

DoD Unique Identification (UID) Policy Update

Ms. LeAntha Sumpter



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Agenda

◆ Tuesday

- Introduction
- UID Update
- Initial ERP Efforts
- Property Master Plans
- Define Discussion Group Goals for Tomorrow
 - Classification of Items
 - What are scenarios?
 - What are trigger events?

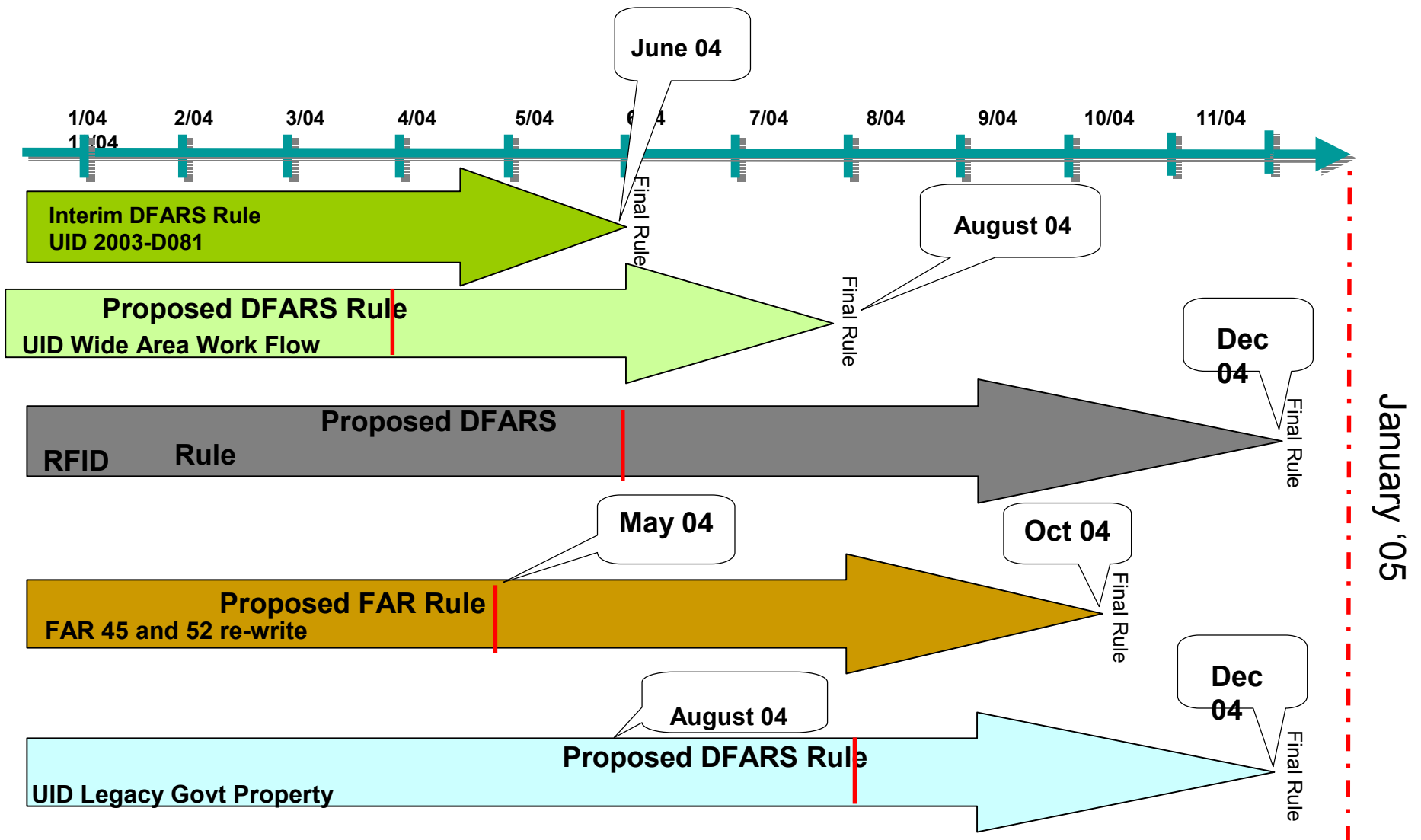
◆ Wednesday

- Break Out Discussions
- Summary of Results
- Next Steps



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FAR/DFARS Spiral





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Critical Issues

- ◆ UID Registry Concept Definition
 - Brainstorming Session
 - Integrate with Logistics, Property, Finance, and Acquisition
- ◆ Data Capture
 - Develop a strategy to build support for data capture requirements in relation to other initiatives
- ◆ Enabling an Integrated Digital Environment with Industry for Government Furnished Property
 - Brainstorming Session with AIA
 - Industry Collaboration Meeting (AIA, GEIA, NDIA, other Industry Assns.)
- ◆ UID End to End Process
 - Data and Process View
 - Systems View
- ◆ Coordination of Military and Intra-DoD Emerging UID Policies
- ◆ Development of Program Strategies for Deployment to Legacy



HOT Re-engineering Projects

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- ◆ Develop an end-to-end UID process model
- ◆ Re-engineer receipt, acceptance, and payment across DoD integrating property, logistics, contracts, financial and configuration management for UID –
 - Learn from CH-47
 - Integrate with property accountability
 - Capture parent/child information
 - Integrate with Government Industry Data Exchange Process and Flight Safety Critical Aircraft Parts
 - Ensure connection to transportation and asset visibility capabilities
- ◆ Capture catalog and item designations relying on commercial capability
- ◆ Integrate with Standard Procurement System
- ◆ Develop ERP intersection criteria
 - WAWF and UID
 - Build UID into BEA assessment tool



Future Re-engineering Projects **DRAFT**

- ◆ Ensure that price/cost **paid** is recorded in the registry
- ◆ Embed CFO Accountability into outsourced Contractor Logistics Support
- ◆ Capture asset acquisition from intra-government source; grants; cooperative agreements
- ◆ Develop business rules for: foreign military sales; international use; demilitarization; loss, destruction, and expenditure; disposal



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UID Policy Implementation Timeline

Policy

- ◆ UID Policy Published - 29 July 2003
- ◆ UID Policy Update Published - 26 November 2003
- ◆ UID Issuing Agency Code Policy Update Published - 22 December 2003
- ◆ UID Required for all New Solicitations - 01 January 2004
- ◆ RFID policy (ADUSD Supply Chain Integration)
 - 02 October 2003
 - Continue Current Use
 - October 2003
 - July 2004
 - January 2005
- ◆ UID Implementation for Contracts with Government Furnished Property - January 2005

ISO/IEC 15434 Change Request

- ◆ Submit New Work Item Proposal - 28 January 2004
- ◆ US TAG Meeting - 01 March 2004
- ◆ Obtain support from Air Transport Association (ATA) - June 2005
- ◆ ISO/IEC 15434 amendment issued - June 2005

WAWF Modifications

- ◆ UID Capability IOC - May 10, 2004



UID and RFID Integration

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2004 Actions – Supplier Focus

Priority	Task #	Task Description
1	1	Develop a joint set of RFID & UID scenarios/trigger events separate from the RFID-unique events
1	2	Explore additional refinements to re-engineering of receipt, inspection, acceptance & pay to add RFID requirements & explore architecture solutions for the scenarios
1	2a	Explore value in capturing RFID data traceability as part of WAWF requirements
2	3	Develop a tighter integration between MIL-STD-129 and -130L
3	4	Scenarios need to address nesting of shipment data
3	5	Develop an integrated data flow to connect UID to RFID. Goal is to streamline RFID adoption by industry
3	6	Explore solutions & business rules to operationalize the above



Integration of MIL-STD-129 & -130 & Defense Transportation Regulation

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Concerns

- **Intersection with engineering and configuration management**
 - Confusion introduced with UID – Design Agent versus Manufacturer
- **Not a guaranteed data environment**
 - PM discretion widely applied
- **Human readable requirements unconstrained**
- **Some examples are confusing: -130 is not strategic but focuses on tactical**
- **Separating policy, policy source, guidance:** need integration across receipt, inspection, acceptance and pay process

Ideas

- **Need to design new “to be” process**
 - Consistent use of enterprise identifier & part identifying number
- **Standardize vendor flow down**
 - Establish Joint govt/industry working group)
- **Move Guidance from -130 to DFAR Clause**
- **Recognize & rationalize interests of Property, Packaging & Configuration Management stakeholders:** Involves warehousing, transportation, and maintenance



Embedded UIDs

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Step 1 – Systems engineering, logistics, program management experts identify items requiring UID*

Step 2 – Systems engineering strategy identified (i.e. efficiencies identified)

Step 3 – UID migration strategy is negotiated with contractor

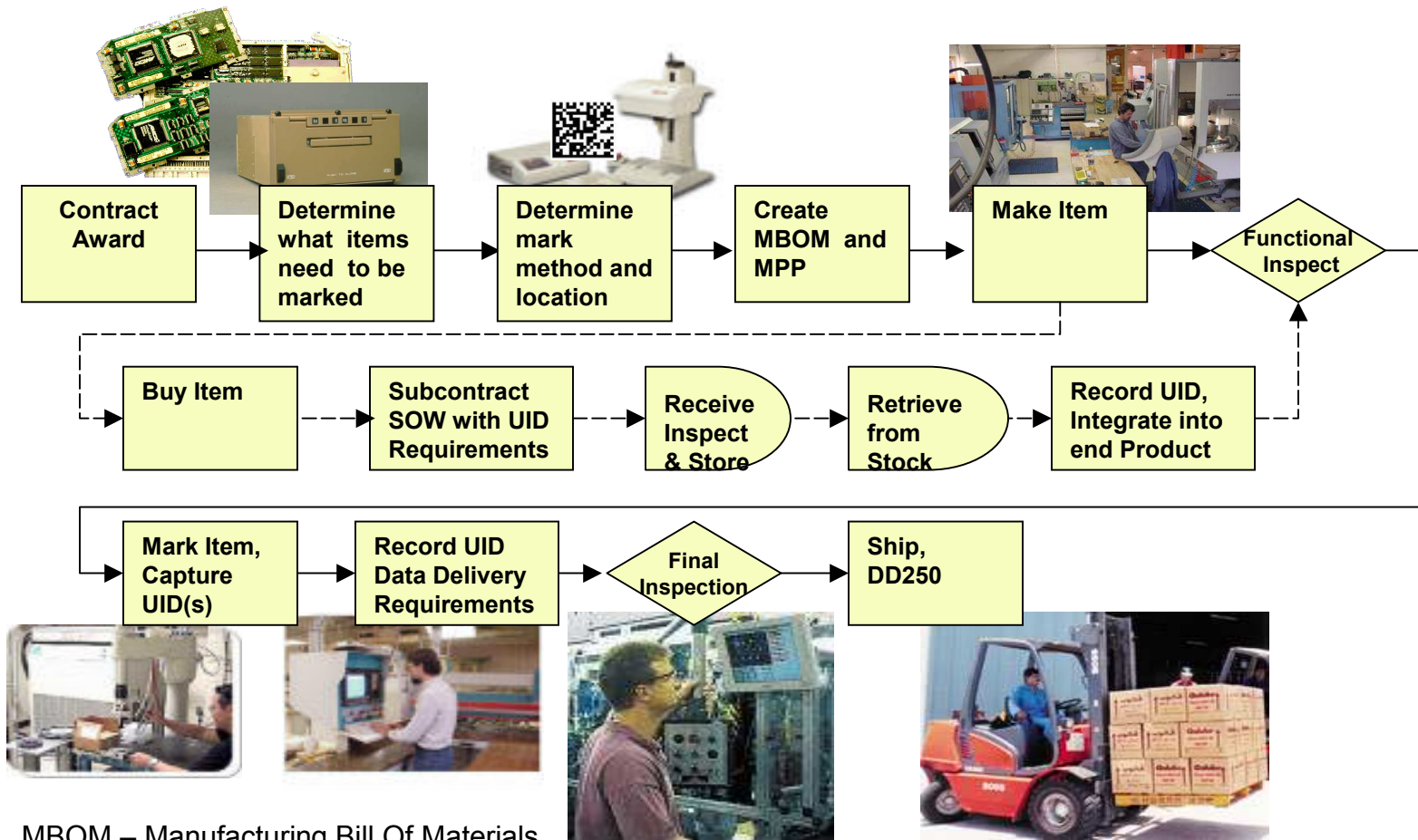
Step 4 – UID becomes an enabler to integrate configuration management, supply chain, maintenance etc. information

*Consider Plant-wide Single Process Initiative



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UID Vendor Perspective

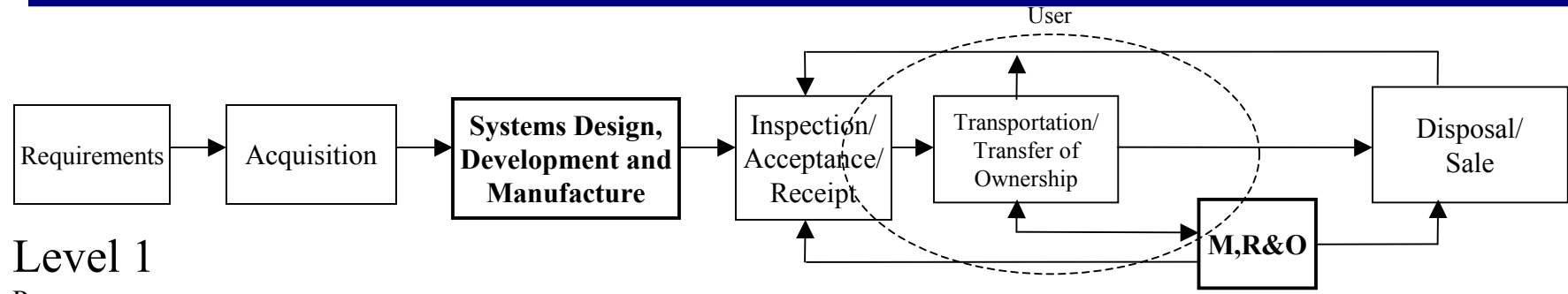


MBOM – Manufacturing Bill Of Materials
MPP – Manufacturing Process Planning

Issue: Existing marking processes must be able to accommodate UID requirements.
Impact: Existing investments in marking infrastructure are leveraged.



Leveraging UID Data Capture/Use in the DRAFT Systems Engineering Environment



Level 1 Processes

Requirements Mgmt	Supplier Mgmt Procurement Inventory Mgmt Contracts Mgmt	Configuration Mgmt Inventory Mgmt Manufacturing Part Marking Assembly Packaging Distribution/Shipping	Inspection Acceptance Receiving Payment Validation	Loading Hauling Tracking Unloading Inventory Mgmt Property Mgmt X-fer Ownership	Repair Upgrade/Modification Preventative Maint. Failure Analysis Inventory Mgmt Marking/Remarking Configuration Mgmt	Consumption Demilitarize FMS Intra-gov't transfer Inter-gov't transfer Scrap
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Level 2 Processes

Identify UID items	Solicitations Contracts Trace-ability	Mark Scan Populate Ship Notice Populate DID/CDRL Populate CM system	Populate Registry Update Inventory	Update PM system Update Inventory Populate Trans. Doc.	Update Registry Update Inventory Update Maint. DB Update CM system Update PM system	Update Registry Update Inventory Record in PM system
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Level 3 UID Transactions



Leveraging UID Data Capture/Use in the **DRAFT** Systems Engineering Environment

- ◆ Work with GEIA on the prior process model resulted in the following matrix of UID policy impact areas:

Process Area	Mandatory Considerations	Optional Considerations
Manufacturing, Assembly and Part Marking	7	2
Requirements Management	7	1
Supplier Management	4	3
Configuration Management	3	3
Inventory Management	4	3
Packaging, Distribution and Shipment	3	0
Repair and Preventative Maintenance	2	2
Modification and Upgrade	2	1
Failure Analysis	1	2



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UID Registry Concept

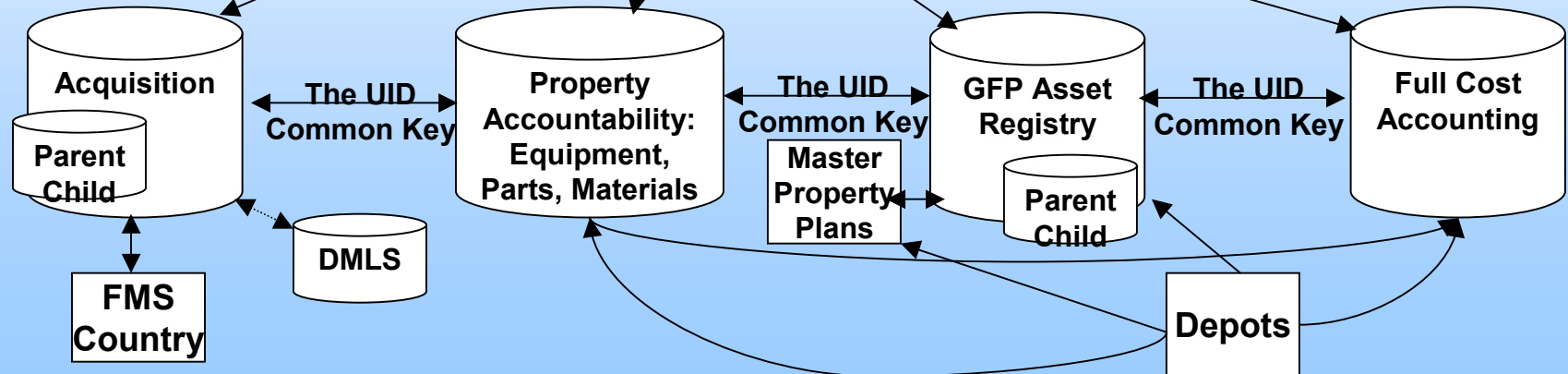
Rules



Keys



Context





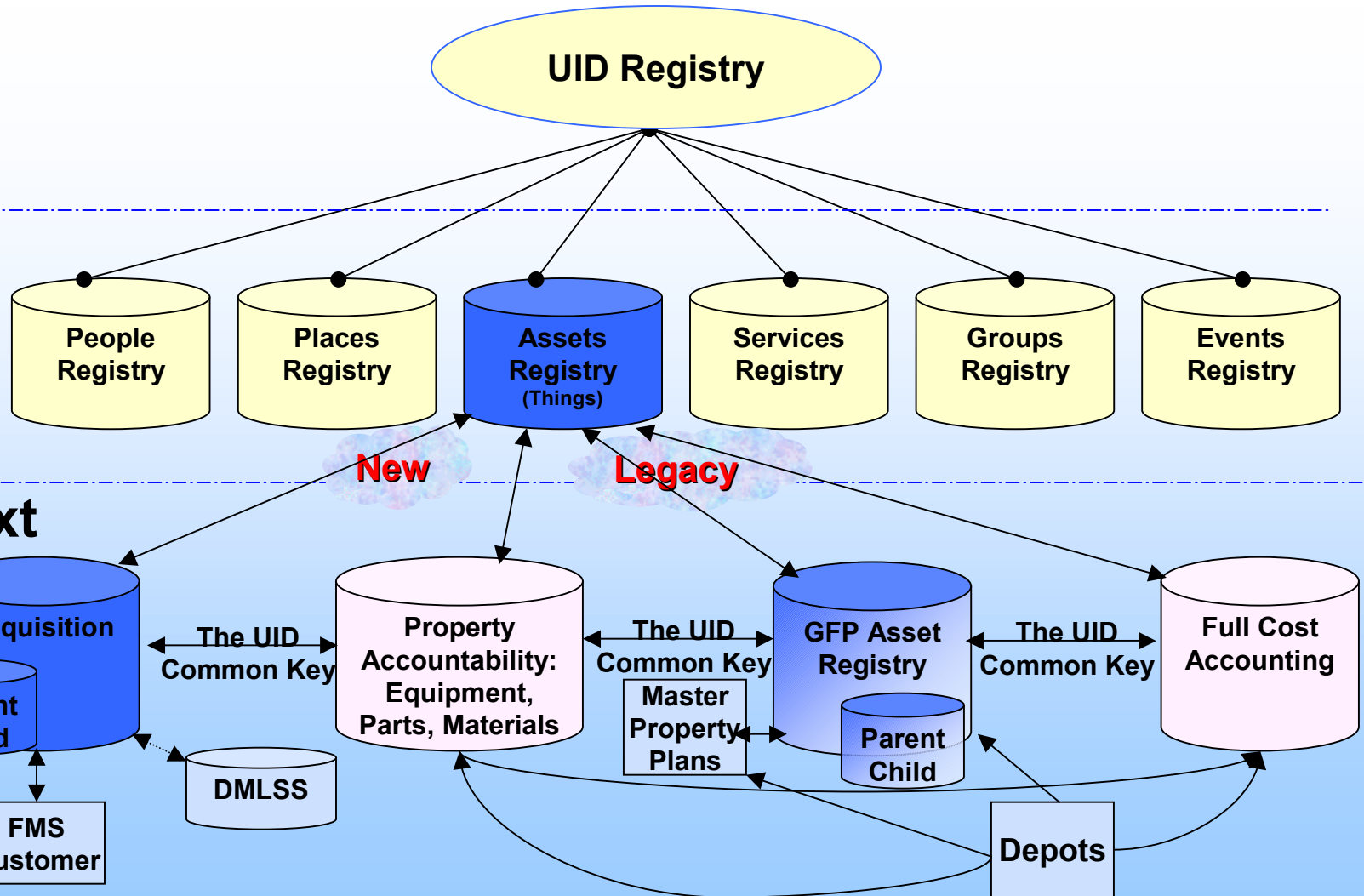
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UID Registry Concept

Rules

Keys

Context





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Government Furnished Property (GFP) Registry

- 100% GFP UIDed for Asset Accountability & Valuation
- Track UID Items in Contractor Custody
- GFP Marked with UID by Issuing Source

GFP Items

- By Company
- By Program

Contractor GFP Master Plans

GFP in Storage

- Assign Alias UID
- Mark with UID when Placed in Use

GFP in Use

- Assign Alias UID
- Mark with UID when Item Possession is transferred

GFP in GOCO

- As specified in Operating Contract

GFP Registry of Alias UIDs

- Custodian CAGE
- GFP Item UID
- Date Issued
- Date Received
- Requiring Contract Number
- Parent/Child Relationships

Industry Inputs

Government Inputs

Property
Accountability
Systems

UID Registry
(GFP UIDs Flagged)

Maintenance
Systems

GOCO – Government-Owned Contractor-Operated

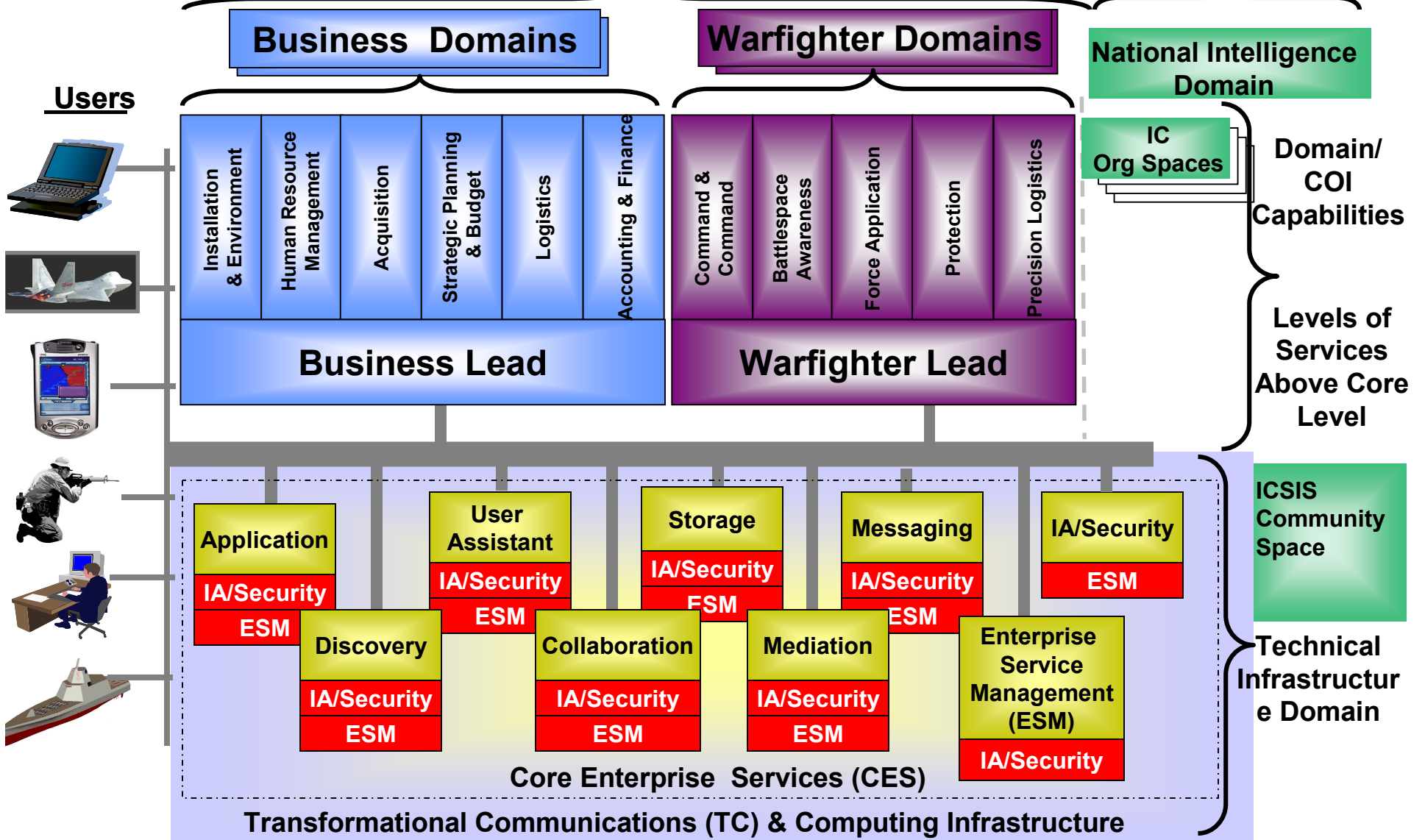


Net-Centric Enterprise Services DRAFT

Support real-time & near-real-time warrior needs, and business users

DoD (Title 10)

IC (Title 50)





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Legacy Items - Barriers

- Funding
- Systems engineering – drawing changes
- Business case
- Existing AIS systems don't accommodate UID
- Availability of AIT
- Scope and quantity of legacy items
- Change management to supply chain processes
- Complexity of supply and maintenance chain



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UID Legacy Policy Considerations

- **General Issues**
 - Determine when to physically UID item
 - How to get intelligence in the interim from existing systems
 - How to apply policy to existing long-term programs (determine application)
 - Standing equipment at DoD facilities
 - May need to split policy into parts
 - Parent-child business rules
- **Triggers:**
 - Depot maintenance
 - Transfers ownership (property accountability to another organization)
 - Government Furnished Property (resident in plants) (virtual UID candidates)
 - Items coming out of stock before issuance



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UID Legacy Policy Approach

- Strategies
 - Research/pull in NASA guidance
 - Consider alternative marking solutions
 - Expand enterprise solution
 - Trailers as enterprise resources
- Stand up new groups to focus on:
 - Foreign Military Sales
 - Disposal, demilitarized item marking requirements
 - Shipyard/shipboard
 - Item Manager Working Group



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Communication and Outreach

- ◆ Currently working on a more comprehensive communication and outreach plan
 - Improve international involvement with regular, focused conference calls to educate and increase presence of UID
 - International UID communication and outreach to date or planned:
 - UK
 - Canada
 - Korea
 - Australia
 - Sweden
 - France
 - 21 Nation Memorandum of Understanding (MOU) Group
- ◆ US-based industry and professional associations are engaged
- ◆ Efforts are underway to reach international associations



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Categories of Items

- ◆ Categories of Items
 - Group 1: Equipment
 - Group 2: Materials – Spares
 - TBD: Materials – Raw
- ◆ Break Out Session Topics to Discuss
 - Scenarios by category
 - Trigger Events
 - When/Who Marks
 - Data Capture



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UNIQUE IDENTIFICATION (UID)

Meeting Outcomes Group 1: Equipment



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Equipment Breakout

Action Items/Issues to Consider

- Legacy Registry data elements (including master plans) [LeAntha]
- 1149 vs. 1348-1 (Part 53/Forms) [LeAntha]
 - Standardize data shipments
 - Connect to TRANSCOM
- Identify paperless property management opportunities
 - Rental Charges
 - Registry & PCARSS/LDD/Impairments/DMIL [Tom R.]
 - SF 364 (parent/child)
 - 1662
 - Maintenance Agreements
 - Warranty
 - Authority for Use after contract award
 - Transfer from one contract to another



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Equipment Breakout

Assumptions

- Use property master plans
- Migrate to paperless GFP data system
- UID aliases are acceptable in certain circumstances



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Equipment Breakout

Characteristics of GFP

- Serialized - applies to Special Tooling, Special Testing Equipment, and Agency Particular Property
- Tracked – same as controlled
- Controlled – applies to ST/STE/PE/APP
 - Identified in contractor system with Property ID #
 - Unique
 - Does not include enterprise identifier

Characteristics of CAP

- Completion of Fabrication (considered WIP until complete)
- Receipt upon Purchase



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Equipment Breakout

UID Categories

- Item with serialized data, with mark
- Item with serialized data, with no mark
- Item with no serialized data, with mark
- Item with no serialized data, with no mark

- Mark can either meet UID/Equivalent criteria or not

- Other “buckets”
 - Items on loan
 - Leased items (operating leases exempt because they are expensed)



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Equipment Breakout

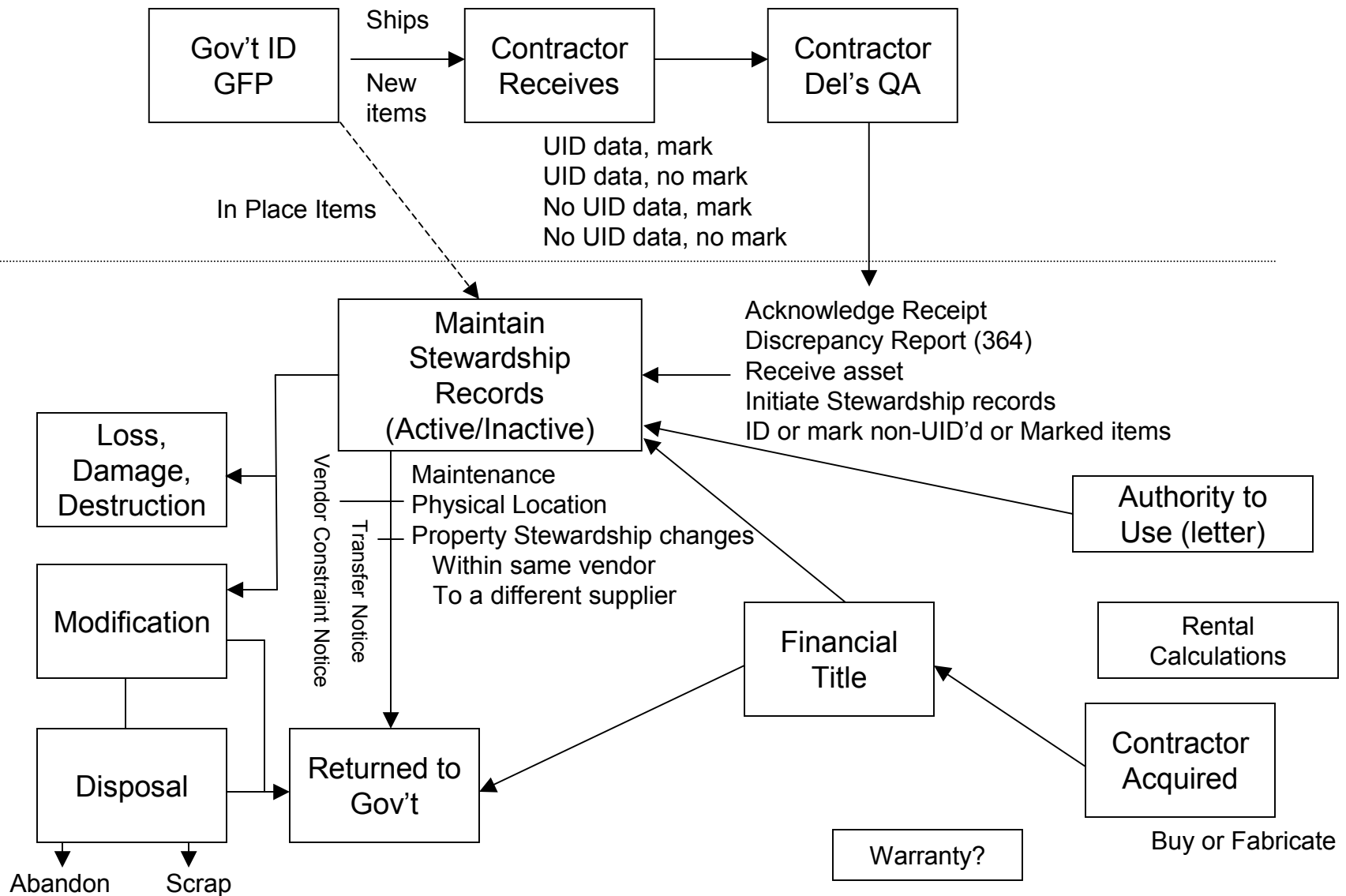
Existing PIPC

- Special Tooling/Special Testing Equipment
- Material
 - Gov't Furnished Material
 - Contractor Acquired Material
- Repairs
- Plant Equipment/Agency Peculiar



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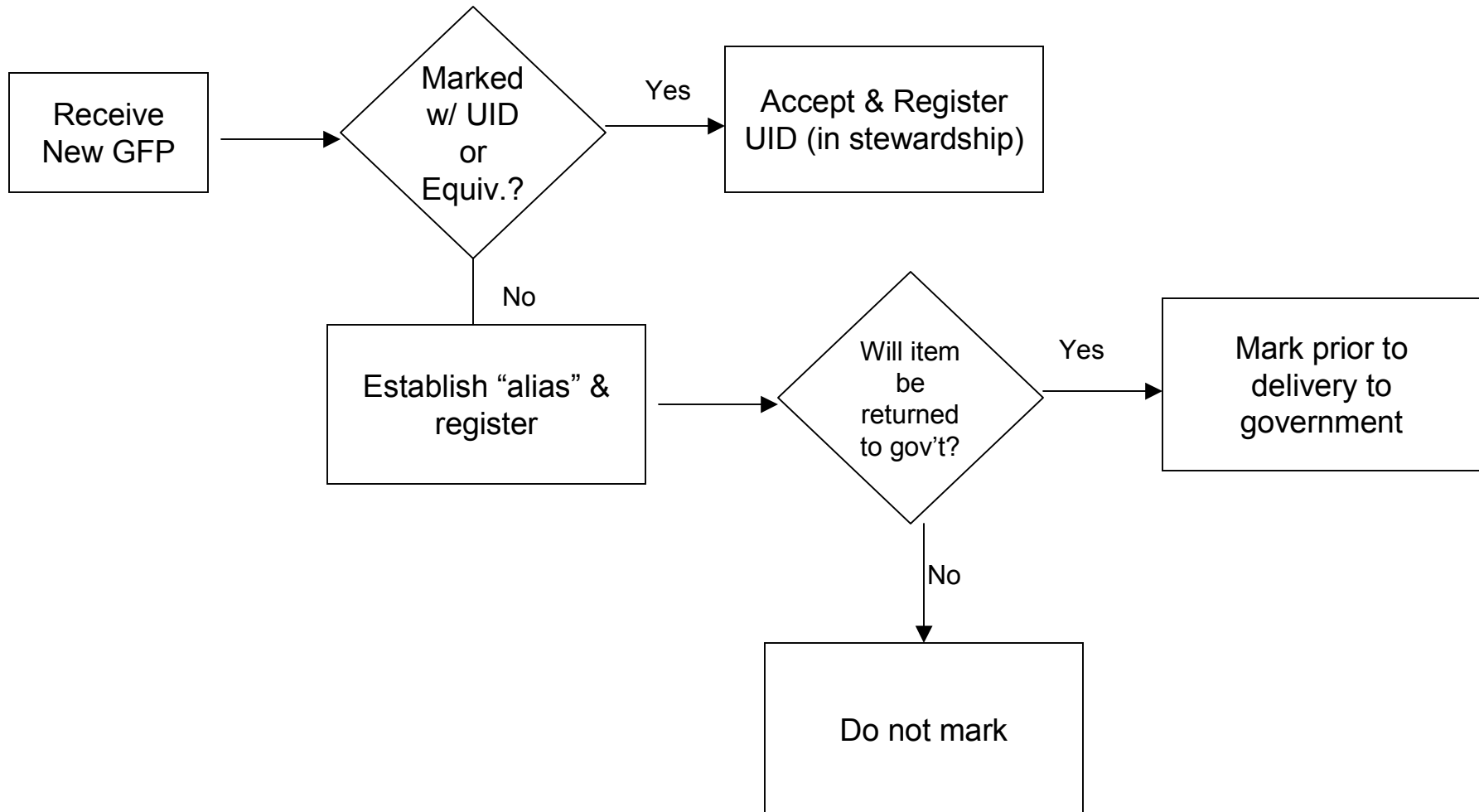
New GFP Equipment Flow





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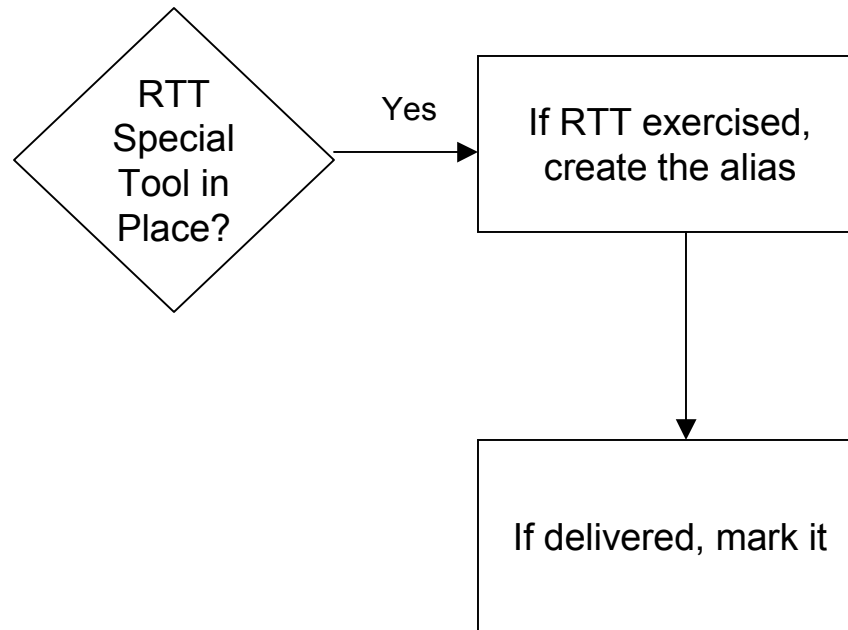
New GFP Equipment Flow





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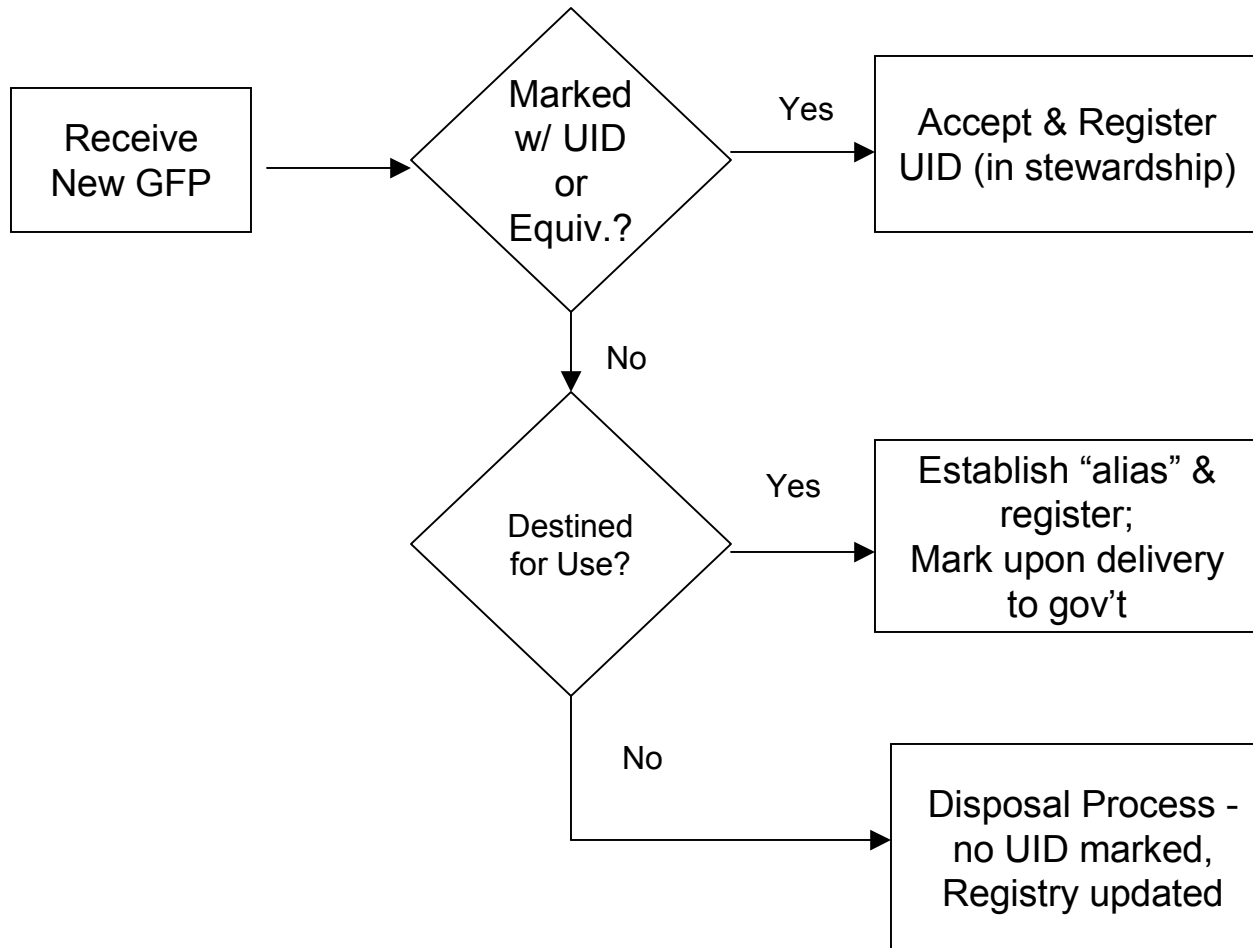
Existing GFP Equipment Flow





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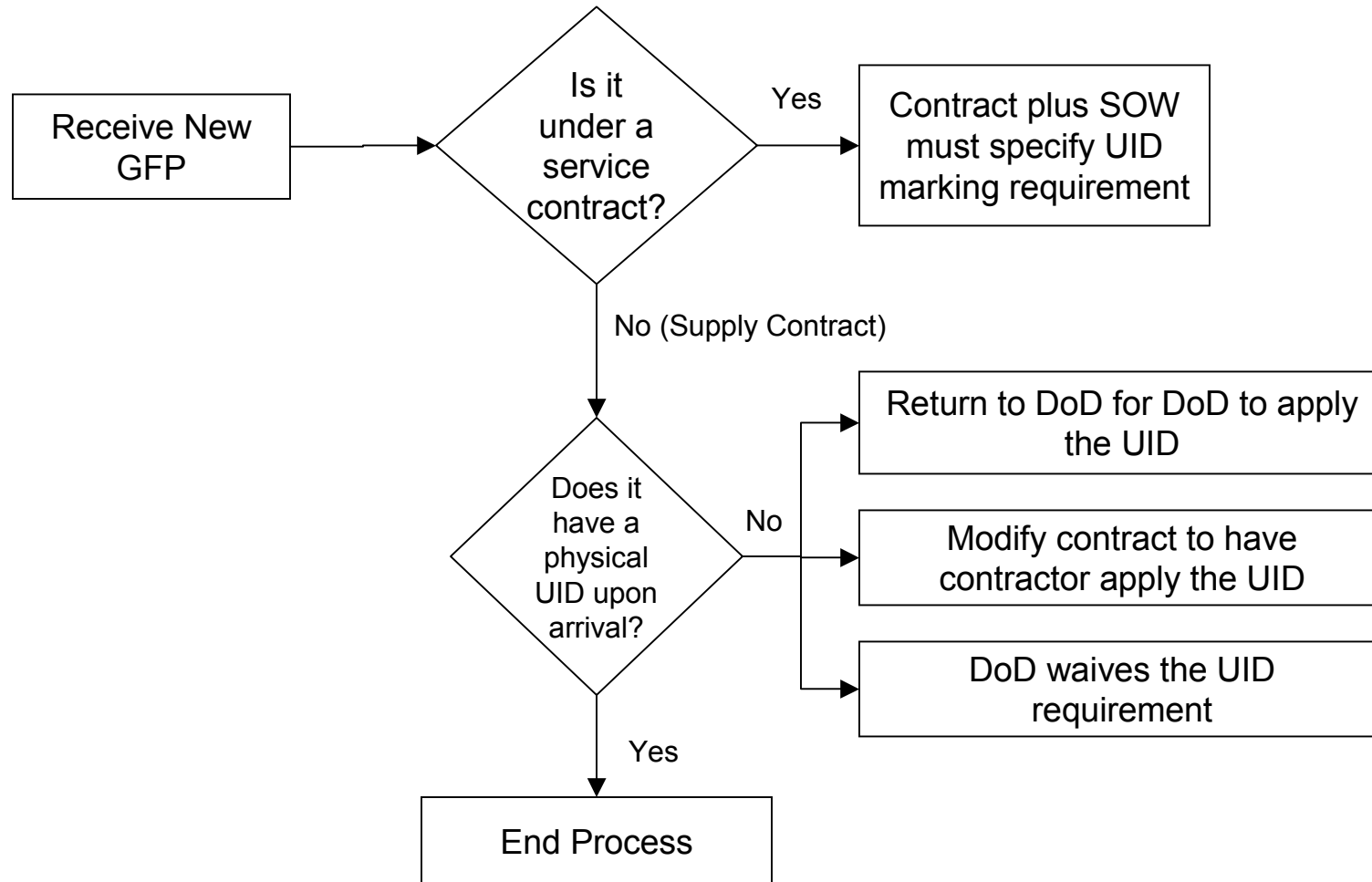
New GFP Equipment Flow





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New GFP Contract Flow





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Upcoming Events

- March 31 – Allowable costs w/ AIA

NEXT STEPS

- By RFID Meeting April 6 – comment on UID/RFID direction
- Socialize white papers with industry associations
 - Ex. ECO white papers with GEIA
- Review DFARS clause for allowing commercial accommodation for those vendors that will not mark.



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UNIQUE IDENTIFICATION (UID)

Meeting Outcomes Group 2: Spares



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Spares Defined

- ◆ All embeddable items (subassemblies, components) that meet UID criteria for physical marking
 - Arrive and depart as spare
 - Arrives as spare and leaves embedded as end item



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Item Life Events

- ◆ Delivery/Movement
 - Delivery to contractor – New Items, For Modification, Used items
 - Delivery to another plant or location, same contractor
 - Delivery to another contractor (i.e., sub) under the same contract
 - Delivery to another entity under a different contract (e.g., contract termination or completion)
 - Deliver spare as a spare
 - Deliver spare embedded within an end item
 - Items delivered under long lead times
 - Moved out of storage and into use
 - Moved out of use and into storage (long term included)
 - Right to title exercised



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Scenarios – Delivery/Movement

- ◆ Arrives with a UID: no problem
- ◆ Arrives without a UID:
 - Service (non-embedded): Items (that do not get embedded into an end item) upon which services are being performed by the GFP contractor may not be required to be UIDed prior to return to the government (Opportunistic)
 - Embedded Items (Gated)
 - Return to government to apply UID
 - Modify the contract for contractor to apply UID
 - Modify the contract to exempt UID requirements (either physical, data or both)
 - Government may mark upon receipt
 - Capitalized and/or serially tracked – must have some type of identification – is serial number adequate for this instance? (V)



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Item Life Events

- ◆ Inventory/Storage
 - Rash of Failures, Pull inventory, Inspect Inventory
 - Taking physical inventory
 - Audit of inventory



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Scenarios – Legacy Inventory

- ◆ If items are already marked, no further action
- ◆ In contractor possession and not marked with a UID
 - Obtain RFQ (plant or program?) for assignment of UID, value, and possibly associated pedigree data elements?
 - Obtain/provide the pedigree data (including valuation)
 - Apply physical mark at most reasonable point prior to delivery
 - Who assigns the UID? What if the contractor does not have the data to construct the UID?



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Scenarios – Active Inventory

- ◆ Covered under delivery/movement



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Item Life Events

- ◆ Use/Consumption
 - Used on another contract – same contractor (delivery topic)
 - Embed into end item (delivery topic)
 - Item is consumed (I.e. fuel, disposable containers) – low value for physical marking?
 - Repair/replace/re-tool of GFP (delivery topic)
 - Modify form, fit, function of item where part number changes – UID at this point if part number need to be remarked
 - Reusable item declared excess
 - Changing level of classification
 - What if you still want to track items disposed of but can't be thrown away (hazardous waste)
 - Scrapping, disposal – whether destroyed or not – low value to physical mark



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Questions

- ◆ Is there going to be a hard requirement for GFP contractors to not accept delivery of items without a UID after 1/1/05?
- ◆ How to treat commercial off the shelf items
- ◆ How will UID data flow between contractor and government?
 - Advance shipping schedule – document not data flow?
 - Receipt process (data transmission)
 - Periodic reporting processes