



DEFENSE LOGISTICS AGENCY
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IN REPLY
REFER TO

DLMSO

January 22, 2009

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC) 312,
Denial Management Code in a Supply Status Transaction (Supply/MILSTRIP)
(Staffed as PDC 334)

The attached change to DoD 4000.25-1-M, MILSTRIP, and DoD 4000.25-M, DLMS, is approved for all Components using a phased implementation approach. A projected implementation date is not available at this time. Components are directed to review the attachment for implementation impact. The updated DLMS Supplement will be posted to the Defense Logistics Management Standards Office (DLMSO) Web site <http://www.dla.mil/j-6/dlms0/elibrary/TransFormats/formats.asp> within **10** days from the above date for implementation planning.

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

DONALD C. PIPP

Director

Defense Logistics Management
Standards Office

Attachment

cc:

DUSD(L&MR)SCI



ADC 312
Denial Management Code in a Supply Status Transaction

1. ORIGINATOR:

a. Service/Agency: Department of the Army G-44(S)

b. Originator: Department of the Army G-44(S), Office of the Director of Supply, Secondary Items Division, 703-692-9834 (DSN 645)

2. FUNCTIONAL AREA: Primary: Supply

3. REFERENCE: DLMSO Memorandum dated 14 March, 2006: Approved Defense Logistics Management System (DLMS) Change (ADC) 191, Management Codes on Supply Transactions. Among other requirements, ADC 191 documented an intra-Army requirement for the Source of Supply (SoS) to provide the customer a Supply Status (DLMS 870S/MILSTRIP AE_ status transaction) with Status Code BD and Management Code R when a storage site denial has been processed against a Materiel Release Order generated by the SoS in support of the customer's requisition. This status transaction allows the Army customer system to clear their suffix record when an MRO denial has occurred. Further action on the denied quantity is anticipated to occur on a subsequent suffix code.

4. APPROVED CHANGE:

a. Description of Change: 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 usage. Revisions to MILSTRIP/DLMS are identified in *bold italics*. **Yellow highlighting** is used to identify a procedural clarification provided in response to comments received during coordination.

(1) The requirement is for the SoS to generate a Supply Status (DLMS 870S/MILSTRIP AE8) with Status Code BD and Management Code R citing the MRO denied quantity and suffix when the SoS receives a storage site denial against an MRO. This status transaction will allow the customer system to amend/clear their suffix record when an MRO denial has occurred. Further action on the denied quantity is anticipated to occur on a subsequent suffix code.

(2) This change will authorize Management Code R for use on an inter-Service basis within both MILSTRIP and DLMS. It is requested that all participating Services/Agencies adopt these procedures at the SoS and customer level, especially during modernization of legacy systems. DLA has indicated they will adopt this process and provide the denial management code in a supply status transaction when an MRO denial is processed against a requisition, regardless of requisitioning Service/Agency.

(3) The Defense Automatic Addressing System Center (DAASC) will support conversion between MILS and DLMS transactions when used.

b. MILSTRIP Procedures:

(1) Revise MILSTRIP Chapter 4, Status, to insert new procedures as follows:

(a) Insert new subparagraph C4.6.1.3.1 as follows:

C4.6. USE OF STATUS RECEIVED

C4.6.1.3. Review supply status (DI AE_) received for additional action required by the status code, if any.

C4.6.1.3.1. If supply status identifies a processing delay due to storage site denial to the supply source's material release order (Status BD with Management Code R), the customer/customer's system shall update/clear the local record for the suffix and quantity identified (so that subsequent status on a next available suffix is not misinterpreted as duplicative/exceeding the quantity ordered, potentially triggering cancellation). Estimated shipping dates will not be provided with BD status when associated with storage activity denial as indicated by the Management Code R. Further supply action to satisfy the denied quantity will be identified on a subsequent supply status under next available suffix code. Use of BD status with Management Code R allows the customer's system to better track status and recognize the correct quantity in process.

C4.6.1.3.2. If a requisition has been rejected (DI AE_ with a rejected status code), and the materiel is still required, the requirement must be submitted as a new MILSTRIP requisition citing a new transaction number with a current ordinal date.

(b) Insert new subparagraph C4.8.7 and renumber remaining paragraphs:

C4.8. FURNISHING STATUS

C4.8.7 Supply sources shall furnish supply status indicating a processing delay when a material release order (MRO) is denied by the storage activity. Use Status Code BD and denial Management Code R citing the MRO denied quantity and suffix.¹ Further supply action to satisfy the denied quantity is anticipated to occur on a subsequent suffix code.

¹ ***Authorized for use on an intra-Army basis (ADC 191), and subsequently expanded for inter-Service/Agency use (ADC 312). Not implemented by DLA and other Services.***

(2) Revise definition of Status Code BD in MILSTRIP Appendix AP2.16 as follows:

BD	<p>Requisition is delayed.</p> <p>(1) Delay due to need to verify requirements relative to authorized application, item identification, or technical data.</p> <p>(2) Requisition for GFM is delayed pending validation by either contracting MCA or between source of supply and MCA. See rp 4-6 to determine the activity performing the validation. Upon completion of review, additional status will be provided to indicate action taken.</p> <p>(3) If used with Management Code R, delay due to storage activity denial on the identified suffix. Clear/update local records for suffix and quantity identified. Further action on the denied quantity is anticipated to occur on a subsequent suffix code.</p>
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(3) Replace the current Management Code note associated with Status Code BD in MILSTRIP Appendix, AP3.10, Supply Status, with the following:

For DI Code AE_ Transactions with Status Code BD Associated with Storage Site Denial (Army only)		
Management Code	72	<p>Cite Management Code R with Status Code BD (rp 65-66) when communicating to the customer that a storage site denial has occurred against an MRO. The status transaction will be for the denied quantity and suffix. ¹ If status code (rp 65-66) is BD enter denial Management Code R, indicating a denial/refusal to the Standard Army Retail Supply System (SARSS) operating under Army Single Stock Fund.</p>

¹ **Authorized for use on an intra-Army basis (ADC 191), and subsequently expanded for inter-Service/Agency use (ADC 312). Implementation outside Army applications is pending.**

c. MILSTRAP Procedures: Revise footnote 1 regarding Management Code R in MILSTRAP Appendix, AP2.6, as follows.

AP2.62 ISSUE RELATED TRANSACTIONS		
R	AE_ ¹	Requisition delayed due to storage activity denial.

¹ **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.**

d. DLMS Procedures: Update DLMS manual as identified above for MILSTRIP and insert equivalent DLMS Supplement (DS) note as indicated below.

Location	Revision	Reason
2//LQ01/330	<p><u>Replace DLMS note 2 as follows:</u></p> <p>81 Status Code DLMS Note: 1. Use to identify the supply status associated with the transaction</p>	<p>Clarification consistent with expanded authorized use of this business process on a DoD-</p>

	<p><i>document</i> number/suffix.</p> <p>2 If status code is BD (Army only), enter denial Management Code R, indicating a denial/refusal to the Standard Army Retail Supply System (SARSS) operating under Army Single Stock Fund (refer to ADC 191).</p> <p>2. Multiple repetitions to identify all applicable supply status codes is a DLMS enhancement; see introductory DLMS note 3a.</p> <p>84 Management Code DLMS Note:</p> <p>1. Use to identify the applicable management code associated with the status code.</p> <p>2. Cite Management Code R with Status Code BD when communicating to the customer that a storage site denial has occurred against an MRO. The status transaction will be for the denied quantity and suffix. Authorized for use on an intra-Army basis (ADC 191), and subsequently expanded for inter-Service/Agency use (ADC 312). Implementation of Management Code R outside Army applications is pending. ADC 191 applies.</p> <p>3. Use multiple repetitions to identify all applicable supply status codes. This is a DLMS enhancement; see introductory DLMS note 3a.</p>	<p>wide basis.</p> <p>Note moved to Management Code which is more appropriate.</p>
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5. REASON FOR CHANGE:

(a) With the introduction of the Army Single Stock Fund (SSF), the SARSS system was encountering problems with Denials/Refusals (DI A6_) because SARSS cannot process the denial transactions from a depot or other Army Working Capital Fund (AWCF) sites. To resolve the problem, the Army wholesale system generates a supply status transaction with Status Code BD and a Management Code R in record position 72. The AE_ BD with R in cc 72 allows SARSS to clear their suffix record when a refusal or denial has occurred from a CCSS generated Material Release Order (MILSTRIP A5_). Further action will occur against the denied quantity.

(b) ADC 191 authorized the use of Management Code R for use on the MILS AE_ and the DLMS EDI 870S supply status transaction on an intra-Army basis to facilitate proper DAAS conversion. However, the volume of Army orders supported on an inter-Service basis drives the need for this functionality to be extended beyond intra-Army. This change requested that Management Code R be established for DoD usage.

(c) The use of this technique will resolve a long standing void in MILSTRIP status generation and processing. Currently, there is no direct method to inform the customer that a denial has occurred against their requisition. Accordingly, all Services/Agencies are to incorporate these procedures on a phased implementation.

(d) Pending full implementation by status recipients, the BD status with Management Code R will be recorded in DAAS to facilitate research if needed.

6. ADVANTAGES AND DISADVANTAGES:

a. Advantages:

(1) Resolves a long standing void in MILSTRIP status generation and processing as currently there is no direct manner to inform the customer that a denial has occurred against their requisition. Improves customer ability to track the status of their orders in process and close records properly and in a timely manner when the due-in quantity is received.

(2) This change will reduce erroneous cancellation of suspected duplicate quantities and/or erroneous due-in increases and over obligation actions associated with SoS action on a different suffix code subsequent to the storage site denial.

b. Disadvantages: None

7. IMPACT:

a. Phased implementation.

(1) Inventory Control Points are requested to notify DLMSO when implementation is scheduled so that Components may be alerted.

(2) **Receipt of BD status with Management Code R.** Components (other than Army) are asked to assess impact of receipt of this status on existing processes. If impact is negative, DAAS intervention may be requested by the Component to suppress transmission of Supply Status BD/Management Code R, pending completion of programming support for this ADC.

c. Revisions to manuals and supplemental instructions as identified above.

d. Update to DAASC maps.