



DEFENSE LOGISTICS AGENCY
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IN REPLY
REFER TO DLMSO

FEB 13 2008

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE

SUBJECT: Request for Implementation Date for Approved DLMS Change (ADC) 38, Special Program Requirements (SPR) Process Minimum and Maximum Quantity Checks, and New SPR Status Codes (Supply/MILSTRAP)

The attached change to DoD 4000.25-M, Defense Logistics Management System (DLMS), Volume 2, and DoD 4000.25-2-M, Military Standard Transaction Reporting and Accounting Procedures (MILSTRAP), is forwarded for submission of the earliest coordinated Service/Agency implementation date. Two requests for implementation date were previously staffed by DLMSO memorandums of August 18, 2000, and May 25, 2006, subject as above. However, Service implementation dates were not provided.

Please reply no later than **30** days from the date of this memorandum. When a mutually satisfactory implementation date is determined, we will publish the approved change with the designated implementation date. Addressees may direct questions to the DLMSO point of contact, Ms. Mary Jane Johnson, at (703) 767-0677; DSN 427-0677; or, e-mail: Mary.Jane.Johnson@dla.mil. Others must contact their Component designated Supply Process Review Committee representative.

DONALD C. PIPP
Director
Defense Logistics Management
Standards Office

Attachment

cc:
ADUSD(L&MR)SCI



**ATTACHMENT TO REQUEST FOR IMPLEMENTATION DATE FOR ADC 38
Special Program Requirements (SPR) Process Minimum and Maximum Quantity Checks,
and New SPR Status Codes**

1. ORIGINATOR:

- a. Organization:** Defense Logistics Agency (DLA)
- b. Point of contact:** DLA Supply PRC member: HQ DLA/J-335; 703-767-1424; DSN 427

2. FUNCTIONAL AREA: Supply

3. REFERENCE:

- a.** DLMSO memorandum, August 18, 2000, Subject: Request for Implementation Date for Approved DLMS Change (ADC) 38, Special Program Requirements (SPR) Process Minimum and Maximum Quantity Checks, and New SPR Status Codes
- b.** DLMSO memorandum, May 25, 2006, Subject: Request for Implementation Date for Approved DLMS Change (ADC) 38, Special Program Requirements (SPR) Process Minimum and Maximum Quantity Checks, and New SPR Status Codes
- c.** DLMSO memorandum, December 6, 2007, subject: DLMS Supply Process Review Committee (PRC) Meeting 07-02, October 9-11, 2007

4. REQUESTED CHANGE:

- a. Title:** Request for Implementation Date for Approved DLMS Change (ADC) 38, SPR Process Minimum and Maximum Quantity Checks, and New SPR Status Codes
- b. Background:** DLMSO originally released a Request for Implementation Date for ADC 38 August 18, 2000; however, only two responses were received to the year 2000 request as follows: (1) Navy response indicating implementation deferred to their ERP; and, (2) General Services Administration (GSA) response indicating no impact. DLA has asked that the request for implementation date be reissued, and DLA provided their implementation status as noted below:

COMPONENT	RESPONSE to 8/18/2000 Request for Impl Date	DLMSO COMMENT
NAVY 2000 Response	Implementation in abeyance until ERP replaces the legacy supply system.	Noted
GSA 2000 Response	No impact. Any date.	Noted
DLA J-332 2006 Response	The DLA legacy Logistics Support System, SAMMS, implemented both ADC 38 in CY 2002. The new DLA Logistics Support System, BSM, the estimated implementation date in BSM is CY 2007.	The new and revised SPR codes are neither published nor implemented. ADC 38 has not been scheduled for implementation with the Services. To date, no implementation date was ever agreed upon.
USA, USAF, USMC	No Response	

COMPONENT	RESPONSE to 5/25/2006 Request for Implementation Date	DLMSO COMMENT
DLA	2006 Response: SAMMS implemented in CY 2002. BSM estimated implementation date is CY 2007.	The new and revised SPR codes are neither published nor implemented. ADC 38 has not been scheduled for implementation with the Services. To date, no implementation date was ever agreed upon.
USA USN USAF USMC	No Response No Response No Response No Response	
<u>DLMSO STAFFING NOTE:</u> See paragraph 6.a. Advantages below for information on possible staggered implementation.		

c. **Supply PRC Meeting 07-2, October 9-11, 2007.** The request for implementation date for ADC 38 was addressed at SPRC meeting 07-2. In response to this discussion, DLA agreed to review the ADC 38 requirements to confirm they were still valid. Subsequent to the meeting, DLA confirmed the validity of the requirement to DLMSO. DLMSO is, therefore, reissuing the request for implementation date to obtain Service implementation information. DLA also noted that they believe the Services have implemented these changes. **Accordingly, request the Supply PRC representatives coordinate this request with your Service SPR subject matter experts familiar with your Component SPR processing system.**

d. **Description of Changes:**

(1) **Recommended Change #1:** Currently, DLA's system receives SPR documents that vary in forecast quantity from very small to significantly large quantities. By automatically accepting SPR transactions with very small quantities that have no impact on requirements, DLA's system becomes choked. DLA requests that a minimum and maximum quantity check be established. In addition, it's valuable for submitters to receive feedback that DLA can support very small quantities without an SPR, and at the same time, they must know when they need to validate SPRs with large forecasts. DLA customers, therefore, have requested that DLA clarify status code "PB" by limiting it to a single condition (i.e., significant forecast quantities), and that a new value be established for minimal forecast quantities.

(2) **Recommended Change #2:** Currently in the DLA system, modifiers to existing SPRs that increase the quantity cause the existing SPR to be deleted and reprocessed as a new document identifier (DI) code "DYA" (SPR). DLA designed this logic to prevent the automatic acceptance of dramatic increases in existing SPRs. These new "DYA" transactions are subject to the same checks ("PB" and "PQ") as any other SPR. The problem occurs when an existing SPR that has a support date within the item's lead times is deleted and a new "DYA" is submitted for a quantity increase. This newly created "DYA" will reject with status "PQ" regardless of whether the quantity increase was significant or not. DLA believes that completely removing this filter would not be a wise decision. Instead, DLA recommends a balanced approach that allows acceptance of insignificant increases without challenge, but filters

significant increases for validation. DLA is making internal system changes to allow acceptance with minimal increases. However, for significant increases, DLA believes it is important that the submitter be advised of the magnitude of the increase so that they can validate the quantity. To have this visibility, a new SPR status code value must be established.

e. **Procedures:** Revisions are shown for DoD 4000.25-2-M (changes are identified by **bold italics**). Associated revisions would be made to DoD 4000.25-M, DLMS.

(1) Revise Chapter 13, Section C, paragraph 1 as follows:

“1. ICPs measure the size of the requirement being forecasted to determine its acceptability.

a. Maximum quantity check. ICPs determine the forecasted requirements acceptability in terms of the risk of long supply being generated. This measurement requires consideration of the size of the forecasted quantity in relation to the normal demand estimated for the item being forecasted, the value (cost) of this quantity, the supply status of the item being forecasted, funding capability of the ICP, accuracy of past forecasts, and the degree of assurance that requisitions will follow.

b. Minimum Quantity Check. *ICPs may perform a minimum quantity check and reject SPR requests, using SPR Status Code PG, when the required quantity is so low* that the IMM can support the requirement from its current stockage level without an SPR document.”*

***DLMSO STAFFING NOTE:** A minimum quantity check is addressed but not defined. Since the phrase “quantity is so low” is relative, request the need for defining the minimum quantity be considered.

(2) Delete Chapter 13, Section L, paragraph 2 (due to revised definition for “PB”):

The ICP will retain SPR requests until:

~~*“2. One procurement lead time/assembly time away from the support date when procurement/assembly is required in support of those requirements for which SPR status codes PB was furnished. “*~~

(3) Revise Appendix B12, Special Program Requirement Status Codes, to revise code PB; add codes PG and PH, and delete code PR, as follows:

CODE	DEFINITION
<i>PB</i>	<i>Request rejected. SPR is not within IMM acceptance criteria. The SPR quantity significantly exceeds the recorded Quarterly Forecast of Demand on this item. The SPR will not be processed until the submitter sends the IMM written confirmation that the quantity and support dates are valid and accurate. Upon completion of verification, the IMM will reprocess the SPR without further edits.</i>
<i>PG</i>	<i>Request rejected (unnecessary). SPR quantity is so low that the IMM can support the requirement from its current stockage</i>

	<i>level without an SPR document.</i>
<i>PH</i>	<i>Modifier rejected. A significant quantity increase was requested within the item's lead time. The submitter is required to provide the IMM written verification that the quantity and support date are valid and accurate. Upon completion of verification, the IMM will reprocess the SPR. The original quantity is still being supported by the IMM.</i>
<i>PR</i>	<i>Deleted.</i>

5. REASON FOR CHANGE: To establish a minimum quantity check option and modify existing SPR status are currently not specific enough to ensure transactions process through appropriate logic; therefore, DLA recommends an existing status code be redefined to fit only a single purpose and two new codes be established.

6. ADVANTAGES AND DISADVANTAGES:

a. Advantages: DLA believes that simultaneous implementation by all DoD Components isn't required. Components with the necessary resources can improve their processing by increasing the specificity of their SPR logic (with limited impact on any participant who must continue to manually review certain transactions until their system can be changed).

DLMSO note: Staggered implementation would require agreements between participating Components for generation/receipt of the new and revised status codes/procedures.

b. Disadvantages: None known.

7. IMPACT:

a. Publication(s): DoD 4000.25-M, DLMS; DoD 4000.25-2-M, MILSTRAP and Service/Agency publications as applicable.

b. Systems: Requires changes to Component systems to recognize and process the new/revised status codes and procedures.