IN REPLY
REFER TO
J627

August 16, 2011

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Proposed DLMS Change (PDC) 29A, Inclusion of the Authorized Requiring Activity in the Requisition and Revised Requisition Priority Designator (PD) Validation (Supply/MILSTRIP)

We are forwarding the attached proposed change to DoD 4000.25-1-M, Military Standard Requisitioning and Issue Procedures (MILSTRIP), and DoD 4000.25-M, Defense Logistics Management System (DLMS), for evaluation and submission of a single coordinated Service/Agency position. The interface requirement relating to this proposed change is shown to assist in your internal coordination. However, omission of such a requirement does not relieve you of the responsibility to ensure full coordination of the proposal within your Service or Agency.

Request you review the attached proposed change and provide your comments/ concurrence to DLA Logistics Management Standards not later than **45** days from the date of this memorandum. If nonconcurrence is provided, please provide an alternate method to meet the requirement being addressed.

Addressees may direct questions to Ms. Ellen Hilert, e-mail: ellen.hilert@dla.mil. Others may direct questions to their Service or Agency designated Supply PRC representative.

DONALD C. PIPP
Director
DLA Logistics Management Standards

Attachment
PDC 29A

cc:
ODASD(SCI)

Proposed DLMS Change 29A
Requisition Priority Designator (PD) Validation

1. ORIGINATOR: MILSTRIP Administrator on behalf of DoD Components and Joint Staff, Ellen Hilert, ellen.hilert@dla.mil.

2. FUNCTIONAL AREA: Supply/Requisitioning

3. REFERENCES: DLMS Changes available at:
http://www.dla.mil/j-6/dlmso/eLibrary/changes/processchanges.asp.

   a. DLMSO memorandum dated June 1, 1998, subject: Approved DLMS Change (ADC) 9A, Validation of Force or Activity Designator (F/AD) I Activities, and subsequent addendum/updates

   b. DLMSO memorandum dated March 10, 1999, subject: Proposed DLMS Change 29, Requisition Priority Designator (PD) Validation

   c. DLMSO memorandum dated July 3, 2008, subject: ADC 279, Automated Downgrade for Priority Abuse and Reporting Procedures

   d. DLMSO memorandum dated November 25, 2009: DLMS Supply Process Review Committee (SPRC) Meeting 09-01, October 28-29, 2009 (available at: http://www.dla.mil/j-6/dlmso/Archives/archives_sprc.asp

4. REQUESTED CHANGE:

   a. Description of Change: This change integrates instructions for use of the PD during preparation of the requisition with basic requisitioning procedures under MILSTRIP and DLMS. It clarifies the need for appropriate PD assignment and Defense Automatic Addressing System (DAAS) validation performed by DLA Transaction Services during requisition processing. It specifically addresses requisitions supporting deployed or off-station Force/Activity Designator (F/AD) I units and establishes a DLMS capability to separately provide an additional DoDAAC within the requisition format for identification of the DoDAAC associated with the F/AD I authorized unit. This additional DoDAAC data field would be used when the requisitioner/ship-to/bill-to DoDAAC values identify other activities.

   b. Background - General: When a unit is deployed or is off-station, e.g. an "aircraft on ground" located away from its home base, requisitions to support that unit may be submitted by another organization. A requisition supporting a deployed or off-station F/AD I authorized unit may rightly carry the associated PD in the requisition. DLA Transaction Services validates requisition PDs associated with F/AD I against a

table of authorized activity DoDAACs using the DoDAAC in the requisition document number and the Supplementary Address (SUPPAD) (see Reference 3a., Approved DLMS Change 9A with Addendum). Currently, requisitions for the Military Services submitted via Service supply systems citing a PD associated with F/AD I will be processed without interference; however, if the DoDAAC used for the Defense Automatic Addressing System (DAAS) validation process is not present in the requisition it will be highlighted for management review. Edit criteria is stronger for Military Service requisitions submitted via on-line ordering web tools (see Reference 3.c., Approved DLMS Change 279). It is envisioned that the PD validation process may ultimately be strengthened to permit automatic downgrading where unauthorized use is detected. To preclude a future negative impact from downgrading a PD that is properly submitted for a deployed or off-station unit, it is necessary that the requisition be correctly interpreted. To accomplish this, it is proposed that the requisition contain the activity DoDAAC which is authorized F/AD I and is carried on the internal DLA Transaction Services DAAS DoDAAC PD validation table. This proposal is a replacement of the original PDC 29, which did not include the DLMS capability to support a separate DoDAAC identification.

c. Background - Air Force Concerns Regarding Automatic Downgrading based upon DAAS Edit. The Air Force provided the following comments in 2008 based upon study findings from the Air Force Logistics Management Agency (AFLMA) Project LR200804300**:**

> "There is very little abuse of FAD 1 today. Today's policy and system is not very good at differentiating valid FAD 1 requisitions from invalid ones mainly because the current Office of the Secretary of Defense (OSD) policy for identifying FAD 1 organizations does not fit how the AF operates. The current OSD process for assigning FAD codes to DoDAACs fits the way the Army operates since the Army assigns DoDAACs to each of its organizations, whereas the AF assigns a DoDAAC to a base, which consists of many organizations. In essence, the DoDAAC is the address of the requisitioning activity-in the AF the requisitioning activity is the Standard Base Supply System for all the organizations on the base. If FAD 1 organizations move from one base to another (e.g., to a contingency base), the Army organization retains its DoDAAC. In the AF, that FAD 1 organization now uses the DoDAAC of its new base, which may not be on the list of FAD 1 DoDAACs. Thus DAASC [*now called DLA Transaction Services*] would identify all the requisitions for that valid FAD 1 organization as invalid. In fact, DAASC downgraded 1,758 (17 percent of the FAD 1 requisitions in December 2007) and 1,136 (12 percent of the FAD 1 requisitions in January 2008) valid priority 04 and 11 requisitions because the OSD list is outdated or not accurate. The current OSD policy of downgrading suspected invalid FAD 1 requisitions makes little difference to support. The current approved process is to downgrade only priority 04 and 11 FAD 1 requisitions, not priority 01 requisitions. And that is a good policy because the current list of SRANs is not accurate (and would be very difficult to maintain accurately) and there are missions that can order FAD 1 requisitions from any base (e.g., Special Operations Forces and Air Force One). There is

very little impact from downgrading a priority 04 to 06 (FAD 1, Urgency Justification Code {UJC B} to FAD III, UJC B) or from 11 to 13. Currently, DLA withholds releasing of assets (via control limits) by priority group. As a result, downgraded FAD 1 requisitions still fall in the same priority group (priority 04 requisitions fall within priority group 2 which includes priorities 04 through 09, while priority 11 requisitions fall within priority group 3 which includes priorities 11 through 15). While it is true that DLA will release in priority order, usually there is sufficient stock to release assets to all backorders in a priority group. If there is stock on-hand, DLA usually releases assets upon receipt of the requisition. Many AF managed reparable items (those that use the Execution and Prioritization of Reparable Spares System, EXPRESS) do not use priorities; rather, items are released based on their probability of meeting the targeted aircraft availability. So downgrading the priorities has no effect on many AF managed items. A better way to ensure valid FAD 1 requisitions is to manage the organization records with FAD 1 to ensure they are valid. In addition, the AF should:

  *   Agree with the proposed DAASC [*now DLA Transaction Services*] edit for E-Mall and General Services Administration requisitions to match the existing edit for FAD1 requisitions (and not downgrade priority 01 requisitions). [*This refers to PDC 280, later approved as ADC 279 (reference 3.c)*]

  *   Continue to manage the organization records and ensure FAD 1 organizations are loaded accurately.

  *   Periodically review the DAASC [*now DLA Transaction Services*] FAD 1 downgrade and suspected abuse file."

d. Procedures:

  (1)   Revise DoD 4000.25-1-M, May 1, 2007, Military Standard Requisitioning and Issue Procedures (MILSTRIP), Chapter 2, to insert new sub-paragraph C2.3. Renumber existing C2.3 as C.4. (currently reserved).

"C.2.4. PRIORITY DESIGNATOR (PD) ASSIGNMENT

  1. Each requisition will contain a PD assigned by the requisitioning activity. The PD is based upon a combination of factors that relate the relative importance of the requisitioner's mission, expressed by its Force or Activity Designator (F/AD), and the urgency of need of the end use, expressed by the Urgency of Need Designator (UND). The PD is employed by the supply source to determine the precedence of internal supply processing actions and determine the standard delivery date (SDD). Reference Appendix A14 for specific guidance and special coding instructions.

  2. Accurate assignment of the PD is a key element in insuring that potentially scarce resources are appropriately allocated. To preclude abuse or misuse of the PD,

the Office of the Secretary of Defense has directed the DLA Transaction Services to institute validation of the PDs 01, 04, and 11, which are associated with special programs and top national priorities. Inappropriate assignments are identified for management review or automatic downgrading based upon Service/Agency guidance. To pass validation, requisitions reflecting PD 01, 04, or 11 must identify the DoDAAC of the activity authorized use of F/AD I in either the document number or the supplementary address fields. PD 01, 04, or 11 requisitions that support deployed or off-station units that are authorized F/AD I must reflect the DoDAAC of the unit's home base in order to comply with this guidance."

        (2) Incorporate corresponding changes in the DLMS manual modifying the last two sentences to read as follows:

"….To pass validation, requisitions reflecting PD 01, 04, or 11 must identify the DoDAAC of the activity authorized use of F/AD I in either the document number, ==ship-to, bill-to, or authorized requiring activity fields==. PD 01, 04, or 11 requisitions which support deployed or off-station units that are authorized F/AD I must reflect the DoDAAC of the unit's home base in order to comply with this guidance."

        (3) The DLMS data element "Authorized Requiring Activity" will be available in the requisition, requisition modification, and requisition follow-up (because the modification and follow-up may be used as the original requisition when unmatched by the source of supply). It will not be perpetuated to other follow-on transactions. It will be considered modifiable in the Requisition Modification.

        (4) Update the applicable DLMS Supplement to allow inclusion of the authorized requiring activity. Refer to Enclosure 1.

   e. Alternatives: Alternative procedures to use an Advice Code to specifically designate that requisition edits should be bypassed because the DoDAAC of the authorized activity could not be included in the requisition were disapproved under the original PDC 29 (reference 3.b) staffing.

5. REASON FOR CHANGE:

   a. It is important that any issues related to requisitioning procedures for deployed and off-station F/AD I units be resolved without risk to operational readiness. Resolution of these issues must take place prior to implementation of DoD-wide automatic downgrading of improper requisition PDs.

   b. Components recommended pursuing the inclusion of an additional data element for the purpose of identifying the F/AD I authorized activity during the SPRC meeting (Reference 3.d.).

   c. Air Force Requisitioning Procedures

(1) Identification of the F/AD I Activity. The requested additional data field for the Authorized Requiring Activity will support Air Force requirements where the requisitioning unit may not correlate to the DoDAAC authorized by the Joint Chiefs of Staff. Within the Air Force the authorized requiring unit may be supported by a DoDAAC that is not on the authorized list (see Air Force background info above, paragraph 4.c). This proposal will allow DLMS compliant Air Force applications to include the authorized DoDAAC separately in order to avoid inappropriate downgrading.

(2) DoD EMALL. Additionally, Air Force requisitioning via DoD EMALL uses "generic" DoDAACs for the requisitioner (a single administrative DoDAAC used by all Air Force requisitioners) and the bill-to (the DoD EMALL supplemental address indicating purchase card payment), and clear text addressing for the ship-to. This construct bypasses authorized DAAS PD edits. With the inclusion of the Authorized Requiring Activity, DAAS PD edits for Air Force EMALL requisitioning could be enforced.

d. This proposal strengthens MILSTRIP/DLMS guidance and moves MILSTRIP guidance into the requisitioning chapter (currently, procedures are described in an appendix).

6. ADVANTAGES AND DISADVANTAGES:

a. Advantages: This change provides clarification in the appropriate location in the manual. It resolves requisitioning procedures for deployed and off-station units with minimal impact to systems/procedures. This change paves the way for implementation of DoD-wide automatic downgrading of improper requisition PDs.

b. Disadvantages: Requires programming changes within modernized systems.

7. IMPACT:

a. Publications: Revises MILSTRIP and DLMS. Service/Agency publications as applicable.

b. Systems:

(1) DLMS-compliant Component applications must adopt capability to identify an additional DoDAAC value within the requisition to support identification of the F/AD I activity when not otherwise identified in the requisition.

(2) DLA Transaction Services must update the DAAS PD edit process to also consider the authorized requiring activity DoDAAC.

(3) DoD EMALL must be updated to allow for separate identification of the Authorized Requiring Activity.

  c. DLMS Transactions Sets: Updates the Requisition, Requisition Modification, and Requisition Follow-up per enclosure.

  d. DLMS Data: There are no revised data elements. A new DLMS data element is introduced as follows:

  e. Authorized Requiring Activity: The activity authorized to requisition using Priority Designator 01, 04, or 11. This activity may be separately identified in the DLMS requisition when not otherwise identified as the requisitioner, ship-to, or bill-to activity.

Enclosure 1, DLMS Supplement Revisions

(1) Update DS 511R, Requisition:

#	Location	Revision to 511R Requisition	Reason for Change
1	DLMS Introductory Note	Add Proposed Addendum to ADC 29A to DLMS Introductory note: *- PDC 29A, Inclusion of the Authorized Requiring Activity in the Requisition and Revised Requisition Priority Designator (PD) Validation*	To identify changes in the DS.
2	2/N101/180	Add the following Data Element and associated note: **J2 Authorized Entity** **DLMS Note:** *Use to identify the Authorized Requiring Activity when other than the requisitioner, ship-to, or bill-to. Use only to support high priority requisitions in accordance with DLMS procedures. This is a DLMS enhancement authorized for staggered implementation. Refer to PDC 29A.*	Establishes a new data requirement.

(2) Update DS 511M, Requisition Modification:

#	Location	Revision to 511M Requisition Modification	Reason for Change
1	DLMS Introductory Note	Add Proposed Addendum to ADC 29A to DLMS Introductory note: *- PDC 29A, Inclusion of the Authorized Requiring Activity in the Requisition and Revised Requisition Priority Designator (PD) Validation*	To identify changes in the DS.
2	2/N101/180	Add the following Data Element and associated note: **J2 Authorized Entity** **DLMS Note:** *Use to identify, or to modify, the Authorized Requiring Activity when other than the requisitioner, ship-to, or bill-to. Use only to support high priority requisitions in accordance with DLMS procedures. This is a DLMS enhancement authorized for staggered implementation. Refer to PDC 29A.*	Establishes a new data requirement.

(3) Update DS 869F, Requisition Follow-Up:

#	Location	Revision to 869F, Requisition Follow-Up	Reason for Change
1	DLMS Introductory Note	Add Proposed Addendum to ADC 29A to DLMS Introductory note: *-PDC 29A, Inclusion of the Authorized Requiring Activity in the Requisition and Revised Requisition Priority Designator (PD) Validation*	To identify changes in the DS.

| 2 | 2/N101/110 | Add the following Data Element and associated note:

J2 Authorized Entity
DLMS Note: *Use to identify the Authorized Requiring Activity when other than the requisitioner, ship-to, or bill-to. Use only to support high priority requisitions in accordance with DLMS procedures. This is a DLMS enhancement authorized for staggered implementation. Refer to PDC 29A.* | Establishes a new data requirement. |