy in the **SDR** for ICP evaluation. If the ICP determines the asset can be issued, the ICP will initiate action to transfer the asset to the appropriate condition.

C4.9.3.3.8. Wrong Item. Storage activities will report the receipt in the applicable condition. If both correct and incorrect items are received in the same shipment, report each separately. Omit the discrepant receipt management code in the transaction for the correct item.

C4.9.3.3.9. Product Quality Deficiency. SCC Q entered in PMRs will indicate that the receipt is related to a reported product quality deficiency. Storage activities will report receipt of this materiel in SCC Q. Do not cite a discrepant management code in the transaction. Based on the results of the inspection or technical/engineering analysis, ICPs will direct the appropriate material disposition (see Chapter C5, C5.2.).

C4.9.3.3.10. Transportation Discrepancies. When materiel is turned over by the Transportation Officer, the receipt will be reported in accordance with the procedures cited above for the type of discrepancy which exists (e.g., condition of materiel for damage, etc.).

C4.9.3.3.11. Receipts Not Due-In (no PMR/due-in recorded).

C4.9.3.3.11.1. GSA Managed Items. GSA does not normally authorize return of assets to DoD storage activities. Receipts not due-in are, therefore, considered DoD-owned assets which have not been reported to GSA under the MILSTRIP/DLMS materiel returns program (MRP). The DoD Components are responsible for providing DLA with an organization to which the DLA storage activity can record these assets. The DoD Components will establish internal procedures for processing the receipts from the depot for these assets for subsequent issue, excess

reporting under MILSTRIP MRP, or release for DLA Disposition Services. In the absence of guidance from the DoD Components for reporting receipt of unauthorized return of GSA assets to their DoD Component, DLA storage activities will receipt the assets to the local Base Operating Supply System for use by the depot. If the material cannot be used locally it is sent to disposal. This procedure assures the assets are recorded on a DoD record.⁴

C4.9.3.3.11.2. DoD Managed Items.

C4.9.3.3.11.2.1. Reparable Items. Report receipt to the managing ICP of the shipping Service in the applicable condition using DIC D6A. Do not include a discrepant receipt management code in the transaction. For materiel shipped between wholesale storage activities, report the receipt using DIC D6K. ICPs receiving transactions reporting returns not-due-in of phase I reparable, for which they are not the IMM, will follow the MILSTRIP MRP procedures to report/ship the materiel as prescribed by the IMM.

C4.9.3.3.11.2.2. Consumable Items. Report receipt to the IMM in the applicable condition and do not include a discrepant receipt management code in the transaction. However, Services may prescribe reporting to their own item manager for returns from their own Service activities.

C4.9.3.3.12. **Discrepancies in IUID Data. Report discrepancies involving IUID under DoD IUID supply policy, including but not limited to DoD UIT programs, or as contractually required. IUID discrepancies may be related to the packaging label, including AIT readable content; the item marking, including AIT readable marks; supply documentation; the due-in record; and/or a mismatch between the item and any of these. Discrepancies identified during receipt of new procurement materiel must be reported prior to acceptance (if not accepted at origin). Discrepant materiel may be placed in a suspended condition pending resolution. Discrepancies that resulted in incorrect information within the IUID registry must be reported and corrective action taken.**

C4.9.3.3.13. Other Discrepancies. Receipt reporting will depend upon the type of discrepancy involved. When unusual circumstances exist, the receipt and discrepancy reporting requirements provide sufficient time for the storage activity to obtain guidance from the ICP before reporting the receipt or submitting the discrepancy report. See the storage and accountability requirements in C4.9.1.4.

C4.9.3.4. Resolution Of Reported Receipt Discrepancies

C4.9.3.4.1. ICPs will maintain accurate records and audit trails for reported receipts with evidence of a supply discrepancy. Resolution of these discrepancies requires the establishment of interfaces among the materiel accountability, procurement, financial accounting, and discrepancy reporting systems.

⁴ To date, no DoD Component has identified an organization to which DLA storage activities should report receipts not due-in for GSA assets.

C4.9.3.4.2. When discrepant receipts are reported, ICPs will process the transactions and effect the research required to resolve the discrepancy. When materiel received from procurement will be retained in the wholesale inventory, coordinate with the CAO/PO for a contract modification which will recoup any administrative costs and any additional second destination transportation costs or onward shipment (redistribution) costs incurred by the U.S. Government as a result of the discrepancy. For all receipt discrepancies, ensure that procurement/supply due-in records and related financial accounts (including intransit) are corrected to reflect any new receipt status and transmit required update PMR(s) to the storage activity(ies) involved. Care must be taken, however, to suppress PMR output if the corresponding receipt has already been reported (e.g., for overages or misdirected shipments being retained where delivered).

C4.9.3.4.3. Management Evaluation and Corrective Action. ICPs will develop management evaluation data for contract **shortages/overages**, **wrong item**, **IUID mismatches**, and vendor caused misdirected shipments, **and other discrepancies impacting cost or customer satisfaction** for use in identifying trends or indications of system problems and in initiating corrective action. When the same discrepancy is repeatedly reported on shipments from a given procurement source, the ICP through the CAO/PO will advise the source of the error and request action be taken to correct its repeated occurrence. When a procurement source continues to commit the same error, initiate action to consider inclusion on the Awards Review List or other disciplinary action.

C4.10. FOLLOW-UP ON INTRANSIT DUE-INS

C4.10.1. When a maximum of 45 calendar days have elapsed since the shipping date indicated in shipment notification and receipt of the total quantity has not been reported, the owner will follow up, for the intransit quantity(s) to the storage activity(s) designated to receive the materiel. (Extension of the 45 day calendar timeframe is authorized when long intransit times are involved.)

C4.10.2. Prepare follow-ups on receipts due from procurement sources using DIC DXA. Prepare follow-ups on receipts due from nonprocurement sources using DIC DXB.

C4.10.3. When the storage activity reply indicates that the materiel has not been received (DIC DXC or DXD), any required shipment tracer and/or discrepancy reports are to be initiated under the procedures cited in C4.8. Coordinate with the CAO/PO for intransit contract receipts.

C4.10.4. Storage activities will submit shipment tracers and discrepancy reports for materiel not received as indicated in DoD Component implementing procedures or when directed to do so by the owner.

C4.11. REPLY TO MATERIEL RECEIPT FOLLOW-UP

C4.11.1. When materiel has been received, storage activities will respond with a materiel receipt transaction prepared in the Appendix AP3.1 or AP3.2 format citing the appropriate DIC in the D4 or D6 series.

C4.11.2. When materiel has not been received, the response will be as follows:

C4.11.2.1. Prepare replies to DIC DXA Materiel Receipt Follow-Ups (Procurement Instrument Source) in the Appendix AP3.42 format citing DIC DXC.

C4.11.2.2. Prepare replies to DIC DXB Materiel Receipt Follow-Ups (Other Than Procurement Instrument Source) in the Appendix AP3.43 format citing DIC DXD.

C4.12. MAINTAINING ACCOUNTABILITY DURING MAINTENANCE ACTIONS

C4.12.1. Applicability. When responsibility for maintaining the property accountability record for DoD-owned property has been assigned to an activity(s) other than the owner, the responsible activity will execute the owner's actions set forth in this section.

C4.12.1.1. These procedures apply for returns to inventory including unused materiel, relocations of materiel for maintenance, and receipts from assembly, disassembly, reclamation, conversion, modification, repair and destructive or nondestructive test/evaluation consigned by DoD, other Government (non-DoD) Agency, or commercial activities.

C4.12.1.2. These procedures exclude repair and return of materiel owned below the wholesale distribution system. However, storage activities will maintain visibility and the property accountability record for these assets pending issue to maintenance and upon their return from maintenance.

C4.12.2. Requirements

C4.12.2.1. Owners (Principals for maintenance by Depot Maintenance Inter-Service Support Agreement (DMISA)) will establish a DIC DFA, DFB, or DFC due-in when materiel is being returned from field activities to wholesale storage activities or to commercial activities for maintenance. Also, provide a DIC DWA, DWB, or DWC PMR to receiving Government storage activities. Take these actions upon receipt of MILSTRIP MRP transactions, or equivalent intra-service documents, reporting return of the materiel. (Services/Agencies may delegate the PMR requirement to intermediate level or transshipment activities.)

C4.12.2.2. When owners direct relocation of materiel from a remote storage activity to the storage activity collocated with the maintenance activity (as required under C3.3.), they will establish a DIC DFK due-in for the intransit materiel and provide a DIC DWK PMR to the receiving storage activity following the procedures in C4.2. and C4.3. .

C4.12.2.3. Storage activities will report receipt of reparable materiel based on the information contained in the PMR. If a PMR is not available, report the receipt to the cognizant ICP in accordance with C4.9.3.3.11.2.1.

C4.12.2.4. When materiel is scheduled for organic maintenance by DMISA or other inter-Service/ Agency agreement, the agreement will specify the materiel control requirements. The agreement will also specify whether the storage activity will report returns from maintenance to the owner (Principal) as receipts under this section or as transfers from SCC M under C5.6.

C4.12.2.5. Each DoD Component will ensure that:

C4.12.2.5.1. Owned inventory which is in the hands of DoD, other Government (non-DoD), and commercial activities is properly accounted for under the provisions of Chapters 3, 4, 5, and 7 (including C7.2.3. and C7.2.4.) of this manual and, for commercial maintenance, the provisions of the [FAR](#). This includes returns from field activities for repair and reissue as wholesale inventory. DoD Components will prescribe use of any required internal codes to meet this requirement. (Responsibility of the owner (Principal for maintenance by DMISA).)

C4.12.2.5.2. Total item property records for materiel in the hands of maintenance activities are maintained and adjusted based on the quantity of materiel actually returned and will support the [DoD 7000.14-R](#) accounting and reconciliation requirements. (Responsibility of the owner (Principal for maintenance by DMISA).)

C4.12.2.5.3. Contracts for commercial maintenance require the commercial activity to report or acknowledge receipt and report shipment or condemnation of materiel to the contracting officer. (Responsibility of the Agent for maintenance by DMISA.)

C4.12.2.5.4. Any needed interface between the procurement and supply operations/functions exists to assure that reported data is transmitted to the owner. (Responsibility of the Agent for maintenance by DMISA.) Arrangements may be made for commercial activities to report directly to the contracting officer and/or the owner using MILSTRAP transactions.

C4.12.2.5.5. Reported data affecting inventory balances is recorded in the total item property record. (Responsibility of the owner (Principal for maintenance by DMISA).)

C4.12.2.6. Owners will establish dues-in for expected returns from commercial and Government maintenance activities using the appropriate Appendix AP2.1 MILSTRAP [DICs](#) in the DD or DF series. Provide PMRs to storage activities to receive the materiel under C4.3. using the corresponding DICs in the DU or DW series. Storage activities will report receipts under C4.4 or C4.5 and C4.9., using the corresponding DICs in the D4_ or D6_ series.

C4.12.2.7. When materiel is issued to a customer directly from a commercial activity, assure that appropriate supply transactions are processed to establish the

property accountability and financial accounting audit trails. Depending on the Component system business rules, this may necessitate either a receipt and issue, or a condition code change and issue.

C4.12.2.8. When materiel is condemned by maintenance activities, assure that the condemnation action is recorded (inventory adjustment-decrease) to adjust the DoD inventory and financial accounts.

C4.13. RECLAIMED ITEMS

C4.13.1. When reclamation activities do not have adequate facilities to test and classify the serviceability condition of reclaimed assets, they will identify such assets as SCC R (Suspended Reclaimed Items Awaiting Condition Determination). When receiving storage activities determine that immediate classification of such SCC R assets is not possible, they will ensure that the assets are checked/tested and classified to actual condition within established parameters under C5.2.3.

C4.13.2. When reclamation activities cite an actual SCC (i.e., other than R) for returned materiel, storage activities will cite that SCC when recording and reporting the receipt. However, if inspection upon receipt reveals that the condition assigned by the reclamation activity is incorrect, the storage activity will record and report the receipt citing the actual condition to which the item is classified or SCC K if the actual condition cannot be determined. Materiel reported in SCC K must be classified to actual condition within established parameters under C5.2.3.

C4.14. LOAN TRANSACTIONS

C4.14.1. Use appropriate MILSTRAP adjustment and/or receipt transactions to reflect the onhand/due-in and subsequent receipts. Reflect materiel on loan on accountable activity records in the appropriate purpose code (as prescribed by DoD Component procedures—usually Purpose Code L to denote loan) or as a DIC DFN Due-In (Other Than Procurement Instrument Source) depending on the method/system applied. Format for these due-in transactions are contained in Appendix AP3.12.

C4.14.2. DIC DWN Pre-positioned Materiel Receipt (Other Than Procurement Instrument Source) may be used to provide advance notification to activities scheduled to receive returned loaned materiel. Alignment and format for PMRs are contained in Appendix AP3.39.

C4.14.3. Receiving activities will inspect loaned materiel upon receipt. Submit DIC D6N Materiel Receipts (Other Than Procurement Instrument Source) using the Appendix AP3.2 format to provide information about the condition and quantity of the returned loaned materiel.

C4.14.4. The ICP is responsible for final determination and resolution of Government property returned from loan. Establish controls to ensure the materiel is returned in an appropriate condition, (e.g., as good as or better than the condition of the

original loan issue). Take appropriate action to resolve any discrepancies and ensure reimbursement to the loaning activity.

C4.15. ARMY EXCHANGE PRICING PROCESS

C4.15.1. The Army Exchange Price interim approach is a multi system functionality implementation. Exchange Price employs a dual pricing system for repairable NSN items based upon Standard Price (latest acquisition cost plus cost recovery rate) and Exchange Price (latest repair cost plus cost recovery rate) and a “buy one – return one” relationship with the customer. That is, a qualified exchange pricing customer buys at the Exchange Price and pays a penalty if a reparable is not turned-in within a specified period of time from the issue date. This process is applicable to the Army customers and Army-managed material only; other Services will continue to pay Standard Price and receive 65 percent credit exchange upon receipt of carcass by the Army PICA.

C4.15.2. Once an item of supply is identified for a national repair program and the national item identification number (NIIN) has an established Exchange Price, all requisitions for the item will be priced at the Exchange Price if the customer is an authorized EP customer.

C4.15.3. When a requisition submitted to the Supply Support Activity (SSA) is processed by the Standard Army Retail Supply System, The Standard Army Retail Supply System will determine if both the customer DODAAC is an Exchange Price customer, and the NIIN has an established Exchange Price. If the customer is an Exchange Price customer the requisition will be updated to include the Exchange Price Indicator. As this transaction is processed through the Army supply system, middleware, Funds Control Module (including Exchange Price Tracking) Defense Automatic Address System (DAAS), Commodity Control Supply System (CCSS), and Army Logistics Modernization Program (LMP), the Exchange Price Indicator will be used to identify the transaction as Exchange Price related. All the legacy systems will continue processing the MILS transactions, LMP will process DLMS transactions that are converted by DLA Transaction Services.

C4.15.4. All related supply transactions prepared by the Army will carry and perpetuate the Exchange Price Indicator. As a result of the Exchange Price implementation the following transactions will be impacted, requisition, requisition modifier, requisition follow-up, material release order and supply status. The returns process will also process Exchange Price related transactions. The material receipt transaction will be generated by the Standard Army Retail Supply System for all returns of Exchange Price NIINs, and will include an Exchange Price Type of Credit indicator for Unserviceable credit when applicable, as well as an Exchange Price Conversion Indicator to identify the need to provide credit according the pre-Exchange Price credit policy, which will last for 60 days following the implementation of Exchange Pricing.

C4.15.5. If the return is in an un-repairable condition code or the item is not returned within the established timeframe (Delta Delay Days), the National Level systems (LMP, CCSS) will create an obligation adjustment based on the receipt from

Middleware Funds Control Module of a material returns supply status (Delta Bill Trigger) transaction. As a result of processing the delta bill trigger the national systems will create the logistics/interfund bill transaction with an Exchange Price Indicator and Type Bill code to identify the specific type of Exchange Pricing bill to the Army financial systems.

C5. CHAPTER 5

ADJUSTMENTS

5.1. GENERAL

C5.1.1. This chapter provides procedures relating to the following types of adjustment actions:

C5.1.1.1. Adjustments caused by catalog change actions.

C5.1.1.2. Reidentification of improperly identified materiel.

C5.1.1.3. Offsetting adjustments to purpose and supply condition codes.

C5.1.1.4. Discrepancies disclosed by physical inventory.

C5.1.1.5. Ownership gains and losses applicable to the Single Manager for Conventional Ammunition (SMCA).

C5.1.2. MILSTRAP provides two methods for effecting adjustments--single or dual actions.

C5.1.2.1. The single adjustment method accommodates those processing techniques that use individual increase or decrease adjustment actions against the accountable and owner records. Document identifier codes ([DICs](#)) in the D8 or D9 series, prepared as outlined in Appendix AP3.4, apply to these transactions. When processing DICs D8S and D9S, see Appendix AP3.6 for format.

C5.1.2.2. The dual adjustment method provides for offsetting adjustments to supply condition or purpose code in a single adjustment transaction. This is possible by using the FROM and TO data fields in the transaction. DIC DAC or DAD, prepared as outlined in Appendix AP3.8, applies to these transactions. When processing DIC DAS, see Appendix AP3.9 for format.

C5.1.2.3. When DoD Component practice prescribes the use of single transactions in the DIC D8 and D9 series internally for condition or purpose transfer, make provisions to accept and process DIC DAC and DAD documents from other DoD Components.

C5.1.3. Changes between ownership codes, from purpose code to ownership code, or from ownership code to purpose code will not be made by an adjustment action. Process appropriate issue and receipt transactions to make the necessary accounting actions. An exception to this rule is the use of the dual Inventory Adjustment Transaction, DIC DAS, and corresponding single adjustments, D8S/D9S, to effect ownership gain/loss under the SMCA concept per section C5.3.

C5.1.4. Accomplish changes in project or distribution codes maintained on the owner record by using individual increase or decrease materiel adjustment transactions containing appropriate DICs in the D8 and D9 series (other than D8A/D9A).

C5.1.5. Submit Inventory adjustments resulting from clerical or automated information system errors that cannot be corrected by reversing the original transaction, or from reconciliation between the storage activity and owner using DIC D8B if the adjustment is an increase and DIC D9B if the adjustment is a decrease.

C5.1.6. Inventory adjustments for which a specific DIC is not otherwise provided, will use DIC D8Z when the adjustment is an increase and DIC D9Z when the adjustment is a decrease. (Assignor of these codes will maintain detailed backup information as to the use and requirement for the transaction.)

C5.1.7. Inventory adjustments for losses resulting from shrinkage, theft, contamination, deterioration, and expired shelf-life will use DIC D9G. Losses resulting from major disasters, fire, enemy action, acts of God, etc., will use DIC D9H.

C5.1.8. DICs in the DIC DB series (for gains) and DIC DC series (for losses) will be used for financial adjustments and the transactions will be prepared in accordance with the regulatory procedures prescribed by the DoD Components. These transactions are for use as prescribed by the DoD Components and no formats are prescribed in the MILSTRAP manual. There are no DLMS equivalent transactions by intent. Requiring DoD Components must submit a proposed DLMS change if they require DIC DB_/DC_ functionality in DLMS.

C5.2. CHANGES IN SUPPLY CONDITION OF MATERIEL

C5.2.1. Supply Condition Reclassification of Assets in Storage

C5.2.1.1. When inspection of stocks on hand reveals that a supply condition code (SCC) reclassification is required, storage activities will report the variance to the owner within 3 calendar days using a DIC DAC Inventory Adjustment--Dual. Enter the new SCC in record position 66 of the dual adjustment. Enter the SCC under which the item is carried on the records in record position 71.¹

C5.2.1.2. When immediate reclassification of suspect stocks is beyond current capabilities, transfer the materiel to SCC J. In the dual adjustment, show the new SCC in record position 66. Show the SCC under which the item is carried on the record in record position 71.

C5.2.1.2.1. With the exception of **explosive and inert** ammunition, complete the reclassification **of materiel reported in SCC J** within **80** calendar days after reporting the original transfer to the owner. **Owner/managers will provide timely disposition instructions for materiel in a suspended condition to promote rapid reclassification of materiel (with a maximum of 50 days for provision of owner/manager disposition instructions and 30 days for storage activity reclassification).** Complete the reclassification of **explosive and inert** ammunition within 270 calendar days after reporting the original transfer.

¹ Storage activities may not transfer stored materiel into SCC K or R.

C5.2.1.2.2. When the reclassification is complete, report the change to the owner using the dual adjustment transaction. Use the same document number used to report the materiel in SCC J. Enter the new SCC in record position 66 and SCC J in record position 71 of the dual adjustment transaction.

C5.2.2. Reclassification of SCC Q (Suspended) Product Quality Deficiency Related Materiel

C5.2.2.1. Storage activities will report discrepant receipts in SCC Q as prescribed in Chapter 4, (C4.9.2.5.9. and C4.9.3.3.9) receipt processing procedures. When directed by the owner, storage activities will also transfer stored, including suspended, materiel to SCC Q and report the action using a dual adjustment transaction following the procedures identified in C5.2.1.1.

C5.2.2.2. When inspection or technical/engineering analysis of materiel confirms a product quality deficiency, possibilities for other use of materiel within Department of Defense, as well as public health/safety and national security interests, must be considered. Owners will determine if further use of the item can be made within Department of Defense.

C5.2.2.3. When inspection or technical/engineering analysis of material indicates that litigation action is required, the owner will direct transfer of the materiel to SCC L.

C5.2.2.4. If the deficiency does not prohibit further DoD use (e.g., the defect is minor or the item meets specification for another national stock number (NSN)), owners will direct storage activities to re-identify and/or transfer the suspended SCC Q materiel to the appropriate condition. Storage activities will, within 3 calendar days from receipt of the ICP direction, reclassify the condition Q materiel to the appropriate condition. Report completion of this action with a DIC DAC Inventory Adjustment – Dual, using the same document number originally used to report the materiel in SCC Q (i.e., the document number of the original receipt or adjustment transaction). Enter the new SCC in record position 66 and SCC Q in record position 71 of the dual adjustment. For re-identifications, storage activities will follow the procedures in C5.7.

C5.2.2.5. If the deficiency prohibits further DoD use, the materiel will remain in SCC Q and owners will direct transfer of the materiel to DLA Disposition Services Field Offices following the procedures in Chapter 3. Improperly documented, unauthorized source, defective, non-repairable, and time-expired Aviation critical safety item (CSI)/flight safety critical aircraft part (FSCAP) materiel that is not mutilated by the holding activity will be directed to the DLA Disposition Services Field Office in SCC Q with Management Code S. All such materiel will be mutilated. When turning such Aviation CSI/FSCAP in to a DLA Disposition Services Field Office, the turn-in document must clearly note that the part is defective, non-repairable, time-expired, or otherwise deficient and that mutilation is required.

C5.2.3. Reclassification of SCC L Receipts

C5.2.3.1. Storage activities will report discrepant receipts from procurement and materiel held pending resolution of a transportation discrepancy in SCC L as prescribed by the receipt processing procedures in Chapter 4. When directed by the owner, storage activities will also transfer materiel to SCC L and report the action using a dual adjustment transaction following the procedures in C5.2.1.1.

C5.2.3.2. Owners are responsible for monitoring materiel suspended in SCC L and directing transfer of the materiel to its correct condition when litigation or other action to resolve the discrepancy is completed. If inspection or technical/engineering analysis confirms that a product quality deficiency prohibits further use of the materiel within DoD, the owner will direct transfer of the materiel to SCC Q.

C5.2.3.3. When directed by the owner, storage activities will, within 3 calendar days from receipt of the direction, reclassify the suspended materiel to its correct SCC. Report completion of the action with a DIC DAC Inventory Adjustment--Dual using the same document number originally used to record the materiel in SCC L (i.e., the document number of the original receipt or adjustment transaction). Enter the new SCC in column 66 and SCC L in record position 71 of the dual adjustment.

C5.2.4. Reclassification of SCC K and R Receipts

C5.2.4.1. In accordance with the receipt processing procedures in Chapter 4, storage activities may suspend materiel in SCC K upon receipt for condition determination. Storage activities may also receive materiel identified as SCC R (suspended) from reclamation activities that do not have the capability to determine the materiel condition.

C5.2.4.2. Storage activities will reclassify these suspended receipts to their correct SCC within the timeframes prescribed in the following paragraphs. When materiel has been reclassified to its correct SCC, the storage activity will submit a DIC DAC Inventory Adjustment--Dual to the owner using the same document number cited in the original receipt transaction. Show the new SCC in record position 66 and the suspended SCC in record position 71 of the dual adjustment.

C5.2.4.2.1. With the exception of ammunition, ***complete the reclassification of*** materiel reported in SCC K within ***80*** calendar days after reporting the ***discrepant*** receipt ***via SDR. Owner/managers will provide timely disposition instructions for materiel in a suspended condition to promote rapid reclassification of materiel (with a maximum of 50 days for provision of owner/manager disposition instructions and 30 days for storage activity reclassification).*** Reclassify ***explosive and inert*** ammunition within 45 calendar days after reporting the receipt.

C5.2.4.2.2. When materiel identified as SCC R is received from reclamation activities, reclassify the materiel within 180 calendar days after reporting the receipt or prior to induction into maintenance facilities for repair/modification, whichever is sooner.

C5.2.4.2.2.1. When the capability to test/check SCC R assets for actual condition does not exist, the materiel may be forwarded to a maintenance facility for condition determination.

C5.2.4.2.2.2. The actual SCC of the assets must be recorded on the owner record before the assets may be included in a scheduled maintenance program.

C5.2.5. Automatic Disposal of Reclassified Stock. When materiel is reclassified to SCC H, storage activities may also, based on criteria promulgated by the DoD Components, automatically turn condemned and expired shelf-life materiel in to reutilization and marketing or take other authorized automatic disposal action. Advise the owner of such simultaneous reclassification and automatic disposal action by entering Management Code M (materiel

condemned—excludes expired shelf-life materiel) or Management Code T (materiel condemned—expired shelf-life materiel) in record position 72 of the dual adjustment transaction. **Refer to C4.9.3.3.1. for exclusions from automatic disposal.**

C5.2.6. Exceptions to Prescribed Timeframes for Condition Reclassification.

C5.2.6.1. When additional time is required to reclassify materiel held in SCCs J, K, or R, because of large quantities, lack of facilities, nonavailability of personnel and/or test equipment, or other circumstances considered justified by the storage activity commander, the storage activity will forward an extension request to the owner.

C5.2.6.1.1. When appropriate, the owner will approve the request for extension, notify the storage activity, and establish a suspense to ensure that classification action is taken within the agreed upon timeframe.

C5.2.6.1.2. If the owner does not approve the request for extension, the storage activity will make every effort to comply with the established timeframe.

C5.2.6.2. Owners may request expedited reclassification of SCC J, K, and R assets whenever it is deemed necessary based on their stock position and overall management responsibility.

C5.2.7. Monitoring Assets Recorded in Suspended SCCs.

C5.2.7.1. Owners will review records for all materiel suspended in SCCs J, K, and R at least monthly and ensure that storage activities accomplish reclassification actions within prescribed timeframes.

C5.2.7.2. Although there is no prescribed timeframe for transferring suspended materiel from SCC L, owners will review all records for materiel suspended in SCC L at least quarterly and will take necessary action to ensure expeditious litigation/negotiation with contractors or common carriers.

C5.2.7.3. Although there is no prescribed timeframe for transferring suspended materiel from SCC Q, supply sources will review all records for materiel suspended in condition Q at least monthly. Supply sources will take necessary action to ensure expeditious inspection or technical/engineering analysis of suspect assets and prompt transfer of the assets, under C5.2.2. of this chapter based on the inspection results.

C5.3. OWNERSHIP GAINS AND LOSSES

C5.3.1. Based on the unique requirements of the SMCA and the Military Services, authorized by DoD Directive 5160.65, "Single Manager for conventional Ammunition," August 1, 2008, separate inventory adjustment transactions DAS, D8S, and D9S have been developed to permit:

C5.3.1.1. Retaining the integrity of the document number from the requisitioner's original demand throughout total processing, when payback actions are necessary.

C5.3.1.2. Online recording and reconciliation of materiel debit and credit balances of the SMCA and affected Military Services.

C5.3.1.3. The DoD Components to have an audit trail when their inventory/ financial records are affected.

C5.3.2. The DIC DAS transaction (Appendix AP3.9) is designed for use as a dual transaction limited to effecting paybacks of SMCA items from one owning Service to another Service, in accordance with current DoD policy and inter-Service agreements. The SMCA will always initiate a DIC DAS transaction for processing internal adjustments to custodial/accountable records and for notification of SMCA storage activities. The use of the M modifier in record position 29, to express thousands when the quantity exceeds 99,999, is an optional feature that can be applied intra-Component and, by agreement, inter-Component. M modifiers are only applicable to ammunition items in Federal supply group(FSG) 13.

C5.3.3. The DIC D8S and D9S transactions (see Appendix AP3.6) are designed for use as a single transaction limited to effecting paybacks of SMCAs for conventional ammunition items from one owning Service to another Service, in accordance with current DoD policy and inter-Service agreements. The SMCA will always initiate the DIC D8S/D9S transactions for updating internal custodial/accountable records and for notification to affected Military Services of actions to be accomplished. The use of the M modifier in record position 29, to express thousands when the quantity exceeds 99,999, is an optional feature that can be applied intra-Component and, by agreement, inter-Component. M modifiers are only applicable to ammunition items in FSG 13.

C5.4. PURPOSE TRANSFERS. Based on authorized programs, materiel may be reserved for specific purposes and retained on inventory control records until requisitioned. To effect the transfer of assets between purpose codes, the single inventory adjustment transactions, DICs D8D and D9D (Appendix AP3.4), or the dual inventory adjustment transaction, DIC DAD (Appendix AP3.8) will be processed against the inventory control records.

C5.5. INVENTORY GAINS AND LOSSES. Procedures concerned with adjustments due to physical inventory losses or gains are contained in Chapter 7.

C5.6. MAINTAINING ACCOUNTABILITY DURING MAINTENANCE

C5.6.1. Applicability. When responsibility for maintaining the property accountability record for DoD-owned property has been assigned to an activity(s) other than the owner, the responsible activity will execute the owner's actions set forth in this section.

C5.6.1.1 These procedures apply to transfers of inventory to SCC M for maintenance, assembly, disassembly, reclamation, conversion, modification, repair, and destructive or nondestructive test/evaluation and transfer to their correct condition classification upon return from maintenance.

C5.6.1.2. These procedures exclude repair and return of materiel owned below the wholesale distribution system. However, storage activities will maintain visibility and the property accountability records for these assets pending transfer to maintenance and upon their return from maintenance.

C5.6.2. Requirements

C5.6.2.1. When materiel is scheduled for organic maintenance by Depot Maintenance Interservice Support Agreement (DMISA) or other inter-DoD Component agreement, the agreement will specify the materiel control requirements to include whether the storage activity will report returns from maintenance to the owner (Principal)— transfers from SCC M—under this section or as receipts under Chapter 4, C4.12.

C5.6.2.2. Each DoD Component will ensure that:

C5.6.2.2.1. Owned inventory that is in the hands of DoD, other Government (non-DoD), and commercial activities is properly accounted for under the provisions of Chapters 3, 4, 5, and 7 (including C7.2.3. and C7.2.4.) of this manual and, for commercial maintenance, the provisions of the Federal Acquisition Regulation (FAR). This includes returns from field activities for repair and reissue as wholesale inventory. DoD Components will prescribe use of any required internal codes to meet this requirement. (Responsibility of the owner (Principal for maintenance by DMISA).)

C5.6.2.2.2. Total item property records for materiel in the hands of maintenance activities are maintained and adjusted based on the quantity of items actually returned and will support the [DoD 7000.14-R](#), "Department of Defense Financial Management Regulations," financial accounting requirements. (Responsibility of the owner (Principal for maintenance by DMISA).)

C5.6.2.2.3. Contracts for commercial maintenance require the reporting of materiel loss or damage to the contracting officer. Contracts may also require the contractor to

report the start and completion of maintenance action for each unit of materiel. (Responsibility of the Agent for maintenance by DMISA.)

C5.6.2.2.4. Any needed interface between the procurement and supply operations/functions exists to ensure that reported data is transmitted to the owner. (Responsibility of the agent for maintenance by DMISA.) Arrangements may be made for commercial activities to report directly to these activities using MILSTRAP transactions.

C5.6.2.2.5. Reported data affecting inventory balances is recorded on the total item property record. (Responsibility of the owner (Principal for maintenance by DMISA).)

C5.6.2.3. Storage activities will report the following actions, as indicated, to the owner of the materiel. In DoD Component systems that do not use dual adjustment transactions, use the corresponding DIC D8_ and D9_ single adjustment transactions. Follow the Appendix AP3.8 format for preparing DIC DAC transactions or the Appendix AP3.4 format for preparing DIC D8/D9_ transactions.

C5.6.2.3.1. When materiel is inducted for maintenance (repair/modification, assembly, etc.), process a DIC DAC dual adjustment to transfer the materiel from the SCC on the record to SCC M.

C5.6.2.3.2. When materiel is returned from maintenance (repair/modification, assembly, etc.), process a DIC DAC dual adjustment to transfer the materiel from SCC M to the SCC in which the materiel is received (for example; SCC A for completed materiel, SCC G for materiel awaiting repair parts, or SCC H for condemned materiel). In DoD Component systems that do not use the dual adjustment, process the equivalent loss and gain transactions to accomplish the transfer.

C5.7. REIDENTIFICATION OF STOCK, STOCK NUMBER CHANGES, AND UNIT OF ISSUE CHANGES

C5.7.1. Reidentification of Stock

C5.7.1.1. When inspection reveals that an item in stock has been misidentified, storage activities will prepare and transmit two or more materiel adjustment transactions prepared as outlined in Appendix AP3.4. The first transaction will contain the misidentified stock number, the quantity misidentified, DIC D9J (Decrease–Reidentification of Stock), and Suffix Code A.

C5.7.1.2. When one new stock number is picked up due to reidentification, the second materiel adjustment transaction will contain the same document number as the first transaction, the identified stock number, the quantity of the identified stock number, DIC D8J (Increase–Reidentification of Stock), and Suffix Code B.

C5.7.1.3. When more than one new stock number is picked up due to reidentification, an additional DIC D8J adjustment transaction for each newly identified stock number will be prepared and transmitted. The additional DIC D8J adjustment transaction(s) will be prepared in the same manner as the second transaction except that the suffix codes will progress to C, D, etc., as each transaction is prepared. The suffix codes in the second and ensuing transactions will serve to correlate the transactions to the misidentified stock number.

C5.7.1.4. The owner/manager and storage activity will process the adjustment transactions against their inventory control records to effect the decrease under the incorrectly identified stock number and increase(s) against the correct stock number(s).

C5.7.2. Stock Number and/or Unit of Issue Changes:

C5.7.2.1. When only a stock number change occurs, the owner/manager and storage activity will each prepare and process two materiel adjustment transactions prepared as outlined in Appendix AP3.4. The first transaction will contain the replaced stock number, DIC D9K (Decrease - Catalog Data Change), and Suffix Code A. The second transaction will contain the same document number as the first transaction, DIC D8K (Increase - Catalog Data Change), and Suffix Code B.

C5.7.2.2. When only a unit of issue change occurs, the owner/manager and storage activity will each prepare and process two materiel adjustment transactions prepared as outlined in Appendix AP3.4. The first transaction will contain the quantity and unit of issue prior to change of unit of issue, DIC D9K (Decrease–Catalog Data Change), and Suffix Code A. The second materiel adjustment transaction will contain the same document number and stock number as the first transaction, the new unit of issue, the new adjusted quantity based on the new unit of issue, DIC D8K (Increase Catalog Data Change), and Suffix Code B.

C5.7.2.3. When a simultaneous stock number and unit of issue changes occur, the owner/manager and storage activity will each prepare and process two materiel adjustment transactions. The first transaction will contain the replaced stock number and its unit of issue and quantity, DIC D9K (Decrease–Catalog Data Change), and Suffix Code A. The second materiel adjustment transaction will contain the same document number, the replacing stock number and unit of issue, the adjusted quantity based on the new unit of issue, DIC D8K (Increase–Catalog Data Change), and Suffix Code B.

C5.8. CONDITION CHANGES FOR ITEMS BEING REPORTED/TURNED IN TO DLA DISPOSITION SERVICES

C5.8.1. When materiel is not identified by an NSN and is actually scrap, Components may prescribe that it be classified in SCC S for turn in to DLA Disposition Services Field Offices. Otherwise, only materiel recorded in SCCs A through H and Q will be reported or turned in to the DLA Disposition Services Field Office.

C5.8.2. When excess, serviceable or unserviceable materiel is classified in SCC J, K, L, M, N, P, or R, activities must initiate action to reclassify the materiel to an acceptable SCC (A through H, S, or Q) before preparing the turn-in documentation. The materiel reclassification procedures are contained in C5.2.

C5.8.3. Activities not reporting or turning in materiel to DLA Disposition Services Field Offices in an appropriate SCC will risk having the materiel rejected/returned by the DLA Disposition Services Field Office for proper classification.

C5.8.4. DLA Disposition Services Field Offices will use the Appendix AP2.5 disposal condition codes to accurately describe the physical condition of the materiel based on its inspection at time of receipt. DLA Disposition Services Field Offices will record both the supply and the disposal condition code for the materiel and will reflect both codes as management data for DLA Disposition Services screening and review. Within the DLA Disposition Services

process, Disposal Condition Code S is assigned for "property that has no value except for its basic materiel content." Consequently, Disposal Condition Code S may be assigned by DLA Disposition Services Field Offices to materiel with or without NSN identification.

AP2.6 APPENDIX 2.6

MANAGEMENT CODES

NUMBER OF CHARACTERS: One

TYPE OF CODE: Alpha/Numeric

EXPLANATION: Provides supplemental data not indicated through the transaction coding structure. When a situation exists which is not covered by a code, the Component managing the distribution system may assign Management Codes A thru L (except I), and other codes as specified below, and may prescribe their entry in appropriate transactions. Codes established under this option shall not duplicate or circumvent the intent of DoD assigned or reserved codes.

RECORD POSITIONS: 72

DLMS SEGMENT/QUALIFIER: LQ Segment, LQ01 Data Element ID 1270 Qualifier "84 – Management Code"

AP2.6.1. RECEIPT RELATED TRANSACTIONS. The following management codes are assigned for use in MILSTRAP materiel receipt-related transactions, Document Identifier Codes (DIC) D4_ and D6_ Materiel Receipts, DD_ and DF_ Due-in Transactions, DU_ and DW_ PMRs, and DX_ Materiel Receipt Follow-ups), and related receiving documentation (when applicable), as indicated below:

<u>CODE</u>	<u>APPLICABLE DIC</u>	<u>EXPLANATION</u>
A thru L	Appropriate DICs	Reserved for assignment by Component managing the item; not assigned by DoD.
M	D6_	Materiel condemned upon receipt. Quantity indicated shipped direct to the DLA Disposition Services Field Office, or other authorized/required disposal action has been taken. (Excludes items for which shelf-life has expired and cannot/will not be extended.)
M	All other DICs	Reserved for future DoD assignment.
N	All DICs	Return of undelivered (frustrated) cargo (with accompanying shipper documentation).

<u>CODE</u>	<u>APPLICABLE DIC</u>	<u>EXPLANATION</u>
O (alpha)	D6_	Materiel is not hazardous to public health/safety or national security. Materiel is prohibited for DoD use but may be sold by DLA Disposition Services. DLA Disposition Services must assure that all sales include a restrictive resale provision to deter reentry of the materiel into the DoD supply system.
O (alpha)	All other DICs	Reserved for future DoD assignment.
P	D4_, D6_	Materiel received without documentation. Support documentation and document number created by storage activity.
P	All other DICs	Reserved for future DoD assignment.
Q	D6_	Multiple Use: 1. Return of materiel improperly identified at time of shipment from depot. 2. Return of Government-owned containers.
Q	All other DICs	Reserved for future DoD assignment.
R	D4_, D6_	Materiel receipt discrepancy; discrepancy report submission required. (Excludes vendor-caused misdirected shipments covered by code S and quantity overages covered by code U.)
R	All other DICs	Reserved for future DoD assignment.
S	D4_	Materiel receipt discrepancy; discrepancy report submission required. Vendor caused misdirected shipment from procurement instrument source. Materiel meets acceptance criteria specified in the contract.
S	D6_	Materiel is hazardous to public health/safety or national security. DLA Disposition Services Field Office shall assure mutilation is accomplished.
S	All other DICs	Reserved for future DoD assignment.

<u>CODE</u>	<u>APPLICABLE DIC</u>	<u>EXPLANATION</u>
T	D6_	Materiel condemned upon receipt. Shelf-life has expired and cannot/will not be extended. Quantity indicated shipped direct to the DLA Disposition Services Field Office or other authorized/required disposal action has been taken.
T	All other DICs	Reserved for future DoD assignment.
U	D4_	Materiel receipt discrepancy; discrepancy report submission required. Quantity delivered exceeded authorized quantity including any allowable contract variance and/or excess delivery clause. Materiel meets acceptance criteria specified in the contract.
U	All other DICs	Reserved for future DoD assignment.
V ¹	All DICs	Materiel intended for immediate transfer to maintenance, by ICP directed release or maintenance induction, in accordance with agreed procedures.
W thru Y	All DICs	Reserved for future DoD assignment.
Z	All DIC	Exception data entered in remarks or follows by separate correspondence.
0 thru 9	All DICs	Reserved for future DoD assignment.

¹ Management Code V is proposed for deletion by Proposed DLMS Change (PDC) 449.

AP2.6.2. ISSUE RELATED TRANSACTIONS. Management codes are assigned for use in MILSTRAP issue related transactions (DIC D7_ Issues, DG_ Backorders, and DHA Demands) and MILSTRIP transactions (DIC Code A4_ Referral Orders, A5_ Materiel/Disposal Release Orders, A6_ Materiel/Disposal Release Denials, ACJ Disposal Release Cancellations, AE6 Supply status, AEJ Disposal Supply Status, AFJ Disposal Release Follow-ups, AGJ Reply to Disposal Release Cancellations, AKJ Disposal Release Cancellation Follow-ups, ARJ, ARK, and ARL Deposal Release Confirmations), and related release documentation (when applicable), as indicated below:

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
A thru L	Appropriate DICS	Reserved for assignment by Component managing the item; not assigned by DoD.
M	D7_ less D7J, A__ less A5J and A6_	Backorder release.
M	D7J, A5J	Materiel condemned. Quantity indicated shipped direct to the DLA Disposition Services Field Office or other authorized/required disposal action has been taken. (Excludes items for which shelf-life has expired and cannot/will not be extended.)
M	All other DIC	Reserved for future DoD assignment.
N	DHA, D7_, A4_	Nonrecurring demand.
N	A6J	<i>Denied. For intra-DLA Disposition Services use to indicate that the Field Office is unable to complete the DLA Disposition Services-originated RDO due to a need to continue processing the DTID in accordance with established business rules at the current Field Office.</i>
N	AE_ ²	Non-production Materiel. Identifies Navy-funded requirements not associated with direct support for ship/aircraft maintenance. Applicable to Navy requisitions submitted to DLA under industrial activity (IA) support agreement and may be perpetuated to supply status.
N	All other DICS	Reserved for future DoD assignment.

² Refer to ADC 375. New Management Code for Navy Funded Non-Production Support Materiel Ordered under BRAC SS&D/IMSP.

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
A thru L	Appropriate DICS	Reserved for assignment by Component managing the item; not assigned by DoD.
O (alpha)	D7J, A5J, ACJ, AEJ, AFJ, AGJ, AKJ, ARJ, ARK, ARL ³	Materiel is not hazardous to public health/safety or national security. Materiel is prohibited for DoD use but may be sold by the DLA Disposition Services. The DLA Disposition Services must ensure that all sales include a restrictive resale provision to deter reentry of the materiel to the DoD supply system.
O (alpha)	DHA, D7_ less D7J, A4_	No demand.
O (alpha)	All other DICS	Reserved for future DoD assignment.
P	DHA, D7_, A4_	Nonrecurring demand for special program requirements.
P	AE_ ⁴	Re-requisitioned materiel alternatively sourced subsequent to receipt of deficient materiel. Applicable to status related to DLMS requisition alerts, requisitions, and applicable follow-on transactions for materiel requisitioned from DLA under an industrial activity support agreement. ⁵
P	All other DICS	Reserved for future DoD assignment.
Q	A6_	Denied. Storage activity unable to match materiel release order to <i>identified reference numbers for stock in storage</i> . Requested stock cannot be released. <i>(1) Unable to match the protection document number and job order number. Applicable to DLA Navy industrial activity support agreement.⁶</i> <i>(2) Unable to match to the DTID Number. Applicable to DLA Disposition Services.⁷</i>

³ Also applicable to DICS assigned by the DoD Components for use on the Disposal Turn-In Document (DTID) below the wholesale level.

⁴ Refer to ADC 391, implementation date January 2011.

⁵ Expanded for use for all DoD Components requisitioning from DLA is planned for future implementation (approximately 2014.)

⁶ ADC 391, New Denial Management Code to Support the New Protection Process at the Navy Shipyards (NSYs) when Protection Document Number/Job Order does not Match DSS Records under BRAC SS&D/IMSP.

⁷ Refer to ADC 449, Intra-DLA Revisions to the DLMS 945A, Materiel Release Advice, Cancellation Reason Code, Management Code, and Associated Procedures under Reutilization Business Integration (RBI)

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
A thru L	Appropriate DICS	Reserved for assignment by Component managing the item; not assigned by DoD.
Q	All other DICS	Reserved for future DoD assignment.
R	DHA, D7_, A4_	Recurring demand.
R	A5_	Pre-inventory document.
R	A6_	Denied. This denial results from a receipt posted in error during real-time "Issue from Receiving" processing, or from discovery of a receipt processing error during denial research. Distribution depot to submit receipt reversal.
R	AE_ ⁸	Requisition delayed due to storage activity denial.
R	All other DICS	Reserved for future DoD assignment.
S	D7J, A5J, ACJ, AEJ, AFJ, AGJ, AKJ, ARJ, ARK, ARL ⁹	Materiel is hazardous to public health/safety or national security. DLA Disposition Services Field Office must ensure mutilation is accomplished.
S	DHA, D7_ less D7J, A4_	Commissary resale demand.
S	AE6 ¹⁰	Lateral redistribution order (LRO) rejected due to duplication of suffix code internal to receiving Service. LRO may be resent with suffix code advanced.
S	All other DICS	Reserved for future DoD assignment.
T	D7J, A5J	Materiel condemned. Shelf-life has expired and cannot/will not be extended. Quantity indicated shipped direct to DLA Disposition Services Field Office or other authorized/ required disposal action has been taken.
T	A6_	Reserved for a denial management code associated with Unique Item Tracking (UIT). PDC to be developed.
T	All other DICS	Reserved for future DoD assignment.
U	A5_	Post inventory document.

⁸ Authorized for use in intra-Army supply status (ADC 191), and subsequently expanded for inter-Service/Agency use (ADC 312). Implementation outside Army applications is pending.

⁹ Also applicable to DICS assigned by the DoD Components for use on DTID below the wholesale level.

¹⁰ Authorized for use in Army interface with DLA in response to a DLA directed LRO.

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
A thru L	Appropriate DICS	Reserved for assignment by Component managing the item; not assigned by DoD.
U	A6_	Reserved for a denial management code associated with UIT. PDC to be developed.
U	All other DICS	Reserved for future DoD assignment.
V	A5_ less A5J ¹¹	Denied. Requested stock cannot be released due to suspected unacceptable condition. Inspection to be conducted for verification. Applicable to DLA industrial activity support agreement.
V	All DICS	Reserved for future DoD assignment.
W	AE6, A4_ ¹² A6_, D7_ ¹³	Denied. Cannot identify DoDAAC/MAPAC of designated materiel recipient.
W	All other DICS	Reserved for future DoD assignment.
X	AE6, A4_ ¹⁴ A6_, D7_ ¹⁵	Denied. Consignee, freight forwarder, or country representative has advised that issue of this materiel will constitute a duplicate shipment.
X	All other DICS	Reserved for future DoD assignment.
Y	A6_ ¹⁶	Denied. Materiel pre-positioned at a forward site associated with the identified storage activity for Navy industrial activity maintenance operations.
Y	All other DICS	Reserved for future DoD assignment.
Z	D7_, DG_, A6_,	Exception Data entered in remarks or follows by separate correspondence.
0	All DIC codes	Reserved for future DoD assignment.
1	AE6, A4_ ¹⁷ A6_, D7_ ¹⁸	Denied. Stock exhausted; unsuccessful storage activity search has been made.

¹¹ Refer to ADC 396, Revised Procedures and Data Content for DLMS Materiel Release Order (940R) and Material Release Advice (945A) and New Denial Management Code for Marine Corps BRAC SDI.

¹² Authorized for use only in intra-Navy D7_ Issue transaction reversals and in D7_ Issue transaction reversals between Navy Specialized Support Points and DLA.

¹³ Authorized for use only in intra-Navy referral orders.

¹⁴ Authorized for use in intra-Army supply status (ADC 191), and subsequently expanded for inter-Service/Agency use (ADC 312). Implementation outside Army applications is pending.

¹⁵ Authorized for use in Army interface with DLA in response to a DLA directed LRO.

¹⁶ Refer to ADC 370, Requisitioning for Off-Station Forward Site Support and New Non-Inventory Affecting Denial Management Code indicating Off-Station Materiel under Navy BRAC SS&D IMSP

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
A thru L	Appropriate DICS	Reserved for assignment by Component managing the item; not assigned by DoD.
1	All other DICS	Reserved for future DoD assignment.
2	AE6, A4_ ¹⁹ A6_, D7_ ²⁰	Denied. Materiel not available in condition requested.
2	All other DICS	Reserved for future DoD assignment.
3	AE6, A4_ ²¹ A6_, D7_ ²²	Denied. Materiel not available in proper shelf-life.
3	All other DICS	Reserved for future DoD assignment.
4	AE6, A4_ ²³ A6_, D7_ ²⁴	Denied. Materiel not available in type pack (overseas or domestic) requested (subsistence only) or specified lot number cannot be released (ammunition only).
4	All other DICS	Reserved for future DoD assignment.
5	AE6, A4_ ²⁵ A6_, D7_ ²⁶	Denied. Reidentification or reclassification of assets in process. Storage activity to advise results of reidentification or reclassification.
5	All other DICS	Reserved for future DoD assignment.
6	AE6, A4_ ²⁷ A6_, D7_ ²⁸	Denied. No record of NSN at storage activity. This denial results from review of the storage records and the storage activity has not conducted a physical search for the item.

¹⁷ Authorized for use only in intra-Navy D7_ Issue transaction reversals and in D7_ Issue transaction reversals between Navy Specialized Support Points and DSCs.

¹⁸ Authorized for use only in intra-Navy referral orders.

¹⁹ Authorized for use only in intra-Navy D7_ Issue transaction reversals and in D7_ Issue transaction reversals between Navy Specialized Support Points and DSCs.

²⁰ Authorized for use only in intra-Navy referral orders.

²¹ Authorized for use in intra-Army supply status (ADC 191), and subsequently expanded for inter-Service/Agency use (ADC 312). Implementation outside Army applications is pending.

²² Authorized for use in Army interface with DLA in response to a DLA directed LRO.

²³ Authorized for use only in intra-Navy D7_ Issue transaction reversals and in D7_ Issue transaction reversals between Navy Specialized Support Points and DSCs.

²⁴ Authorized for use only in intra-Navy referral orders.

²⁵ Authorized for use only in intra-Navy D7_ Issue transaction reversals and in D7_ Issue transaction reversals between Navy Specialized Support Points and DSCs.

²⁶ Authorized for use only in intra-Navy referral orders.

²⁷ Authorized for use only in intra-Navy D7_ Issue transaction reversals and in D7_ Issue transaction reversals between Navy Specialized Support Points and DSCs.

²⁸ Authorized for use only in intra-Navy referral orders.

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
A thru L	Appropriate DICS	Reserved for assignment by Component managing the item; not assigned by DoD.
6	All other DICS	Reserved for future DoD assignment.
7	AE6, A4_ ²⁹ A6_, D7_ ³⁰	Denied. Zero balance in an issuable condition indicated on storage activity custodial/ memorandum record and no record location exists. This denial results from review of the storage records and the storage activity has not conducted a physical search for the item.
7	All other DICS	Reserved for future DoD assignment.
8	Appropriate DICS	Reserved for assignment by the Component managing the item; not assigned by DoD.
9	AE6, A4_ ³¹ A6_, D7_ ³²	Denied. To ICP from storage. Item was ordered in one continuous length only but is not so available.
9	All other DICS	Reserved for future DoD assignment.

²⁹ Authorized for use in intra-Army supply status (ADC 191), and subsequently expanded for inter-Service/Agency use (ADC 312). Implementation outside Army applications is pending.

³⁰ Authorized for use in Army interface with DLA in response to a DLA directed LRO.

³¹ Authorized for use only in intra-Navy D7_ Issue transaction reversals and in D7_ Issue transaction reversals between Navy Specialized Support Points and DSCs.

³² Authorized for use only in intra-Navy referral orders.

AP2.6.3. GAIN/LOSS RELATED TRANSACTIONS. Management codes are assigned for use in MILSTRAP gain/loss related transactions (DIC D8_/D9_ Inventory Adjustment Increases/Decreases, and DAC Dual Inventory Adjustments) as indicated below:

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
A thru L	Appropriate DICS	Reserved for assignment by Component managing the item; not assigned by DoD.
M	D9_, DAC	Materiel condemned. Quantity indicated shipped direct to the DLA Disposition Services Field Office or other authorized/required disposal action has been taken. (Excludes items for which shelf-life has expired and cannot/will not be extended.)
M	All other DICS	Reserved for future DoD assignment.
N	All DICS	Reserved for future DoD assignment.
O (alpha)	D8B, D9B	Gain/loss resulting from end-of-day processing.
O (alpha)	All other DICS	Reserved for future DoD assignment.
P	D8B, D9B	Gain/loss resulting from location reconciliation.
P	All other DICS	Reserved for future DoD assignment.
Q	D9_	Loss resulting from a materiel release denial on another owner/manager's materiel.
Q	All other DICS	Reserved for future DoD assignment.
R	D8_	Gain resulting from creation of computer record balance in order to process out-of-sequence high priority issues. This posting to an insufficient balance may be used when negative balances are not permitted.
R	All other DICS	Reserved for future DoD assignment.
S	D9_	Loss resulting from automatic adjustment due to receipt of materiel release denial of stocks issued as a result of computer record balance gained through use of Management Code R, above.
S	All other DICS	Reserved for future DoD assignment.
T	D9G, DAC	Materiel condemned. Shelf-life has expired and cannot/will not be extended. Quantity indicated shipped direct to DLA Disposition Services Field Office or other authorized/ required disposal action has been taken.

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
T	All other DICS	Reserved for future DoD assignment.
U thru Y	All DICS	Reserved for future DoD assignment.
Z	All DICS	Exception data entered in remarks or follows by separate correspondence.
0	All DICS	Reserved for future DoD assignment.
1	D9A	Adjustment based on materiel denial. Stock exhausted; unsuccessful storage activity search has been made.
2	D9A	Adjustment based on materiel denial. Materiel not available in condition requested; other condition codes recorded. Unsuccessful storage activity search has been made.
3	D9A	Adjustment based on materiel denial. Materiel not available in shelf life or for subsistence in date packed/expiration date requested.
4	D9A	Adjustment based on materiel denial. Materiel not available in type pack (overseas or domestic) requested (subsistence only) or specified lot number cannot be released (ammunition only). Unsuccessful storage activity search has been made.
5 thru 9	All DIC	Reserved for future DoD assignment.

AP2.6.4. PHYSICAL INVENTORY RELATED TRANSACTIONS. Management codes are assigned for use in MILSTRAP physical inventory related transactions (DIC DJA Physical Inventory Requests) as indicated below:

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
A thru L	Appropriate DICS	Reserved for assignment by Component managing the item; not assigned by DoD.
M	DJA	Recount requested.
N	DJA	Inventory cancelled.
O thru Q	DJA	Reserved for future DoD assignment.
R	DJA	Rejected. No record of stock number or no record of ownership.

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
S	DJA	Physical inventory in workload bank or in process.
T thru W	DJA	Reserved for future DoD assignment.
X	DJA	Follow-up on unscheduled inventory request when no adjustment or completion transaction received within 40 days.
Y	DJA	Response to follow-up when inventory already complete.
Z	DJA	Exception data entered in remarks or followed by separate correspondence.
0 thru 9	DJA	Reserved for future DoD assignment.

AP2.6.5. INFORMATIVE TRANSACTIONS. Management codes are assigned for use in informative transactions (DIC DRA/DRB Materiel Receipt Acknowledgments, DZC Logistics Reassignment Storage Information transactions, and DZD Logistics Reassignment Storage Information Replies) as indicated below:

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
A thru L	Appropriate DICS	Reserved for assignment by Component managing the item; not assigned by DoD.
M thru O	All DICS	Reserved for future DoD assignment.
P	AO_, AM, AT_, (including Requisition Alert) ³³	Re-requisitioned materiel to be sourced via direct vendor delivery from an alternative vendor or from an alternative storage location, subsequent to receipt of quality deficient materiel. Applicable only to DLMS requisition alerts and applicable follow-on transactions for materiel requisitioned from DLA under Base Realignment and Closure (BRAC) Inventory Management and Stock Positioning (IMSP).
Q thru Z	All DICS	Exception data entered in remarks or follows by separate correspondence.
0 thru 2	All DICS	Reserved for future DoD assignment.

³³ Refer to ADC 352, Management Code for Product Quality Deficiency Report (PQDR) Replacement Requisitions. Note: The requisition alert transaction allows Navy BRAC IMSP sites shall notify DLA of their requirements in advance of the funded requisition, thereby allowing DLA to procure and position materiel appropriately to support prompt order fulfillment. Refer to PDC 366 for the procedures and content of the DLMS Requisition Alert (still under development).

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
4 thru 8	All DICS	Reserved for future DoD assignment.
9	AO_, AM, AT_ ³⁴	Re-requisitioned materiel to be sourced from an alternative location or new procurement, if stock is not available, subsequent to a storage activity denial to Service owner for release of materiel purchases for DLA under BRAC IMSP. Denial caused by lack of materiel in one continuous length as purchased.

AP2.6.6. REQUISITION TRANSACTIONS. Management codes are assigned for use in requisition-related transactions:

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
A thru L	AO_, AT_ ³⁵	Specific values as assigned by Army. Applicable on Intra-Army basis for post-post and image single stock fund activity requisitions.
M	All DICS	Reserved for future DoD assignment.
N	AO_, AM, AT_ ³⁶	Non-production Materiel. Identifies Navy-funded requirements not associated with direct support for ship/aircraft maintenance. Applicable to supply status associated with Navy requisitions submitted to DLA under industrial activity support agreement.
O	All DICS	Reserved for future DoD assignment.
P	AO_, AM, AT_ (including Requisition Alert) ³⁷	Requisitioned materiel to be alternatively sourced subsequent to receipt of deficient materiel (prior requisition document number must be identified for cross reference; PQDR required). Applicable only to DLMS requisition alerts, requisitions, and applicable follow-on transactions for materiel requisitioned from DLA under BRAC SS&D IMSP. ³⁸

³⁴ Refer to ADC 359, Perpetuation of the Denial Management Code to the DLMS Requisition, and Modification of Air Force BRAC IMSP Supply Discrepancy Report (SDR) Procedures.

³⁵ Refer to ADC 243, Identification of Army Single Stock Fund (SSF) Requisitioning Actions and Edit Action Code (EAC) Authorization.

³⁶ Refer to ADC 375, New Management Code for Navy Funded Non-Production Support Materiel Ordered under BRAC SS&D/IMSP.

³⁷ Refer to ADC 352, Identification of Army Single Stock Fund (SSF) Requisitioning Actions and Edit Action Code (EAC) Authorization. Management Code for Product Quality Deficiency Report (PQDR) Replacement Requisitions. Note: The requisition alert transaction allows Navy BRAC IMSP sites to

<u>CODE</u>	<u>APPLICABLE DICS</u>	<u>EXPLANATION</u>
Q thru R	All DICS	Reserved for future DoD assignment.
S	AO_, AM, AT___ (including Requisition Alert) ³⁹	Identifies surge requirements for mission support materiel (MSM) that are to be processed as one-time requests and not sourced against on-hand assets. Applicable to DLMS requisition alerts, requisitions, and follow-on transactions for DLA-sourced materiel under a DLA-Navy industrial activity support agreement.
T thru Z	All DICS	Reserved for future DoD assignment.
0 thru 2	All DICS	Reserved for future DoD assignment.
3	AO_, AM, AT_ ⁴⁰	Re-requisitioned materiel to be sourced from an alternative location, or new procurement, if stock is not available, subsequent to storage activity denial to Service owner for release of materiel purchased from DLA under BRAC IMSP. Denial caused by lack of materiel in the proper shelf-life as purchased.
4 thru 8	All DICS	Reserved for future DoD assignment.
9	AO_, AM, AT_ ⁴¹	Re-requisitioned materiel to be sourced from an alternative location or new procurement, if stock is not available, subsequent to storage activity denial to Service owner for release of materiel purchased from DLA under BRAC IMSP. Denial caused by lack of materiel in one continuous length as purchased. New requisition must include the prior requisition document number and shipment suffix, if applicable.

notify DLA of their requirements in advance of the funded requisition, thereby allowing DLA to procure and position materiel appropriately to support prompt order fulfillment. Refer to ADC 381 for the procedures and content of the DLMS Requisition Alert.

³⁸ Expanded use for all DoD Components requisitioning from DLA is planned for future implementation (approximately 2014).

³⁹ Refer to ADC 338A, Requirements of Mission Support Material (MSM) under Navy BRAC SS&D IMSP. Implementation date January 2011. Note: The requisition alert transaction allows Navy industrial sites to notify DLA of their requirements in advance of the funded requisition, thereby allowing DLA to procure and position materiel appropriately to support prompt order fulfillment. Refer to ADC 352 for DLMS Requisition Alert procedures.

⁴⁰ Refer to ADC 359, Perpetuation of the Denial Management Code to the DLMS Requisition, and Modification of Air Force BRAC IMSP SDR Procedures.

⁴¹ *Ibid.*

AP2.17. APPENDIX 2.17

DISCREPANCY INDICATOR CODES

NUMBER OF CHARACTERS: One

TYPE OF CODE: Alphabetic

EXPLANATION: A one-digit code used in the material receipt acknowledgement (MRA) to indicate when a supply or transportation discrepancy or product quality deficiency affects the receipt posting and/or MRA process.

RECORD POSITIONS: 63 of MRA (DIC DRA/DRB)

80 (intra-Army use only) of Other Than Procurement Instrument Source Receipts (DIC D6_).

DLMS SEGMENT/QUALIFIER LQ Segment, LQ01 Data Element ID 1270 Qualifier "EI – Discrepancy Indicator Code"

CODES USED WITH MRA:

<u>CODE</u>	<u>DEFINITION</u>
A	SDR being submitted. (Excludes shortage and partial or total nonreceipt.)
B	No record of requisition. (Use in DIC DRB reply to DIC DRF follow-up if there is no record of the requisition and the materiel has not been received.) In DLMS use with 527R MRA in response to a follow-up (identified by beginning segment BR02 code TH with BR06 Action Code V).
C	Reserved for future DoD assignment.
D	Transportation discrepancy report being submitted. (Excludes shortage and partial or total nonreceipt.)
E	Product quality deficiency report being submitted.
F	Shortage or partial or total nonreceipt. Quantity not received entered in record positions 25-29 of MRA.

CODES USED WITH MRA:

<u>CODE</u>	<u>DEFINITION</u>
G	Nonreceipt due to extended transit time. (Use in DIC DRB reply to DIC DRF follow-up, if more time is needed to pick up the materiel.) Only for use by Navy ships and only when materiel is being held at a Navy Local Logistics Support Center or Materiel Processing Center. In DLMS use with 527R MRA in response to a follow-up (identified by beginning segment BR02 code TH with BR06 Action Code V). ¹
H-L	Reserved for future DoD assignment.
U	Reserved for future DoD assignment.
V	<i>MRA is based on a systemic virtual receipt. MRA is generated from virtual receipt transaction which the Navy industrial site (Navy Shipyard/Fleet Readiness Center) created from a Supply Status transaction (DLMS 870S) with Status Code 'PD'. Authorized for Navy and DLA use in DLMS 527R MRA under Supply, Storage and Distribution/Inventory Management and Stock Positioning (SS&D/IMSP). Refer to ADC 372.</i>
W	Reserved for future DoD assignment.
X	Discrepant receipt, other than shortage and partial or total nonreceipt, which does not meet qualifying criteria for discrepancy report submission.
Y-Z	Reserved for future DoD assignment.

CODES USED WITH INTRA-ARMY RECEIPT (OTHER THAN PROCUREMENT INSTRUMENT SOURCE) TRANSACTIONS (DIC D6_):

<u>CODE</u>	<u>DEFINITION</u>
M	Damaged Receipt (for intra-Army use)
N	Receipt Storage (for intra-Army use)
P	Receipt Overage (for intra-Army use)
Q	Wrong Material (for intra-Army use)

¹ Refer to ADC 474. As required by DoD 4140.1-R, the DoD Components must provide implementation status for this approved change. DLA has identified their earliest possible implementation as the latter half of fiscal year 2013.

- R Duplicate Receipt (for intra-Army use)
- S Receipt previously processed as a Materiel Receipt Discrepancy (for intra-Army use)
- T Condemned Upon Receipt or Shelf-Life Expired (for intra-Army use)