IN REPLY
REFER TO DLMSO

MAR 1 4 2005

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC) 144, SDR Transaction Exchange Business Rules (Supply/SDR) (Staffed as PDC 150)

The attached change to DOD 4000.25-M, Defense Logistics Management System (DLMS) and DLAI 4140.55, AR 735-11-2 SECNAVINST 4355.18A, AFJMAN 23-215, Reporting of Supply Discrepancies, is approved for implementation January 2005 (except as noted). The updated DLMS Supplement will be posted to the DLMSO Web site (http://www.dla.mil/j-6/dlmso/ICs/Default.htm) within 10 days from the above date for implementation planning.

The attached change to DLMS will be incorporated into the DLMS manual/supplement with the next update and is considered effective upon publication. Advance authorization is provided for any pending Component/DAAS implementation. Components may implement on a staggered basis under logistics system modernization. The USD(AT&L) has directed that the Components adopt the DLMS effective January 1, 2005. The governing Federal Implementation Convention 842A has been approved by the Federal EDI Standards Management Coordinating Committee (FESMCC), the DOD EDI Standards Management Committee (EDISMC), and the Logistics Functional Working Group (LFWG). Any changes required to support this revision will be forwarded to the EDISMC.

Addressees may direct questions to the DLMSO point of contact, Ms. Ellen Hilert, Chair, Supply Process Review Committee, 703-767-0676, DSN 427-0676, or e-mail: ellen.hilert@dla.mil. Others must contact their Component designated representative.

JAMES A. JOHNSON
Director
Defense Logistics Management
Standards Office

Attachment

cc:
SDR Committee (U.S. & SA)
ADUSD(L)SCI
LMI

ADC 144
SDR Transaction Exchange Business Rules

1. ORIGINATOR:

   a.   Service/Agency: Defense Logistics Management Standards Office (DLMSO)

   b.   Sponsor: Supply Process Review Committee, Chair: Ellen Hilert, DLMSO
J-6251, Defense Logistics Management Standards Office (DLMSO), 703-767-0676 (DSN 427),
ellen.hilert@dla.mil

2. FUNCTIONAL AREA: Primary: Supply

3. REFERENCES:

   **a.   **The official guidance for submission of SDRs is published in DLAI 4140.55/
AR 735-11-2/SECNAVINST 4355.18A/AFJMAN 23-215. The joint service publication is
available at http://www.dla.mil/j-6/dlmso/Manuals/Default.htm.

   **b.   **DOD 4140.1-R, May 23, 2003, DOD Supply Chain Materiel Management Regulation.
This regulation requires automated SDR processing. This regulation is available at
http://www.acq.osd.mil/log/logistics_materiel_readiness/organizations/sci/assetts/executive_info/
drid/p41401r.pdf. Refer to paragraph C3.8.1.6.4.

   **c.   **Approved Defense Logistics Management System (DLMS) Change (ADC) 101, DLMS
Mapping for Standard SDR/DOD WebSDR Output, DS 842A/W, June 13, 2003.

   **d.   **ADC 114, DS 842A/R DOD Standard SDR Reply and Additional Data Content for the
SDR Report, March 4, 2004.

   **e.   **ADC 128, Revised SDR Transaction Exchange [Formats, Codes, & Unique
Identification (UID)], August 16, 2004.

   **f.   **ADC 137, Revisions for Supply Discrepancy Report (SDR) Transaction Exchange
Supporting Security Assistance (SA) and Miscellaneous Administrative Changes

4. REQUESTED CHANGE:

   a.   Title: SDR Transaction Exchange Business Rules

   b.   Description of Change: This update modifies both the SDR submission (842A/W)
and the SDR Reply (842A/R) DS to make adjustments which are required to support desired
functionality. Specific revisions are identified below. This change removes and revises reply
codes which support transactional exchange of SDRs.   This change removed submission time
constraints for UID discrepancies. In addition, this change updates the joint guidance to reflect

transition to processing of SDRs as standard logistics transactions.   New transaction edits are identified for staggered implementation over time as DAAS and Component processing systems are upgraded.

c.   Procedures:

(1) Revise DLMS Supplement (DS)842A/W, Standard SDR, as follows:

Correct DLMS note:

BNR01	353	**Transaction Set Purpose Code**

DLMS Note: *1. For DLMS use, the following codes are authorized.*

2. Cancellation, Request for Reconsideration, Follow-Up, 2nd Request for Reconsideration for FMS, and Correction (BNR01 codes 01, 15, 45, 50, and CO) require point of contact information, action date, and narrative comments. Correction, Follow-up (code 45), and Requests For Reconsideration (codes 15 and 50) must perpetuate data from the original SDR with updates as applicable. SDRS for these transaction types which are unmatched on SDR control number(s) to the recipient's records will be treated as an original SDR.

Add new qualifier (This is a new capability identified during business rules discussion. Implementation of this capability is deferred):

28   Query
DLMS Note:
1. Use to indicate a follow-up SDR for status on an open SDR. Use only after interim status has been received. Requires point of contact information and action date. Do not perpetuate data contents from previous submission. This type of follow-up may not be treated as an original SDR because original unchanged data content is not perpetuated.
2. This is a DLMS enhancement for future implementation and requires coordination prior to use.

Correct DLMS Note:

HL03   **Hierarchical Level Code**
I   Item

DLMS Note:

Use to identify UID data consistent with UID data requirements. The UID data is carried in the REF and N1 segments; the NCD segment is required by ANSI syntax; and no other segments are used in the UID loop. Use a separate UID loop for each item. Skip this level when not applicable. The UII value and some of the associated data elements are future DLMS enhancements and require coordination prior to use.

NCD	Nonconformance Description	Pos: 2300 Max: 1
		Detail - Optional
		Loop: NCD Elements: 2

Federal Note:

Use to reflect information related to the nonconformance condition and identify related organizations.

DLMS Note:

Begin a new NCD loop for each UID loop. The UII value and some of the associated data elements are future DLMS enhancements and require coordination prior to use.

Add the following highlighted qualifiers and notes:

LIN02	235	**Product/Service ID Qualifier**	M	ID	2/2	Must use	1

Description: Code identifying the type/source of the descriptive number used in Product/Service ID (234)
Federal Note: *Use for material identification.*

Code	Name
FS	National Stock Number

> **DLMS Note:**
> Use to identify the NSN for the material.

Code	Name
MG	Manufacturer's Part Number

> **DLMS Note:**
> Use to identify the part number for the item.

Code	Name
ZZ	Mutually Defined

> **DLMS Note:**
> 1. Use to identify material by other than NSN or part number.
> 2. This is a DLMS enhancement for future implementation.

LIN04   MG   Manufacturer's Part Number

> **DLMS Note:**
> Use to identify the part number when NSN is also provided.

Mark the following Data Element "Used" and add qualifiers below:

LIN08	235	**Product/Service ID Qualifier**	X	ID	2/2	Used	1

Description: Code identifying the type/source of the descriptive number used in Product/Service ID (234)

Code	Name
CN	Commodity Name
MG	Manufacturer's Part Number
ZB	Commercial and Government Entity (CAGE) Code

LIN09	234	**Product/Service ID**	X	AN	1/48	Used	1

Description: Identifying number for a product or service

Revise DLMS note for the qualifier "SUS – Supply Source"

2/N101/2800
SUS

Supply Source

> **DLMS Note:**
> Use to identify the supply source by Routing Identifier; this is the party that directed the shipment.

(2) Revise DS **842 A/R** to better address material identification when NSN and part number do not apply.

Ref	Id	Element Name	Req	Type	Min/Max	Usage	Rep
LIN02	235	**Product/Service ID Qualifier**	M	ID	2/2	Must use	1

Description: Code identifying the type/source of the descriptive number used in Product/Service ID (234)

Federal Note: *Use for material identification.*

Code	Name
FS	National Stock Number

DLMS Note:
Use to identify the NSN for the material.

Code	Name
MG	Manufacturer's Part Number

DLMS Note:
Use to identify the part number for the item.

Code	Name
ZZ	Mutually Defined

DLMS Note:
1. *Use to identify material by other than NSN or part number.*
2. *This is a DLMS enhancement for future implementation.*

Ref	Id	Element Name	Req	Type	Min/Max	Usage	Rep
LIN03	234	**Product/Service ID**	M	AN	1/48	Must use	1

Description: Identifying number for a product or service

Ref	Id	Element Name	Req	Type	Min/Max	Usage	Rep
LIN04	235	**Product/Service ID Qualifier**	O	ID	2/2	Used	1

Description: Code identifying the type/source of the descriptive number used in Product/Service ID (234)

Federal Note: *Use to further identify an item. Use multiple Product/Service ID pairs as needed.*

Code	Name
CN	Commodity Name

DLMS Note:
Use to identify the nomenclature associated with the item identified above.

Code	Name
F7	End-Item Description

DLMS Note:
Use to identify the end item associated with the Security Assistance (SA) product quality deficient material.

Code	Name
F8	Next Higher Used Assembly

DLMS Note:
Use to identify the next higher assembly associated with the Security Assistance (SA) product quality deficient material.

Code	Name
ZB	Commercial and Government Entity (CAGE) Code

DLMS Note:
Use to identify the manufacturer associated with the part number identified above.

Add the following qualifiers with DLMS notes to 2/AMT01/2730 position

10 Shipment Value in U.S. Dollars

> **DLMS Note:**
> *Use to indicate the total dollar value of the discrepant material.*

Z3 Unit Cost of Discrepant Material

> **DLMS Note:**
> *Use to identify the unit value (price) of the discrepant material.*

(3) Revise SDR processing as documented below: Revise Reporting of Supply Discrepancies, DLA 4140.55, et al, as follows:

C.2. The reporting of the following types of discrepancies is excluded from the provisions of this publication:

a. Shipping discrepancies found while material is in storage with the exception of short shipment and wrong item, discrepancies discovered upon opening a sealed vendors pack. (***this*** exception applicable to U.S. Government only.) *An additional exception is provided for material in storage in sealed pack later discovered to have been shipped with specified discrepancies to required Unique Item Identification (UID) data. These may be reported as SDRs and are not subject to submission time frames; refer to UID discrepancies under paragraph E.2.*

E.1.a. SDRs and associated responses may be reported on the SF 364, ROD; by electronic means, to include automated discrepancy reporting system and electronic data interchange (EDI); customer service help lines; e-mail; or any other manner acceptable to the submitter and recipient. All manner of reporting must meet the criteria described in this document. DOD Components are encouraged to maximize the use of electronic reporting/response with the goal of paperless processing of supply discrepancies.   Refer to DOD 4000.25-M, Defense Logistics Management System (DLMS), Vol 2, for *additional guidance on transactional exchange of SDRs.   Under DLMS, the SDR shall be considered a common logistics information exchange to be integrated with transaction processing through the Defense Automatic Addressing System (DAAS). The DOD approved standard for electronic transmission of SDRs is the DS to 842A Federal Implementation Convention (IC), Supply Discrepancy Report, an ASC X12-compliant variable-length transaction format for the purpose of communicating deficiency/discrepancy information. Multiple DS are provided to support different SDR related functions. The 842A/W, Standard SDR, shall be employed for transactional exchange of initial reports and associated actions. The 842A/R, DOD SDR Reply, shall be employed for transactional exchange of the SDR reply by the action point. DLMS supplements available at*: http://www.dla.mil/j-6/dlmso/eLibrary/ Transformats/x12_810_858.asp.   *SDRs shall be submitted in accordance with Component-specific guidance via appropriate automated systems or via the internet-based DOD WebSDR available from the DAAS home page at https://www.daas.dla.mil/daashome/.   While exceptions may be permitted, the DOD goal is that paper submission of SDRs will be phased out once full implementation of transaction exchange has been achieved.*

E.2.f. (*The following paragraph was approved under ADC 128, revisions are highlighted*) *Discrepancies in Unique Identification Data.   Report discrepancies involving unique item identification under Unique Item Tracking (UIT) program requirements or as contractually required under Unique Item Identification (UID) program policy. Discrepancies may be related to the packaging label, including automated information technology (AIT); the item marking, including AIT; supply documentation; the due-in record; and/or a mismatch between the item and any of these. The elements which may comprise unique identification are: unique item identifier (UII), UII type, issuing agency code, enterprise identifier (or manufacturer's CAGE), part number (original or current), serial number, and batch/lot number. The application of these elements will vary according the multiple factures such as the type of item and the specific contract requirements. At the time of this publication, implementation of UID policy and supporting automation is still on the horizon for many*

shippers and receiving locations. Every effort should be made to facilitate reporting and processing of UID discrepancies under UIT and UID programs.

E.4.a. Disposition. The reverse side of the SF 364 or electronic/automated response will be used to provide informative data to the initiator and as an action reply for discrepant conditions. For Service ICP directed shipments, the ICP is responsible for providing an SDR reply to the submitter, except as such responsibility has been specifically delegated to the shipping depot by the ICP. *Where the SDR response is delegated to the shipping depot, a copy of the reply will also be furnished to the ICP which directed shipment.* If acceptable to the U.S. Government submitter only, a verbal response is considered adequate when supported by an automated discrepancy reporting system. The response will indicate the appropriate disposition, e.g., acknowledgment of the report; disposition of the material for those discrepant conditions requiring disposition instructions to the reporting activity, such as, overages or receipt of an incorrect item; validation of the report with authorization to grant a financial adjustment; instructions for repair; or other types of corrective action. The action activity ~~may~~ *will* cite the appropriate disposition/status code *(also referred to as reply code)* as provided in Enclosure 6 ~~or~~ *and* annotate the SF 364 using the appropriate blocks *when using hard copy*. The action activity may request credit be authorized for customer-reported packaging discrepancies using the fund cite annotated on the SDR (block 13 of the SF 364) for reimbursement of corrective packaging costs incurred by the initiator. *When requested credit is denied, the action activity will provide narrative explanation for the denial.* For return of discrepant material, the action activity will direct the submitter to use the same document number under which the material was originally shipped where possible and for SA only, provide the Service/Agency transportation account code chargeable to return the discrepant material to the appropriate U.S. Government activity or other designated location. When appropriate, the action activity may direct the submitter to retain or return an exhibit of the discrepant material. The activity requesting this action will pay for exhibit shipment costs. Action activities will furnish DD Form 1348-1A (Issue Release/Receipt Document) for material to be returned. A copy of the SDR and DD 1348-1A should be included with returned material and annotated SDR RETURN.

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5. Time Standards

   a. Submission of an SDR. Guidance specific to SA is provided in Enclosure 7 and reference A5. An SDR will be submitted by receiving activities and/or transshipment activities as soon as possible but not later than the time standards listed below. Time limits for reporting of discrepancies relating to contractor warranties are prescribed in individual warranty clauses and/or contracts. These time limits override other time limits specified here. For U.S. customers, time limits do not apply to short shipment and wrong item discrepancies discovered upon opening a sealed vendor pack. *Time limits do not apply to unique item identification (UID) discrepancies discovered upon opening a sealed pack. These must be reported to ensure registry and/or owner records are properly maintained* SDRs which do not meet the reporting criteria or timeframes specified in this guidance and do not present sufficient justification will be denied.

E.6.a. Follow up on Delinquent SDRs. When an action activity does not reply to an SDR within the prescribed timeframe, the reporting activity or the ILCO, acting on behalf of the SA customer, will send a follow-up inquiry using hard-copy or automated means. *If no response was received to original SDR submission, then the follow-up will require all data in the original SDR. Follow-up SDRs that are unmatched to the recipient's records will be treated as an original SDR. Follow-up transactions being treated as original SDRs are susceptible to all processes/validation associated with an original SDR. If an interim response has been received, then data sufficient to identify the SDR for which the follow-up is intended is required. Use the SDR report number and DAAS-assigned control number to identify the original report. Include point of contact information and date of*

the follow-up. If applicable, reporting activities should allow for the mailing time of the original report before following up on action activities. See Enclosure 2 for instructions on preparing a SF 364 follow-up inquiry.

E. 7. Contested Reports

a. When a U.S. Government reporting activity does not concur with a reply/disposition received in response to an SDR, it *may submit a request for reconsideration using hard-copy or automated means. When using hard-copy* a copy of the report and all supporting correspondence/documentation, identifying the points of conflict or concern, to their Service/Agency SDR processing focal point office for assistance. When the discrepancy involves another Service/Agency, the focal point will review all data/documentation and, if the appeal is valid, will *forward a request for reconsideration* to the responsible Service/Agency designated focal point office *(unless otherwise designated this will be the ICP/IMM). Requests for reconsideration pertaining to DOD shipments will not be forwarded to the shipping depot. Cite the SDR report number of the original report. For transactional exchange, include the DAAS-assigned control number when known. Requests for reconsideration transactions require all data that was in the previous SDR submission. In addition, a narrative entry is required to provide justification for reconsideration. Point of contact (POC) information for the new submission and submission date is required. The designated recipient of the request for reconsideration* will review all data relating to the problem and provide a response to the reporting activity with information to all concerned parties. The decision will be rendered within 45 calendar days from the date of focal point correspondence is received. This decision will be final.

b. Security Assistance Requests for Reconsideration and Contested Reconsideration Decisions. Guidance specific to SA is provided in Enclosure 7.

c. The DOD ICP/IMM or GSA will review all correspondence/information relating to the SDR, initiate any required action, and reply to the ILCO within 60 calendar days from the date the action activity receives the ILCO correspondence *with information to all concerned parties.*

8. Invalid/Incorrect Reports. When an SDR is later discovered to be *incorrect or* invalid, it will be cancelled or corrected using hard-copy or automated means. *Only the SDR submitter, SDR submitter's organization, or requisitioning agent shall be authorized to submit an SDR correction or cancellation.* See Enclosure 2 instructions for the preparing SF 364 cancellation and correction.

a. *Correction and Modification of Original Report. When the originator wishes to modify data content or requested action concerning a previously submitted SDR, a corrected SDR may be used to accomplish this. For SF 364 reporting, indicate that the SDR is a correction and forward to all parties who received the original submission. SDR corrections must include the nonconformance report number of the original report. For transactional exchange, include the DAAS-assigned control number when known. Correction transactions require all valid data that was in the original SDR as well as the corrected data content. In addition to the revised data, a narrative entry is required to highlight/identify the nature of the change. Point of contact (POC) information for the new submission and submission date is required. With the exception of the SDR report control number(s) and the requisition number/suffix, all SDR data on the original report is eligible for correction/change. If the requisition number/suffix was incorrect on the original submission, the original SDR must be cancelled and a new SDR with the correct information may be submitted. Correction SDRs that are unmatched to the recipient's records will be treated as an original SDR. Correction transactions being treated as original SDRs are susceptible to all processes/validation associated with an original SDR.*

b. *Invalid Previous SDR. An SDR may be cancelled when an SDR originator discovers a previously submitted SDR is not valid or appropriate for any reason and should be withdrawn. Indicate the SDR is a cancellation and forward to all parties receiving the original submission. Cite the SDR report number of the original report and the DAAS assigned control number when known. Do not duplicate detail information from the original report except as indicated in the DLMS Supplement. Provide POC information and date for the new submission and a narrative entry to describe the reason for the cancellation. Cancellation may be submitted against SDRs in an open or interim status.*

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9. *Defense Automatic Addressing System (DAAS).*

a. Under DLMS, SDRs shall be integrated with standard logistics transaction processing through the DAAS. DAAS shall perform the following actions:

(1) Pass/route SDR transactions.

(2) Edit SDR transactions in accordance with business rules specified below.

(3) Provide translation capability to support a variety of communications methods for exchanging computer-readable SDR transactions.

(4) Maintain historical records of SDRs and associated transactions.

(5) Provide access to SDR information via Web Visual Logistics Information Processing System (WEBVLIPS).

(6) Provide management reports.

(7) Maintain the DOD WebSDR as a value-added service to support submission, reply, and other functions related to SDR processing.

b. DAAS will edit SDR transactions prior to passing/routing to ensure minimal standards of acceptability are met:

(1) Reject to the generating activity SDR and follow-on transactions that do not meet the following conditions.

(a) SDR related transactions must contain valid values as appropriate to the transaction purpose: Discrepancy Code, Action Code, and Disposition/Status (Reply) Code. Reject with disposition/reply code 915, 916, or 927.

(b) SDR must include material identification. Material identification may consist of the National Stock Number, manufacturer's part number and manufacturer's CAGE, or manufacturer's part number and a description.   Where wrong item discrepancies are reported, material identification of the wrong item must be included. Wrong item received may be identified as previously indicated or by description alone (citing "UNKNOWN" as the wrong item part number). Reject with disposition/reply code 931.

(c) SDRs reporting material received is not in the correct condition must include valid condition codes to identify the received conditions. Only valid condition codes will be permitted. Reject with disposition/reply code 928.

(d) SDRs coded to indicate narrative is required must provide applicable narrative. Reject with disposition/reply code 924.

(e) SDRs must include minimal point-of-contact information to include name and phone/email. Reject with disposition/reply code 920 or 921.

(f) Only valid DODAACs and Routing Identifiers will be permitted. Reject with disposition/reply code 929.

(g) Quantity fields will only allow entry of numeric values. Reject with disposition/reply code 917 or 918.

(h) SDRs for material identified by National Stock Number which are forwarded to DLA Business Systems Modernization (BSM) (RI SMS), must identify BSM as the source of supply. Reject with disposition/reply code 901.

(i) SDR replies coded to indicate that a ship-to/mail to address or additional information is associated with the reply, must include the specified additional address or information as transaction data fields or must include narrative remarks.   Reject with disposition/reply code 930.

c. DAAS will edit SDR submissions via DOD WebSDR at the point of entry to improve the accuracy of the data content. All of the above criteria apply. In addition, web-specific functionality includes:

(1) The SDR submission process will be facilitated by the auto-population of data content based upon the shipment and cataloguing data available to DAAS.

(2) Address information will be retrieved based upon DODAAC and Routing Identifiers. User generated updates to initiator's address are permitted and will be passed to the receiving system for information, but will not impact SDR processing.

(3) SDR replies coded to indicate that an address or additional information is associated with the reply, must include the specified additional address or information.

d. DAAS will provide the support to SDR transaction exchange to facilitate DLMS processes.

(1) DAAS will facilitate appropriate distribution when the action party receiving the initial distribution employs the distribution/reply code 504 indicating the SDR must be forwarded to a new action activity. When

the new action activity is a Distribution Depot (DD), the original SDR will be retransmitted to the designated DD. The customer will receive notification of interim status.

(2) DAAS will facilitate appropriate distribution when the action party receiving the initial distribution employs distribution/reply codes in the 300 series indicating that the SDR must be forwarded to the Source of Supply (SoS) for disposition. The SDR reply will be forwarded to the designated SoS and to the SDR initiator for notification of interim status.

(3) DAAS will provide information copies of SDRs in accordance with Component business rules and as designated by the initiator. |

(a) DLA BSM will receive an information copy of all SDRs routed to the DD for initial action where BSM is the SoS.

(b) All parties receiving an information copy of the original SDR as designated by the initiator or by a Component business rule will receive a copy of all changes, cancellation, and replies associated with the SDR.

Renumber remaining paragraphs in this section.

Enclosure 7 for Security Assistance, B.1.a. Product Quality (Item) Deficiencies. The SA customer must provide evidence that a receipt inspection was performed and the defect could not be detected at that time and that the defect is present for reasons other than deterioration or damage incurred during storage or handling. Quality deficiencies include deficiencies in design, specification material, manufacture, and workmanship. The submitter may identify latent defects and quality deficiencies which result in a safety hazard. A detailed description of the complaint may be provided if needed to supplement discrepancy codes. In addition provide photographs, test data, and related documentation, if available. ==*The ILCO shall be responsible for insuring that SA SDRs reporting product quality deficiencies contain appropriate Product Quality Deficiency Report (PQDR) data content.*==

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14. Requests for Reconsideration. The SA customer may ask the U.S. Government to reconsider the final status for an SDR. Customers must send written requests, to reach the ILCO within 90 calendar days from the date of the ILCO reply to the customer concerning disposition as provided by the responsible action activity. When the customer asks for reconsideration, the ILCO will add a suffix code R to the SDR number (item 2, SF 364). The ILCO will add its comments and send the SDR, together with all applicable correspondence/information, to the appropriate DOD ICP/IMM or GSA action activity for reconsideration within 30 days of receiving the request for reconsideration from the customer. ==*This may be accomplished via hard copy or electronic request for reconsideration SDR transaction.*== The action activity will review to determine if the request should be honored, initiate any required action, and reply to the ILCO within 60 calendar days from the date of the ILCO correspondence. ILCOs will notify the ICP/IMM or GSA when extenuating circumstances require additional processing time beyond the 120 days allowed for submission and ILCO research. This will allow the ICP to retain applicable documentation for SDR resolution.

15. Contested Reconsideration Decisions. SA customers may contest the DOD ICP/IMM or GSA decision on a request for reconsideration. To do so, the customer must send written request to reach the ILCO within 90 calendar days from the date of the ILCO reply to the request for reconsideration. The customer must explain why the DOD ICP/IMM or GSA decision is not satisfactory. When the customer contests a DOD ICP/IMM or GSA decision, the ILCO will add a suffix code C to the SDR report number. The suffix code will be used in all references to the SDR. The SDR and all supporting documentation will be forwarded by letter within 15 calendar days to the ILCO's Military Service/Agency focal point who will review all the information relating to the problem, see that any needed action is taken, and send the ILCO the final decision within 60 calendar days from the date of the ILCO correspondence. Copies of all information/ documentation relating to the request shall be included with all correspondence exchanged between the parties involved. ==*Contested reconsideration requests may be accomplished via hard copy or electronic SDR transaction.*==

C.1. h. ==*Receive and review SDR replies from the action activity; and return with comment to the action activity when the reply is incomplete or inaccurate for the reported discrepancy.*==

(4) Revise Reporting of Supply Discrepancies, DLA 4140.55, et al, Enclosure 4, Typical Shipping and Packaging Discrepancies Listed by Discrepancy Code, as follows:

U10   Mismatched or missing unique identification discovered upon opening a sealed ~~vendor's~~ pack.

(5) Revise Reporting of Supply Discrepancies, DLA 4140.55, et al, Enclosure 6, Typical Action Activity Responses Listed by Disposition Status Code, as shown in attachment 1.

5. REASON FOR CHANGE

a.   The 842 transaction business rules are evolving as the Components and DAASC attempt to implement. This change represents further fine-tuning of the transaction data contents and procedures to accommodate both standard and Component unique requirements.

b.   Revised Disposition/Status Codes were recommended by the SDR IPT.

c.   This change formally addresses additional transaction processing and web support provided by DAASC and documents this within published guidance.

6. ADVANTAGES AND DISADVANTAGES:

a.   Advantages: Supports DLMS implementation and Business Initiatives Council (BIC) SDR Transformation Initiative.

b.   Disadvantages: None identified.

7.   IMPACT:

a.   Data Content/Procedures: The capability to provide SDRs in the DLMS format must be incorporated in the Component system design. This change supports Component data requirements.

b. Publication(s):

(1) The Federal IC 842A

(2) DOD 4000.25-M, DLMS

TYPICAL ACTION ACTIVITY RESPONSES
LISTED BY DISPOSITION/STATUS CODE

Action activities use the following list of codes to provide a *reply to an SDR*. ==*Multiple*== codes are used on a single report to provide complete financial and material disposition instructions and provide additional information as needed. ==*Use up to three reply codes to identify disposition for customer- originated, vendor shipment and customer-originated, depot shipment SDRs. Pending full DLMS capability, use only one reply code on depot-originated, customer return and depot-originated vendor shipment SDRs.*== Codes ==*are required for transactional exchange of SDRS and*== may be used to replace or supplement preprinted information on the reverse side of the SF 364. ~~These codes are authorized for use in all reporting formats.~~ Where possible, system design should accommodate in-the-clear text for ease of use.

The 100-series codes provide status of financial resolution, material disposition instructions, or other appropriate information.

101 Credit authorized*/recommended*.
102 Credit not authorized. **See remarks.**
~~104 Additional clarification required from customer. See remarks~~. ==**[Moved to interim reply grouping]**==
105 Forward material received to address shown. Must use traceable and most economical means available.
106 Forward material received to contractor address shown. Must use traceable and most economical means available.
~~107 Forward material address shown for inspection/exhibit analysis. Must use traceable and most economical means available.~~ ==**[Moved to interim reply grouping]**==
~~108 Forward material to contractor address shown for inspection/exhibit analysis. Must use traceable and most economical means available.~~ ==**[Moved to interim reply grouping]**==
110 Disposal authorized in accordance with local procedures.
111 Disposal authorized, monetary reimbursement from contractor.
112 Disposal authorized, contractor will provide replacement.
113 Provide disposal documentation to address shown.
114 Provide disposal documentation by date indicated to address shown. Credit will be authorized upon receipt.
115 Turn in material received to Defense Reutilization and Marketing Office (DRMO).
116 Turn in hazardous material received to Defense Reutilization and Marketing Office (DRMO). MIPR/*Bill To DODAAC* provided to cover disposal costs.
117 Material will be billed if not returned by date indicated.
118 Debit authorized for material retained.
119 Retain material received at no charge.
120 Retain material with consideration from contractor.
121 Retain material without consideration from contractor.
122 Retain material for future supply decision.
123 Material will be reshipped *(estimated date of replacement shipment provided when known).*

124	Material is no longer procurable.
125	Incomplete part/missing component being forwarded.
126	Stock not available for reshipment. Your requisition has been reinstated and will be placed on backorder.
127	Contractor to reship.
128	Balance of contract material will not be shipped.
129	Reimbursement for repackaging discrepancy cannot be authorized until submitter provides cost for repackaging.
130	Place material in stock as is.
131	Remark/repackage material and place in stock.
132	Inspect and place in depot stock.
133	Upgrade material to Condition Code A, correction made by government with reimbursement from contractor.
134	Upgrade material to Condition Code A, correction made by government without reimbursement from contractor.
135	Documentation/technical data is being forwarded.
136	Confirmed canceled requisition shipped.
137	Additional comments provided. See remarks.
138	Shipment shortage based on pieces, weight, and cube.
139	Warehouse denial total shipment.
140	Warehouse denial partial shipment.
141	Duplicate shipment from stock or procurement.
142	Proof of Delivery/Evidence of Shipment not available.
143	SDR canceled by submitter.
144	Recorded for information only. No action taken.
145	No contractor liability found.
146	Material return acknowledged.
147	Corrected shipment document (DD Form 250) provided.
148	*Representative will contact you for discussion concerning disposition.*
149	*Material will be picked up in number of days indicated.*

The 200-series codes provide additional information relevant to Security Assistance SDRs.

201	Incorrect information provided by U.S. Government contract.
202	MAPAD information not current by U.S. Government error.
203	Material erroneously returned to U.S. Government stock.
204	Overage of Repair and Replace material.
205	Shortage of Repair and Replace material.
206	Administrative write-off recommended.
207	No financial adjustment required. Excess Defense Articles (EDA). Overage not billed.
208	Repaired in-country by contractor or U.S. Government personnel.

The 300-series codes indicate Distribution Depot status on SDRs forwarded to a non-DLA action activity.

301	*SDR forwarded for disposition by USA ==as indicated.==*
302	*SDR forwarded for disposition by USAF ==as indicated.==*
303	*SDR forwarded for disposition by USMC ==as indicated.==*
304	*SDR forwarded for disposition by USCG ==as indicated.==*

305   *SDR forwarded for disposition by USN* ==as indicated.==
306   *SDR forwarded for disposition by GSA* ==as indicated.==
307   *SDR forwarded for disposition by DLA* ==as indicated.==

The 400-series codes indicate the SDR has been closed for the reason provided.

400   SDR closed. Non-compliance with disposition instructions.
401   SDR closed. Non-response to additional information request.
402   SDR closed. Wrong material returned.

The 500-series ==*(and some 100-series)*== codes indicate an interim reply.

==**103   Discrepancy report receipt acknowledgment.**==
==**104   Additional clarification required from customer. See remarks.**==
==**107   Forward material address shown for inspection/exhibit analysis. Must use traceable and most economical means available.**==
==**108   Forward material to contractor address shown for inspection/exhibit analysis. Must use traceable and most economical means available.**==

501   SDR assigned to Defense Contract Management ==**Agency**== (DCM==**A**==) for investigation.
502   SDR resolution deferred pending receipt of exhibit.
503   SDR currently under investigation.
504   ~~SDR submitted to incorrect action activity. SDR forwarded as shown~~. SDR forwarded to new action activity as shown.
505   SDR under investigation. SDR has been forwarded to activity identified for additional action.
506   Item has been transferred to new item manager. Referred to gaining item manager (GIM) for disposition.
507   SDR forwarded to shipping depot for Proof of Delivery.
508   SDR forwarded to shipping depot for Evidence of Shipment.
509   SDR forwarded to local procurement office for action.
510   SDR forwarded to Item Manager for research and/or disposition instructions.
511   SDR forwarded to Industrial Operations Command for action.
==512   ~~SDR forwarded to Simplified Nonstandard Acquisition Program (SNAP) Project Office for action.~~==
513   SDR forwarded to IL Directorate or Repair and Return Office for research of R&R case.
514   SDR forwarded to the packaging specialist for research.
515   Procurement/Defense Contract Management ==**Agency**== awaiting response from contractor. SDR suspended.
516   Receipt of material returned by customer has not posted to date. Under investigation.
517   Defense Finance and Accounting Service (DFAS) billing information requested.
518   Your SDR identifies a transportation discrepancy and is being processed as a Transportation Discrepancy Report (TDR).
519   Your SDR identifies a quality deficiency and is being processed as a Product Quality Deficiency Report (PQDR).

The 600-series codes indicate an ICP reply to the Distribution Depot.

601   **Change Supply Condition Code and submit as new complaint (original complaint cannot be modified to reflect new supply condition code).**
602   **Item(s) Unsuitable, Destroy.**
603   **Remark and Return to Stock.**

604   Repackage and Return to Stock.
605   Re-Identify and Return to Stock.
606   Safety Hazard, Destroy.
607   Safety Hazard, Dispose.

The 700-series codes indicate SDR rejection:

701   SDR rejected. See remarks.
702   SDR rejected. Material shipped as requisitioned.
703   SDR rejected. Overage/shortage is within contract variation clause.
704   SDR rejected. Evidence of shipment/proof of delivery forwarded.
705   SDR rejected. Records indicate the inspection or test date or this shelf-life item has been
         extended to date indicated.
706   SDR rejected. Shelf-life not applicable for this item.
707   SDR rejected. Acceptable substitute issued for material requisitioned.
708   SDR rejected. Material shipped prior to cancellation request.
709   SDR rejected. Discrepant quantity shipped after SDR submission.
710   SDR rejected. Discrepant quantity on backorder.
711   SDR rejected. Material shipped via insured/certified/registered mail. Request you contact
         local postal authority to verify delivery of material.
712   SDR rejected. Submit offer of material under material returns program.
713   SDR rejected. Discrepancy does not meet required minimum dollar value.
714   SDR rejected. Billing adjustments for other than Security Assistance may not be requested on
         a SDR. Contact local finance office.
715   SDR rejected. Discrepancy not reported within required timeframe.
716   SDR recorded for information and possible corrective action.
717   SDR identifies a carrier discrepancy. Resubmit as a Transportation Discrepancy Report
         (TDR).[1]
718   SDR identifies a quality deficiency. Resubmit as a PQDR.[1]
719   SDR rejected. Duplicate of previously submitted SDR.

[1] Use of this code is discouraged. Every effort should be made to process the discrepancy report and
resolve the situation without requiring the initiator to resubmit. See preferred codes 518 and 519.

The 800-series codes provide additional rejection notices relevant to Security Assistance SDRs:

800   SDR rejected. No U.S. Government liability.
801   SDR rejected. No billing discrepancy exists.
802   SDR rejected. Bill reflects prepositioning costs/nonrecurring costs.
803   SDR rejected. Bill reflects contract termination charge.
804   SDR rejected. Item proven serviceable when shipped (R&R, exhibits).
805   SDR rejected. Freight forwarder tracking system indicates material received. Customer
         should challenge freight forwarder.
806   SDR rejected. Repair/adjustment procedures provided by source.
807   SDR rejected. Material shipped to address specified on LOA in lieu of country.
808   SDR rejected. SDR does not meet latent defect criteria and is, therefore, beyond the allotted
         timeframe for submission
809   SDR returned without action. Credit cannot be granted since debit billing has not processed.
         (ILCO use only.)

810   Freight forwarder notification not submitted for total nonreceipt.

The 900-series codes are intended for system/application use in processing transactions:

901   Transaction rejected. ~~Item shipped/billed by another supply source~~. SDR submitted to wrong source of supply. Resubmit to the correct action activity.

902   Transaction rejected. Invalid action code for type of discrepancy submitted.

~~903~~   ~~Transaction rejected. Invalid SDR for combination of requisitioned quantity and canceled quantity.~~

904   Transaction rejected. Open suffix must be closed before SDR can be reopened.

~~905~~   ~~Transaction rejected. Simplified Nonstandard Acquisition Program (SNAP) requisitions can only be processed by TACOM and transaction Routing Identifier Code (RIC) indicates another source of supply.~~

906   Transaction rejected. Record already closed.

907   Transaction rejected. Record closed, canceled, or a final reply has been provided.

908   Transaction rejected. Record is currently open and cannot be reopened *for reconsideration* until ~~current suffix is~~ closed.

909   Transaction rejected. SDR must be reopened ~~with suffix R as a~~ for reconsideration before it can be contested ~~using suffix C~~.

910   Transaction rejected. *Missing or i*nvalid document number.

911   Transaction rejected. *Missing or i*nvalid case designator.

912   Transaction rejected. *Missing or i*nvalid SDR number.

~~913~~   ~~Transaction rejected. Invalid SDR suffix.~~

~~914~~   ~~Transaction rejected. Invalid preparation/submission date.~~

915   Transaction rejected. *Missing or i*nvalid type of discrepancy code.

916   Transaction rejected. *Missing or i*nvalid action desired code.

917   Transaction rejected. *Missing or i*nvalid discrepant quantity.

918   Transaction rejected. *Missing or* Invalid quantity received.

~~919~~   ~~Transaction rejected. Invalid interim statement number.~~

920   Transaction rejected. *Missing or i*nvalid point of contact name.

921   Transaction rejected. *Missing or i*nvalid point of contact phone number/*email*.

~~922~~   ~~Transaction rejected. Invalid document to follow indicator.~~

923   Transaction rejected. *Missing or i*nvalid transaction date.

924   Transaction rejected. Narrative missing.

~~925~~   ~~Transaction rejected. Invalid narrative attached indicator.~~

926   *Transaction rejected. No record found.*

927   *Transaction rejected. Missing or invalid disposition/reply code*

928   *Transacion rejected. Missing or invalid condition code.*

929   *Transaction rejected. Missing or invalid DODAAC, MAPAC, or Routing Identifier.*

930   *Transaction rejected. Missing information associated with disposition/reply.*

931   *Transaction rejected. Missing or invalid material identification.*