



**DEFENSE LOGISTICS AGENCY
DISPOSITION SERVICES
74 WASHINGTON AVENUE NORTH
BATTLE CREEK, MICHIGAN 49037-3092**

JUL 12 2017

MEMORANDUM FOR QUALIFIED RECYCLING PROGRAM MANAGERS

SUBJECT: FY17 Reimbursements for Qualified Recycling Program Scrap Turn-Ins

Thank you for your patience regarding FY17 reimbursements for QRP-eligible scrap turned in to DLA Disposition Services. In May I promised an update once more information was known on processing QRP reimbursements. Since then, we have worked with our DLA comptroller to submit a request to the OUSD(C) - Office of the Under Secretary of Defense (Comptroller) for a one-time waiver to 7000.14-R, the Department of Defense Financial Management Regulation, Vol. 11A, Chapter 5.

DLA Disposition Services identified that the current reimbursement process is non-compliant and fails auditability standards. Accordingly, all reimbursements for FY17 were put on hold effective October 1, 2016, and all QRP scrap receipts after May 31, 2017 have been declined. The current request for a waiver would enable DLA to reimburse each QRP one final time. All requests for payment for FY17 turn-ins from October to May, or back payments for turn-ins or discrepancies for any FY prior to FY17 must be received by DLA Disposition Services no later than July 31, 2017 in order to be considered for reimbursement under this waiver. It is imperative that you audit your QRP records for this FY and prior FYs, as this will be the only reimbursement DLA will be permitted to make under the waiver. Requests for back payment of reimbursements received after July 31, 2017 will not be eligible for payment.

DLA's goal is that all QRPs will receive funds by August 31, 2017. However, this payment can be accomplished only if the Line of Accounting (LOA) provided is correct. To avoid any delays, a validation of your QRP's LOA is requested. Any reimbursements that do not clear Intragovernmental Payment and Collection because of faulty LOAs will be returned.

Please note that the long-term solution for DLA's involvement in QRP is still being evaluated at the senior-leader level. At this time, we are still unable to process new receipts of QRP-eligible scrap. Compliance with regulatory and audit requirements remains a high priority.

Again, I appreciate your understanding and support in processing FY17 reimbursements for QRP-eligible scrap. My POCs are Ms. Tiffany Emmons and Mr. Tom Marcum. They can be reached via email at Tiffany.Emmons@dla.mil and Thomas.Marcum@dla.mil or by phone at 269-961-5047 and 269-961-5146.


Michael O. Cannon, SES
Director