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IN REPLY
REFER TO DLMSO

JAN 09 2007

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC) 217,
Passive Radio Frequency Identification (pRFID) Discrepancy Codes
(Supply/SDR) (Staffed by PDC 230A)

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 effective February 15, 2007.

Addressees may direct questions to the Defense Logistics Management Standards Office point of contact, Ms. Ellen Hilert, Chair, Supply Process Review Committee, 703-767-0676, DSN 427-0676, or e-mail: Ellen.Hilert@dla.mil or Mr. Robert Hammond, 703-767-2117, DSN 427-2117 or e-mail: Robert.Hammond@dla.mil. Others must contact their Component designated representative.

A handwritten signature in cursive script, appearing to read "Donald C. Pipp".

DONALD C. PIPP
Director
Defense Logistics Management
Standards Office

Attachment

cc:
SDR Committees (U.S. & SA)
DUSD (L&MR) SCI

ADC 217
Passive RFID Discrepancy Codes

1. ORIGINATOR:

- a. Service/Agency:** Defense Logistics Agency (DLA)
- b. Originator:** DLA/J-375 phone: DSN 427-2527 / Commercial 703-767-2527

2. FUNCTIONAL AREA: Primary: Supply/SDR

3. REFERENCES:

- a.** DOD 4000.25-M, Defense Logistics Management System (DLMS)
- b.** DLAI 4140.55/AR 735-11-2/SECNAVINST 4355.18a/AFJMAN 23-215, “Reporting of Supply Discrepancies”
- c.** DLMSO memorandum dated October 3, 2006, subject: Proposed Defense Logistics Management System (DLMS) Change (PDC) 230A, Passive Radio Frequency Identification (RFID) Discrepancy Codes (Supply/SDR)

4. REQUESTED CHANGE:

- a. Title:** RFID Discrepancy Codes
- b. Description of Change:** This change identifies new passive RFID discrepancy codes be added to the current applicable discrepancy code list under the Packaging/Marking section (P300 series) for SDRs. The new codes will be used to identify discrepant, missing RFID marking/labeling on material, and to identify reader problems/issues which interfere with RFID processing by DOD receiving organizations. Revisions to joint guidance are identified in *bold italics*.
- c. Background:** A review of discrepancy codes available in Joint Regulation DLAI 4140.55, “Reporting of Supply Discrepancies” (SDR) revealed there are no discrepancy codes currently available to specifically identify passive RFID discrepancies discovered at time of receipt for those shipments which have passive RFID requirements. There are multiple packing discrepancy codes which identify marking discrepancies but none which will allow for reporting specific passive RFID discrepancies and allow provisions to record passive RFID metrics and track passive RFID processing. The lack of supply discrepancy codes which relate specifically to passive RFID shipments will negatively affect the ability of Military Services/Agencies in the development of metrics/statistics as they pertain specifically to discrepant passive RFID material shipments.

d. Procedures. Recommend the new passive RFID discrepancy codes be added to the applicable DLAI Joint Regulation 4140.55, et al, Reporting of Supply Discrepancies, discrepancy codes lists and all SDR systems programs. These codes will be all applicable to all types of SDRs to include customer and distribution depot receipts (i.e., Document Type 6, 7, 8, 9, and R). Also recommend policy change to identify that the new codes are to be used when reporting discrepant passive RFID shipments at time of receipt.

(1) Update referenced joint guidance subparagraph E.2.c.(5) and the DLMS Manual as follows:

Improper Markings. *Prepare an SDR to report any omitted, incomplete, illegible, or misplaced markings, ~~packing documentation, or other identification.~~* Report improper identification of containers or items which requires the container to be opened or which results in improper storage of the material regardless of cost. ***Improper marking includes discrepancies related to passive radio frequency identification (RFID) tags as follows:***

Report all missing, damaged, or unreadable passive RFID tags when such tags are required by contract provisions, DoD policy, or specified by prior shipment notice/status reflecting passive RFID content. Report duplication of tag identification associated with a previously processed receipt.

SDRs may be used to report a tag read formatted for DoD use, but which does relate to an advance shipment notification containing passive RFID content when such advance shipment notification is required by contract provisions or DoD policy.

(2) Proposed changes to the discrepancy code list under P3, Improper Markings as below. A complete list of codes is shown at the enclosure with minor updates to the reference 3.b. Corresponding changes are recommended for reference 3.a, including the DLMS Dictionary/Directory, Discrepancy Code.

<i>P314</i>	<i>Passive RFID tag is missing</i>
<i>P315</i>	<i>Passive RFID tag is visibly damaged and unreadable</i>
<i>P316</i>	<i>Passive RFID tag is present but unreadable (not visibility damaged)</i>
<i>P317</i>	<i>Passive RFID tag read has no corresponding advance shipment notification</i>
<i>P318</i>	<i>Passive RFID tag read duplicates previously used tag identification</i>

5. REASON FOR CHANGE:

a. This proposed change will be used by managers to segregate passive RFID discrepancies from other material supply/packaging discrepancies. The new codes will allow personnel submitting SDRs to specifically identify and document passive RFID discrepancies as they pertain to shipments received which have passive RFID tag/labeling requirements. While the primary user community for this new set of codes is the distribution depot, these codes will also be available for customer use. The addition of the new RFID discrepancy codes will improve DOD ability to identify and segregate RFID discrepancies from other discrepancies for reporting purposes. This will improve development of metrics/statistics for passive RFID

discrepancy metrics. This code will facilitate identification of specific incidences of contractor non-compliance.

b. Subsequent to publication of PDC 230, comments were received from DLA J-3734 and the DDC requesting that additional codes be included in this change as reflected above.

6. ADVANTAGES AND DISADVANTAGES:

a. Advantages: This proposed change will improve visibility of passive RFID processing discrepancies for those shipments which require passive RFID, as well as improve management reporting capabilities for identification of passive RFID discrepancies.

b. Disadvantages: Development of discrepancy reporting business rules for active RFID are under consideration, but not defined for publication at this time.

7. IMPACT: This change proposal will impact processing of SDRs and require updates to automated systems and implementing guidance.

Enclosure

**TYPICAL SHIPPING AND PACKAGING DISCREPANCIES LISTED BY
SDR DISCREPANCY CODES**

The following codes are used to provide a description of the discrepant condition. ~~Multiple~~ *Up to three* codes may be used on a single report. Preprinted codes on the face of the SF 364 may be supplemented from this list of codes. These codes are authorized for use in all formats of SDR reporting. Use of the expanded list of codes is encouraged to clearly identify the discrepant situation and reduce the need for narrative descriptions.

CONDITION OF MATERIAL

- C1 In a condition other than shown on supply document or on the supporting inspection/test certificate (if hazardous material use code H1)
- C2 Expired shelf life item (if hazardous material use code H5).
- C3 Damaged U.S. Postal Service shipment. (Security Assistance customers are authorized to use this code for all types of damaged shipments.)
- C4 Material received stripped of parts or components (cannibalized). Applicable to material returns or repairs only.
- C5 Incomplete item received. Do not use for incomplete sets/kits/outfits. See discrepancy S9.

SUPPLY DOCUMENTATION

- D1 Supply documentation not received with material.
- D2 Supply documentation illegible or mutilated.
- D3 Supply documentation incomplete, improper, or without authority. Use only when receipt cannot be properly processed.

BILLING/FINANCIAL DISCREPANCIES (SECURITY ASSISTANCE ONLY)

- B1 Requisitioned material received. No record of billing.
- B2 Duplicate billing.
- B3 Wrong amount billed.
- F1 Financial discrepancy involving Security Assistance surcharge.

HAZARDOUS MATERIAL

- H1 Hazardous item in a condition other than shown on supply document or on the supporting inspection/test certificate

- H3 Lack of a Material Safety Data Sheet (MSDS) in Hazardous Material Information Resource System (HMIRS)
- H4 Non-radioactive item classified as radioactive, or non-hazardous item classified as hazardous
- H5 Expired hazardous shelf life item

LUMBER

- L1 Moisture exceeds allowable percentage.
- L2 Not treated in accordance with specification.
- L3 Product off grade.
- L4 Improper size.
- L5 Improper tally.
- L6 Improper or no grade mark on product.
- L7 Rotten product.
- L8 Splits, excessive wane, scant, or not end trimmed (one or all).

MISDIRECTED

- M1 Material improperly addressed and shipped to wrong activity.

OVERAGE, DUPLICATE, OR RECEIPT OF CANCELED MATERIAL

- O1 Quantity received is more than quantity shown on the supply document.
- O2 Quantity received is more than quantity requested plus variance, if applicable (other than unit of issue or unit of pack).
- O3 Quantity duplicates shipment.
- O4 Material received after cancellation.
- O5 Concealed overage discovered in a sealed shipping container.
- O6 Overage due to unit of issue/unit of pack incompatibility. Use only when requisition specified no unit of issue/unit of pack variance.

PACKAGING DISCREPANCY

- P1 Improper preservation.
- P101 Cleaning inadequate, incorrect, or omitted.
- P102 Preservative inadequate, incorrect, or omitted.
- P103 Barrier material inadequate, incorrect, or omitted.
- P104 Unit pack cushioning inadequate, incorrect, or omitted.
- P105 Unit container inadequate, incorrect, omitted or oversized.
- P106 Desiccant incorrect, improperly located, or omitted.
- P107 Tape/closure of unit container incorrect or inadequate.
- P108 Hazardous materials not removed as required.
- P109 Improper preservation of hazardous materials (includes ammunitions/ explosives).
- P110 Level of protection excessive or inadequate.
- P111 Minimum protection not applied (material returns).

- P112 Non-conformance to specified requirements for preservation (explanation required).
- P113 Electrostatic/electromagnetic device preservation inadequate or omitted.
- P114 Concealed preservation defect found in storage (retail only).

P2 Improper packing.

- P201 Container inadequate, incorrect, or oversized.
- P202 Intermediate container inadequate, incorrect, oversized, or omitted.
- P203 Exterior container inadequate, incorrect, oversized, or omitted.
- P204 Blocking and bracing inadequate, incorrect, or omitted.
- P205 Cushioning inadequate, incorrect, or omitted.
- P206 Level of protection excessive or inadequate.
- P207 Container deteriorated.
- P208 Skids incorrect or omitted.
- P209 Improper packing of hazardous materials (includes ammunitions/explosives).
- P210 Non-conformance to specified requirements for packing (explanation required).
- P211 Improper foam-in-place.
- P212 Reusable container not used or improperly prepared.
- P213 Closure incorrect or inadequate.
- P214 Concealed packing defect found in storage (retail only).
- P215 Non-conformance to specified requirements for wood packaging material (WPM)

P3 Improper markings.

- P301 Identification markings omitted, incomplete, incorrectly located, or not legible.
- P302 Improper marking of hazardous materials (includes ammunitions/explosives).
- P303 Labels omitted or improperly affixed.
- P304 Contract data omitted, incomplete, incorrectly located, or not legible.
- P305 Precautionary or handling markings omitted, incomplete, or not legible.
- P306 Shelf-life markings omitted, incorrect, or not legible.
- P307 Bar code markings omitted, or not legible.
- P308 Incorrect lot number.
- P309 Set or assembly markings omitted.
- P310 Address incorrect or not legible.
- P311 Non-conformance to specified requirements for marking (explanation required).
- P312 Electrostatic/electromagnetic device markings inadequate or omitted.
- P313 Packing list omitted or incorrectly located.
- P314 *Passive RFID tag is missing***
- P315 *Passive RFID tag is visibly damaged and unreadable***
- P316 *Passive RFID tag is present but unreadable (not visibility damaged)***
- P317 *Passive RFID tag read has no corresponding advance shipment notification***
- P318 *Passive RFID tag read duplicates previously used tag identification***

P4 Improper unitization (includes palletization and containerization).

- P401 Cargo not unitized.
- P402 Shrink/stretch wrap inadequate or omitted.
- P403 Strapping inadequate or omitted.

- P404 Multiple consignees in single consignee consolidation container.
- P405 Protective covering/wrapping inadequate, improper, or omitted.
- P406 Contents of multipack container inadequately packaged, stuffed or missing unit packs.

PRODUCT QUALITY (ITEM) DEFICIENCY (SECURITY ASSISTANCE ONLY)

- Q1 Product quality deficiency.
- Q2 Quality deficiency, contractual noncompliance.
- Q3 Design deficiency, item requires change in design.
- Q4 Contracting deficiency, specification and/or technical data deficient.
- Q7 Safety hazard.
- Q8 Latent defect.

QUALITY DEFICIENCY RECEIPTS/STOCK SCREENING (DD ONLY)

- Q11 PDQR exhibit deficiency received
- Q22 Quality deficiency, contractual non-compliance
- Q33 Received item with suspected material deficiency (DLA CRII items only)
- Q44 Received item identified for contracting deficiency, for specification and/or technical data deficiency
- Q55 Received item under investigation
- Q66 Customer return item failed under use
- Q77 Received item identified as a Critical Safety Item (CSI)
- Q99 New receipt item received for First Article Testing

SHORTAGE OR NONRECEIPT

- S1 Quantity received less than quantity indicated on supply documentation.
- S2 Quantity received is less than quantity requested minus variance, if applicable (other than unit of issue or unit of pack).
- S3 Total nonreceipt of U.S. Postal Service shipment.
- S4 Total non-receipt; not transportation related. (U.S. only)
- S5 Total nonreceipt (Security Assistance only).
- S6 Shortage due to unit of issue/unit of pack incompatibility. Use only when requisition specified no unit of issue/ unit of pack variance.
- S7 Shortage or nonreceipt of an item in a multipack or sealed shipping container.
- S8 Concealed shortage discovered upon opening a sealed vendor's pack. Not applicable to SA.
- S9 Incomplete sets/kits/outfits. Do not use to report cannibalization of SSRI, COEI, or BII. See C4.

TECHNICAL DATA MARKINGS (NAME PLATES, LOG BOOKS, OPERATING HANDBOOKS, SPECIAL INSTRUCTIONS)

- T1 Technical data markings missing.
- T2 Technical data markings illegible or mutilated.
- T3 Precautionary operational markings missing.

- T4 Inspection data missing or incomplete.
- T5 Serviceability operating data missing or incomplete.
- T6 Warranty data missing.
- T7 Missing part number on bare item.
- T8 Incorrect part number.
- T9 Operating handbooks, log books, and/or special instructions missing.

UNIQUE IDENTIFICATION

- U01 Unique identification data on label missing, damaged or unreadable.
- U02 Unique identification data on item missing, damaged or unreadable.
- U03 Unique identification data on supply documentation missing, damaged or unreadable.
- U04 Unique identification data not provided on shipping notice.
- U05 Non-conformance to unique identification requirements under terms of contract.
- U06 Multiple containers without separate unique identification data listings.
- U07 Mismatch between unique identification data on item and label.
- U08 Mismatch between unique identification data on item and shipping documentation.
- U09 Mismatch between unique identification data on item and due-in or shipping notice.
- U10 Mismatched or unique identification discovered upon opening a sealed pack.
- U11 Material unidentifiable; stock number missing or damaged.
- U12 Duplicate unique identification.

INCORRECT ITEM

- W1 Incorrect item received.
- W2 Unacceptable substitute received.
- W3 Incorrect item received, but not identifiable to an NSN or part number.
- W4 Misidentified item received.
- W5 Mixed stock received.
- W6 Incorrect item discovered upon opening a sealed vendor's pack. Not applicable to SA.

OTHER DISCREPANCIES

- Z1 Other discrepancy - see remarks.
- Z2 Repetitive discrepancy. Must use in combination with other codes or describe in remarks. Not applicable to SA.
- Z3 Distribution Depot receipt not due-in.
- Z4 No record exists for document number cited on supply document. Not used by distribution depot/not applicable to SA.