**C7. CHAPTER 7**

**VALIDATION OF MATERIEL OBLIGATION**

C7.1. SECTION I - SUPPORT OF UNITED STATES FORCES

 C7.1.1. GENERAL

 C7.1.1.1. This chapter prescribes policies and procedures for the validation by users of the continuing need for overage requisitioned requirements and for the reconciliation of source of supply materiel/obligation records with the due-in records of requisitioning activities. The purpose, therefore, is twofold: (1) validation of need and (2) reconciliation of records. For ease of reference, these two functions will hereinafter be called materiel obligation validation (MOV).

 C7.1.1.2. A materiel obligation is herein defined as that unfilled portion of a requisition (for a stocked or nonstocked item) that is not immediately available for issue but is recorded as a commitment for future issue, either by direct delivery from vendor or back-ordered from stock. This includes both national stock number (NSN) and non-NSN items. Accordingly, MOV shall pertain to those requisitioned items assigned Status Codes BB, BC, BD, BP[[1]](#footnote-1), BV, and BZ as applicable. Requisitions that are to be filled by direct delivery from vendors, Status Codes BV and BZ, are excluded from automatic cancellation of the MOV process,

 C7.1.1.3. An MOV request is generated from a source of supply to a requisitioner/control office for a comparison and validation of the continued requirement of outstanding requisitions held as materiel obligations by the source of supply with those carried as due-in by the requisitioner.

 C7.1.1.4. An MOV response is a reply by a requisitioner to an MOV request advising the supplier:

 C7.1.1.4.1. To hold a materiel obligation until supplied, or

 C7.1.1.4.2. To cancel all or a portion of materiel obligation.

 C7.1.1.5. An MOV reinstatement request[[2]](#footnote-2) is submitted by a requisitioner to reinstate a previously canceled requisition due to the requisitioner’s nonresponse to an MOV request.

 C7.1.1.6. A source of supply is herein defined as any Component activity that maintains materiel obligation records and includes, but is not limited to, those activities commonly referred to as integrated materiel managers (IMM), inventory control points (ICP), requisition processing points, stock points, and stock control activity (SCA).

 C7.1.2. EXCLUSIONS FROM SECTION I

 C7.1.2.1. Foreign military sales (FMS) transactions are excluded from these procedures; however, the Services should reconcile FMS materiel obligation records at the source of supply with those of the activities required to maintain FMS case control. MOV procedures for Grant Aid transactions are contained in Section II of this chapter (Paragraph C7.2.).

 C7.1.2.2. Civilian Component activities are excluded unless covered by inter-Component agreements.

 C7.1.3. MATERIEL OBLIGATION AGE CRITERIA

 C7.1.3.1. Materiel obligations are considered overage and subject to this procedure when:

 C7.1.3.1.1. Uniform Materiel Movement and Issue Priority System (UMMIPS) priority designator (PD) 01-08 requisitions have aged to 30 days past the requisition date.

 C7.1.3.1.2. UMMIPS PD 09-15 requisitions have aged to 75 days past the requisition date.

 C7.1.3.2. Special validations may be ordered without regard to the age of the materiel obligations involved.

 C7.1.3.3. The provisions of this procedure also apply to long production lead-time items since requirements for such items may also change as a result of unit/force movements, deactivation, and other population changes. However, only item managers may elect to establish longer intervals for validation of long production lead-time items.

 C7.1.4. SCHEDULE FOR CYCLIC VALIDATION OF MATERIEL OBLIGATIONS

 C7.1.4.1. The annual schedule of cyclic validations in support of U.S. forces is shown in Table C7.T1.

| Table C7.T1. Cyclic Schedule for Materiel Obligation Validation (excludes Support of Grant Aid) |
| --- |
| CYCLE NO. | SOURCE OF SUPPLY CUTOFF TO PREPARE AND FORWARD VALIDATION REQUESTS | MAXIMUM ENDING DATE BY WHICH REQUISITIONER RESPONSES ARE DUE BACK TO SOURCE OF SUPPLY |
| 1 | 20 JAN | 5 MAR |
| 2 | 20 APR | 5 JUN |
| 3 | 20 JUL | 5 SEP |
| 4 | 20 OCT | 5 DEC |

 C7.1.4.2. The MOV response time for support of U.S. forces is prescribed in Table C7-T1. Deployed units, afloat units, and continental U.S. (CONUS)/0utside the continental U.S. (OCONUS) locations that are unable to acknowledge receipt, or to respond by the prescribed date, may request that DLA Transaction Services temporarily provide responses to MOV requests. The request must be approved by the theater/fleet commander or major command by message to DLA Transaction Services (see Appendix AP1.32). The message shall cite the MOV cycle for which the activity is unable to acknowledge receipt and provide the required MOV response. The Defense Automatic Addressing System (DAAS) shall not generate MOV responses for any subsequent MOV cycle unless a separate message is received.[[3]](#footnote-3)

 C7.1.4.3. A consolidated report in the format shown in Appendix AP1.21 shall be submitted quarterly by Component headquarters to the Deputy Assistant Secretary of Defense for Supply Chain Integration (DASD(SCI)). This report shall be submitted within 30 days after close of each validation cycle. This report is assigned Report Control Symbol DD-AT&L(Q)1064. Prior to preparing the report, the source of supply shall review the history file for those transactions in which the quantity response was different from the requested quantity. This review shall determine whether the quantity difference resulted from a shipment or cancellation, or whether the requisitioner actually requested cancellation of the obligation. Only cancellations actually requested by the requisitioner using the MOV response shall be included in the MOV Report.[[4]](#footnote-4) A difference in quantity resulting from any other cause and/or process shall not be reported.

 C7.1.4.4. IMMs may initiate special validation requests. For example, the IMM may need to validate requirements for high dollar value, critical items, or for those NSNs which have the largest number of materiel obligations on record or account for certain percentages of the total materiel obligations. These special validations should be selective in approach and may be made regardless of whether the materiel obligations were previously validated. Critical items are determined by IMMs and are defined as those essential items that are in short supply or expected to be in short supply for an extended period.

 C7.1.5. DETERMINATION OF RECIPIENT OF VALIDATION REQUESTS

 C7.1.5.1. MOV requests shall be transmitted to the activities determined under the following rules:

 C7.1.5.1.1. The activity designated by the media and status (M&S) code (rp 7)unless covered by the exceptions listed below.

 C7.1.5.1.2. When the Media and Status (M&S) Code is 0, transmit to the activity designated by an alphabetic character or numeric 6, 7, or 8 in rp 54.[[5]](#footnote-5)

 C7.1.5.1.3. When distribution code (rp 54) contains a numeric other than 5, 6, 7, or 8, or is blank, and M&S is 0, transmit requests to the requisitioner (rp 30-35).[[6]](#footnote-6)

 C7.1.5.1.4. When Distribution Code 5 is identified, transmit requests to DLA (DoD activity address code (DoDAAC) SL4701) regardless of M&S.[[7]](#footnote-7)

 C7.1.5.1.5. When the M&S is F, G, P, or Z, transmit requests to the requisitioner (rp 30-35).

 C7.1.6. PREPARATION OF SPECIAL VALIDATION REQUESTS

 C7.1.6.1. Each request for a special MOV shall be performed via message. The response to the special request shall also be performed via message. The requirement for use of messages recognizes the fact that these special validations shall normally consist of a limited number of transactions for single requisitioning activities.

 C7.1.6.2. The message request shall consist of the document number of the demand that is held as a materiel obligation, the applicable stock or part number, the unfilled quantity, identification of the ship-to address, the current PD, and a reply due date. The established reply due date is always 15 days from the date of the message dispatch. The format of the message request is provided in Appendix AP1.15.

 C7.1.6.3. Due to the urgency of demands for critical items, IMMs may determine that supply of current demands should be accommodated from due-in stocks, against which there are materiel obligations of lesser or equal priorities. In these instances, the IMMs would initiate the special MOV procedures.

 C7.1.7. PREPARATION OF CYCLIC VALIDATION REQUESTS

 C7.1.7.1. Scheduled MOV requests (Document Identifier Code (DIC) AN1, AN2, or AN3) shall be prepared in the format prescribed in Appendix AP3.26.

 C7.1.7.2. Sources of supply shall transmit DIC AN\_ documents to DAAS using the Defense Information Systems Network (DISN) (machine-readable format) message system. DAAS shall transmit the requests to the designated recipient, perpetuating the source of supply batch control.

 C7.1.7.3. Scheduled MOV requests shall be transmitted not later than five days after the cutoff date under the cover of an MOV control document in the format contained in Appendix AP3.27. The response due dates, as established in the schedule in Tables C7.T1 and C7.T2, are entered in rp 46-49 of the control documents and rp 75-77 of the request documents. The MOV control document includes a provision whereby the recipient shall acknowledge receipt of such request documents. The MOV control document shall be produced for DIC AN\_ and forwarded to the source of supply. The source of supply shall use the DIC ANX to control and record receipt acknowledgments. Use the format shown in Appendix AP3.28 to prepare the receipt confirmation document for MOV.

 C7.1.7.4. DAAS shall use any of the automated communications networks to provide DIC AN\_ requests to recipients based on their various capabilities. DAAS shall maintain a history record of all DIC AN\_ requests that are processed for each MOV cycle.[[8]](#footnote-8)

 C7.1.7.5. When preparing MOV batches for transmission, no more than 494 DIC AN\_ transactions shall be included in a single message. Each batch shall have its own MOV control document (DIC AN9/ANZ). If a single batch exceeds 493 detail requests (DICs AN1, AN2, and AN3), additional messages are required, with a separate control document for each partial batch in a different message. For example, if 950 detail requests are to be sent to the same recipient, the first message shall include only 493 detail requests (DICs AN1, AN2, and AN3) and a control document; the second message shall include the remaining 457 detail requests and another control document. (This limitation allows for a message header and trailer, and sufficient capacity for DAAS to conform with legacy system requirements using a maximum limit of 500 documents in a single message when rejecting an erroneous MOV message to the transmitting activity.)

 C7.1.7.6. When transmitting via modern automated communications networks and based on the capability of the recipient’s capability to receive, there is no maximum limit as to the number of AN\_ documents forwarded in a single transmission. However, each transmission must contain a separate MOV control document (DIC AN9) and include the in-the-clear address of the source of supply for each separate group and/or quantity of AN\_ requests that are sent to the same activity for validation. When two or more transmissions are sent to the same activity, enter distinct batch control numbers (rp 7-10) in the AN9 documents.

 C7.1.7.7. Sources of supply shall establish records by batch control number (rp 7-10) for each validation cycle. This will permit follow-up, as necessary, when customer receipt of a particular batch number is not acknowledged.

 C7.1.8. ACKNOWLEDGMENT OF RECEIPT OF CYCLIC VALIDATION REQUESTS

 C7.1.8.1. Requisitioning activities in receipt of scheduled validation request documents intended for other recipients shall forward the documents by the most expeditious means to the intended recipients when known; otherwise, the documents shall be returned immediately to the submitting source of supply.

 C7.1.8.2. The recipient of scheduled requests by mail shall acknowledge receipt of the request documents by annotating DIC AP9 and the receipt date in the prescribed block of the MOV control document(s) and returning the control document(s) to the activity from which it was received. The in-the-clear address of the source of supply shall be preprinted on the control document. Such acknowledgment shall be accomplished immediately upon receipt of the request documents. When MOV request documents are received via message, they should be checked with the control document for a complete count. If the count is correct, acknowledge receipt of the batch by returning the control document(s) utilizing DIC AP9 and including the date in rp 41-44 that the batch was received. This acknowledgment shall be returned by message whenever possible, regardless of receipt by mail or message. Acknowledge receipt (DIC AP9) as each batch of AN\_ documents is received. Acknowledgment (DIC AP9) shall not be delayed until all batches (if two or more) are received. Prompt acknowledgment of each batch, as received, will preclude unnecessary source of supply follow-up (DIC ANZ) and transmission of duplicate DIC AN\_ documents.

 C7.1.8.3. Receiving activities which do not receive the total number of documents indicated in the MOV control document shall take one of the following actions:

 C7.1.8.3.1. If the DISN message system is utilized, the DIC of the MOV control document shall be changed to APX and returned to DAAS or the source of supply.

 C7.1.8.3.2. If mail is utilized, the DIC of the control document shall be crossed out, DIC APX annotated, and returned to the source of supply. The phrase, “All MOV requests not received; resubmit” may be added to the document if desired. All APX documents shall be construed as, or serve notice that, the source of supply should retransmit that specific batch.

 C7.1.8.4. Responses to validation requests need not be batched.

 C7.1.8.5. DAAS MOV response procedures for activities prescribed in Paragraph C7.1.4.2. are contained in Paragraph C7.1.11.[[9]](#footnote-9)

 C7.1.9. FOLLOW-UP ON UNACKNOWLEDGED CYCLIC VALIDATION REQUESTS

 C7.1.9.1. Sources of supply shall initiate follow-up action on scheduled validation when no acknowledgment of the request documents is received. The follow-up shall be in the MOV control document format (Appendix AP3.27) utilizing DIC ANZ. The follow-up shall be accompanied by duplicates of the original detail request documents and shall be transmitted 30 days from the cutoff date of the validation requests. If no acknowledgment of the follow-up is received and no response is received by the response due date, the affected materiel obligations (except for fleet units) shall be canceled.

 C7.1.9.2. When acknowledgment of receipt of requests is not received from fleet units (ships and squadrons as indicated by the in-the-clear activity address), a duplicate of the follow-up MOV control document(s) (DIC ANZ) shall also be furnished to the appropriate fleet type commander, the activity indicated by the entry in rp 54.

 C7.1.10. PERFORMANCE OF THE VALIDATION AND RECONCILIATION

 C7.1.10.1. It is mandatory that the recipient of validation requests (either scheduled or special) conduct an item-by-item review with the user to determine continued need for each item, the quantity involved, and the PD of the requirement. A perfunctory review, or a routine response that all materiel obligations are still required, is a waste of time and effort on the part of all activities. Such cursory reviews do not improve supply support. Items that are identified in the requests but are not contained on the records of the recipient of the request shall also be furnished to the user for validation. Items that are contained on the records of recipients of the validation requests and which meet the overage criteria but are not covered by a request shall likewise be validated with the user.

 C7.1.10.2. The recipient of validation requests shall match the items recorded as materiel obligations at the source of supply with the records of unfilled demands to determine the validity of the materiel obligation and take action to bring the two records into agreement.

 C7.1.10.3. Requisitioning activities may request status of any items that are outstanding to the requisitioner, having met the age criteria, and not included with the scheduled validation requests. When such status is desired, the requisitioning activity shall furnish the source of supply with the normal follow-up transaction in the DIC AF\_ or AT\_ series.

 C7.1.11. RESPONSES TO MATERIEL OBLIGATION VALIDATION REQUESTS

 C7.1.11.1. Responses to special validation requests shall be accomplished by message in the format shown in Appendix AP1.16. The message responses shall contain the document number of the demand as contained in the validation request message, the stock or part number, the valid PD, and the quantity required for continuation as a materiel obligation. The message response shall also contain any quantities of materiel received by requisitioning activities prior to preparation of the response. The response will serve to advise whether obligations should be canceled or requirements still exist (and the item should be continued as a materiel obligation). The message responses to the special validation requests shall be accomplished in time to meet the “request reply by” date as contained in the validation request message.

 C7.1.11.2 Upon completion of an MOV, as required by receipt of scheduled validation request transactions, a DIC AP\_ response (format shown in Appendix AP3.29) for each DIC AN\_ request transaction (or requisition on the listing) shall be furnished to the source of supply that submitted the requests. Components have the option to allow their activities to use the DIC AP8 transaction (Appendix AP3.54) to respond to MOV requests that have been verified as valid and the quantity field remains unchanged. The DIC AP8 transaction shall not be generated until all changes relating to the applicable MOV cycle have been made.[[10]](#footnote-10) Responses shall be submitted to the source of supply by the reply due date shown in the request transactions. The requisitioners shall indicate the action to be taken on each scheduled MOV request as follows:

 C7.1.11.2.1. The quantity field of the DIC AP\_ response document shall indicate the quantity still required. If total cancellation is desired, the quantity field shall be zero filled.

 C7.1.11.2.2. Whenever a requirement is to be retained as a materiel obligation and the PD or required delivery date (RDD)/required delivery period (RDP)[[11]](#footnote-11) changes due to reassessment of requirements, a requisition modifier (DIC AM\_) shall be prepared to reflect the revised PD/RDD/RDP. The requisition modifier in this instance shall be prepared by originating activities completing all prescribed data element entries for requisitions and reflecting the upgraded or downgraded PD/RDD/RDP.

 C7.1.11.3. Transmittal of DIC AP\_ responses shall be as follows:

 C7.1.11.3.1. DIC AP\_ responses shall be transmitted via message whenever the validating activity has access to the DISN message system.

 C7.1.11.3.2. An MOV control document is not required with DIC AP\_ responses returned by mail or message. DIC AP\_ responses shall be transmitted as individual transactions or small batches and as early as practical after validation. Accumulation of DIC AP\_ transactions for large or one-time transmission is not required and is to be discouraged. Prompt transmission of DIC AP\_ transactions will preclude shipment/release of items no longer needed.

 C7.1.11.3.3. Validating activities without the capability to produce machine-readable messages may respond to scheduled validation requests by returning all requests under a letter of transmittal to the source of supply. In these instances, the letters of transmittal shall indicate those items required to be continued as materiel obligations and the validated PD, or those items required to be canceled. Alternatively, the DIC AP\_ transactions shall be annotated and returned in two batches; one containing those items to be continued and the other for those items for cancellation.

 C7.1.11.3.4. Fleet units mailing responses to CONUS sources of supply shall report such mailing by message to the source of supply if transactions are mailed less than 20 days before the reply due date contained in the scheduled validation request.

 C7.1.11.4. DAAS shall utilize the DIC AP8 transaction (Appendix AP3.54) to provide responses to the DIC AN\_ transactions received for activities using the procedure outlined in Paragraph C7.1.4.2. In addition, DAAS shall generate DIC AP9 transactions (Receipt confirmation for MOV requests) for these same activities.[[12]](#footnote-12)

 C7.1.11.5. DAAS shall provide appropriate DIC AP\_ responses to the respective source of supply for each DIC AP8 transaction received. DAAS shall process the DIC AP8 no earlier than seven days after receipt, but no later than the last day of the cycle.[[13]](#footnote-13)

 C7.1.11.6. DAAS shall utilize the DIC AN\_ history file to generate appropriate DIC AP\_ responses for the activity identified in the DIC AP8 transaction.[[14]](#footnote-14)

 C7.1.11.7. Requisitioning activities in receipt of confirmed cancellations (Status Code BS) as a result of the MOV program may request reinstatement[[15]](#footnote-15) of their canceled requisitions for a period not to exceed 60 days following the transaction date (rp 62-64) of the BS cancellation. Reinstatement of canceled requisitions shall be accomplished online; off-line reinstatement requests shall not be honored. When reinstatement is required, the requisitioner shall furnish the source of supply a DIC APR transaction, MOV Reinstatement Request, for the quantity required, in the format shown in Appendix AP3.51. The reinstated quantity may be equal to or less than the canceled quantity. The reinstated quantity shall not exceed the canceled quantity.

 C7.1.12. SOURCE OF SUPPLY CANCELLATION OF MATERIEL OBLIGATIONS

 C7.1.12.1. When performing cancellations resulting from MOV procedures, sources of supply shall initiate efforts to stop storage and transportation actions under Chapter 3.

 C7.1.12.2. Sources of supply shall cancel materiel obligations:

 C7.1.12.2.1. When no reply to a special validation message request has been received by the reply due date.

 C7.1.12.2.2. When the requisitioner has not acknowledged receipt of the scheduled validation requests (or the fleet unit/type commander has not requested temporary suspension of cancellation actions pending final response) and no DIC AP\_ responses are received by the response due date.

 C7.1.12.2.3. When receipt of validation requests has been acknowledged but no DIC AP\_ response has been received relative to specific items submitted for validation. In these instances, receipt of a follow-up during the validation cycle shall not preclude cancellation action.

 C7.1.12.2.4. Upon receipt of cancellation requests from requisitioning activities. When there is no record of the item as a materiel obligation, the validation response shall be matched with the requisition history file (RHF) to determine the current status of the item. If the item is in an inprocess state, effective action must be taken to stop the flow of unneeded materiel. All sources of supply shall strive to attain the DoD objective of taking all feasible action to preclude shipment from the storage activity, the port of embarkation, or the vendor (in the instance of purchase actions). Based on action taken, the requisitioning activity shall be provided with appropriate supply or shipment status.

 C7.1.12.3. The source of supply shall furnish BR or BS supply status to the activities for which validation requests were submitted, as appropriate, for each item canceled as a result of the validation actions.

 C7.1.12.4. Sources of supply in receipt of scheduled validation responses intended for other sources of supply shall immediately forward these transactions via priority mail to the activity designated by the routing identifier code (RIC).

 C7.1.12.5. Sources of supply may contact requisitioning activities to determine desired actions applicable to erroneous transactions, if time permits. Should time not permit for the source of supply to contact the requisitioning activities, the items concerned with the erroneous transactions shall be retained as a materiel obligation, until clarification is obtained.

 C7.1.12.6. The Component of the activity initiating a cancellation request or failing to respond to DIC AN\_ validation requests shall be charged with (1) transportation costs for returning the materiel to the storage activity and (2) procurement and termination costs when it is determined that termination is in the best interest of the Government. Specific instructions concerning materiel transportation charges and credit allowances are contained in [DoD 7000.14-R](http://www.dla.mil/j-6/dlmso/elibrary/manuals/regulations.asp), “Department of Defense Financial Management Regulations (FMRS),” Vol 11B.

 C7.1.13. MATERIEL OBLIGATION REINSTATEMENT[[16]](#footnote-16)

 C7.1.13.1. The source of supply shall reinstate supply action on requisition(s) for which a DIC APR transaction has been received if the requisition was canceled with Status Code BS within the last 60 days. Reinstatement of the requisition shall be for the quantity in the DIC APR transaction that may be equal to or less than the original canceled quantity. If the reinstatement quantity of the DIC APR transaction is greater than the quantity canceled in the DIC AE\_ transaction, Status Code BS, only the quantity in the DIC AE\_ transaction, Status Code BS, shall be reinstated. Only the quantity exceeding the BS quantity shall be rejected. The DIC APR transaction should be prepared using the DIC AE\_ transaction (Status Code BS) as a basis to ensure that the correct suffix code is included. The advice code from the original requisition must be perpetuated in the DIC APR transaction or the advice code shall be treated as blank. DIC APR transactions shall be rejected using DIC AE\_ (Status Codes DK, DL, and DM) for the following reasons:

 C7.1.13.1.1. Received over 60 days after the DIC AE\_ (Status Code BS) transaction date.

 C7.1.13.1.2. No record of a DIC AE\_ transaction (Status Code BS).

 C7.1.13.1.3. Requests for reinstatement of a quantity larger than that which was canceled. The canceled quantity is shown in rp 25-29.

 C7.1.13.2. When the DIC APR transaction is received by the source of supply, the latest supply status shall be furnished the status eligible recipients.

C7.2. SECTION II – FOREIGN MILITARY SALES AND GRANT AID

 C7.2.1. GENERAL. This part prescribes policies and procedures for the validation of ICP materiel obligation records with the records of Service International Logistics Control Office) (ILCO) maintaining Security Assistance Organization (SAO) program control and for the validation of the continuing need at the Grant Aid country level for overage demands. The purpose is twofold: (1) the reconciliation of records, and (2) the validation of need.

 C7.2.2. SCHEDULE FOR CYCLIC VALIDATION OF MATERIEL OBLIGATIONS. The annual schedule of cyclic validation in support of FMS and Grant Aid materiel obligations is shown in Figure C7.T2.

Table C7.T2. Cyclic Schedule for Materiel Obligation Validation
 in Support of FMS and Grant Aid

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| --- | --- | --- |
| CYCLE NO. | SOURCE OF SUPPLY CUTOFF TO PREPARE AND FORWARD VALIDATION REQUESTS | MAXIMUM ENDING DATE BY WHICH REQUISITIONER RESPONSES ARE DUE BACK TO SOURCE OF SUPPLY |
| 1 | 31 JAN | 31 MAY |
| 2 | 31 JUL | 30 NOV |

 C7.2.3. FMS AND GRANT AID MATERIEL OBLIGATION VALIDATION REQUEST ACTION

 C7.2.3.1. Sources of supply shall provide the ILCO with validation requests applicable to aged materiel obligations for Grant Aid requirements. The validation requests shall be provided to the ILCO by the sources of supply using schedules for validating aged Grant Aid materiel obligations established by the Under Secretary of Defense (USD) (Acquisition, Technology and Logistics (AT&L).

 C7.2.3.2. Materiel obligations are defined as that portion of the requisitioned quantity that is not immediately available for issue to the requisitioners and/or is recorded as a commitment for future issue of stocked items. This includes commitments for direct delivery from vendors. The validation requests shall be produced from the source of supply records of materiel obligations for which the requisition document number dates are aged to 180 days or more at the time of the established validation cutoff. Materiel obligations selected for validation, having met the aforementioned age criterion, shall be those that are assigned Supply Status Codes BB, BC, BD, and BV. The quantities shown on the validation requests shall reflect the unfilled quantities only of the indicated items that are maintained as materiel obligations at the sources of supply. The validation requests shall be prepared under the format contained in Appendix AP3.26.

 C7.2.3.3. Service implementation of these procedures shall specify whether the listing of validation requests shall or shall not be furnished to the ILCO of that Service with the documents. Each Service desiring that its ILCO receive listings with the validation requests shall so advise the supplying Component headquarters.

 C7.2.3.4. The machine listings, when required, shall be prepared in sequence by Service (rp 30), security cooperation customer code, and document number, major or minor, and reflect subtotal document count by security cooperation customer code (rp 31-32) and grand total for the listing. The validation requests, with listing when desired, shall be sent by priority mail to the ILCO designated in rp 54 of the original requisition. However, sources of supply may elect to forward the requests and listings by routine mail, in lieu of priority mail, in instances where the ILCO is geographically close to the source of supply. Scheduled MOV validation requests shall be transmitted not later than 10 days after the established cutoff date. Transmission shall be by the DISN message system when feasible, under the procedure specified in Section I, Paragraph C7.1.8.

 C7.2.3.5. The source of supply shall follow up on the appropriate ILCO when no acknowledgment of the validation request is received. The follow-up, in the format shown in Appendix AP1.18 and including a reproduction of the original request document, shall be mailed 30 days from the cutoff date of the validation request.

 C7.2.4. ACKNOWLEDGMENT OF A VALIDATION REQUEST BY THE INTERNATIONAL LOGISTICS CONTROL OFFICE

 C7.2.4.1. An ILCO in receipt of validation requests intended for another ILCO shall forward the transactions by priority mail to the intended ILCO when known; otherwise, return them immediately to the submitting source of supply .

 C7.2.4.2. The ILCO shall acknowledge receipt of the MOV requests by entering the receipt date in the prescribed block of the transmittal letter with appropriate signature of the recipient and returning the letter to the activity from which it was received. Such acknowledgment shall be accomplished immediately upon receipt of the validation requests.

 C7.2.4.3. An ILCO not receiving listings and which does not receive the total number of transactions indicated as having been transmitted by letters of transmittal, should include the document numbers of the actually received transactions with their acknowledgments of validation requests. In these instances, the source of supply shall be required to identify the transactions that were not received and transmit them to the ILCO under a letter of transmittal.

 C7.2.4.4. An ILCO receiving listings with the validation requests and not in receipt of all transactions indicated on the listings shall prepare a validation request for each entry on the listings for which a validation request was not received.

 C7.2.5. ACCOMPLISHING MATERIEL OBLIGATION VALIDATION BY THE ARMY AND AIR FORCE INTERNATIONAL LOGISTICS CONTROL OFFICES

 C7.2.5.1. The ILCO receiving the validation requests shall match the items indicated as being on record at the source of supply with its records of unfilled demands and provide the SAOs with validation requests that represent quantities/items:

 C7.2.5.1.1. In the validation requests received from the source of supply. (The ILCO shall not attempt to adjust differences between the ILCO record and the source of supply record.)

 C7.2.5.1.2. On the ILCO record, having reached the validation age criterion and not included with validation requests furnished by the source of supply. (Service implementation of these procedures shall contain the provisions whether the SAOs shall be provided with validation requests and/or listings.) The ILCO records shall be adjusted based upon the responses received from the SAOs.

 C7.2.5.2. Components may elect to have their ILCO enter the program originator code in rp 7 of DIC AN\_ requests transmitted to SAOs for validation. Entry of this code shall enable the SAO to determine the specific section to which the requests are to be directed. In these instances, the codes shown in Table C7.T3 apply.

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| Table C7.T3. Program Originators |
| CODE | PROGRAM ORIGINATOR |
| B | SAO (Army) |
| P | SAO (Navy) |
| D | SAO (Air Force) |
| K | SAO (Marine Corps) |
| (These codes shall not be perpetuated in the DIC AP\_ responses transmitted to the source of supply.) |

 C7.2.5.3. The validation requests and/or listings shall be sent by priority mail to the appropriate SAO not later than 45 days after the scheduled cutoff date. The time between the cutoff date and the 45 days for mailing the requests to the SAOs is the time allowed for:

 C7.2.5.3.1. Transmission of the requests from the source of supply to the ILCO.

 C7.2.5.3.2. The ILCO establishment of suspense records of the source of supply request quantities and preparation of validation request documentation for transmission to the SAOs. The transactions shall be transmitted to the SAO under cover of the validation request transmittal letter contained in Appendix AP1.19. The transmittal letter should include provisions whereby the recipient shall acknowledge receipt of the transaction and return annotations to arrive at the ILCO within 90 days after the cutoff for validation.

 C7.2.5.4. The ILCO shall follow up on the appropriate SAO when no acknowledgment of the requests is received. The follow-up shall use the format shown in Appendix AP1.20, include a reproduction of the original requests, and be sent by priority mail 65 days from the cutoff date of the validation requests.

 C7.2.6. MATERIEL OBLIGATION VALIDATION BY THE NAVY INTERNATIONAL LOGISTICS CONTROL OFFICE

 C7.2.6.1. The NAVILCO shall match the items indicated as being on record at the source of supply with its records of unfilled demands and effect a file reconciliation. The NAVILCO shall prepare responses (DIC AP\_) using the format contained in Appendix AP3.29 for each reconciliation request transaction received from the source of supply. The responses shall be transmitted to the source of supply having submitted the validation requests. The response will serve to advise the source of supply as to whether the items should be canceled or requirements still exist and the items should be continued as materiel obligations. Responses to validation requests shall be furnished to sources of supply by 15 March for the first cycle and 15 September for the second cycle.

 C7.2.6.2. The quantity field of the DIC AP\_ response shall indicate the quantity still required. If total cancellation is desired, the quantity field shall be zero filled.

 C7.2.6.3. A follow-up in either the DIC AT\_ or AF\_ series shall be submitted for items outstanding on NAVILCO records for which no DIC AN\_ request was received from the source of supply.

 C7.2.7. NAVY INTERNATIONAL LOGISTICS CONTROL OFFICE INITIATION OF RECONCILIATION/VALIDATION WITH SECURITY ASSISTANCE ORGANIZATIONS

 C7.2.7.1. Annually, on 16 September, the NAVILCO shall prepare reconciliation requests representing unfilled requisitions with dates of 31 July or earlier in the format of Appendix AP3.26.

 C7.2.7.2. The NAVILCO shall enter the program originator code in rp 7 of DIC AN\_ reconciliation requests transmitted to SAOs for validation. This code will enable the SAO to determine the specific section to which the requests are to be directed. In these instances, the codes shown in paragraph C7.2.5. above are applicable.

 C7.2.7.3. The validation requests and/or listings shall be sent by priority mail to the appropriate SAO not later than 26 September. The transactions shall be transmitted to the SAO under cover of the validation request transmittal letter contained in Appendix AP1.19. The transmittal letter includes provisions whereby the recipient shall acknowledge receipt of the document(s) and return annotations by 31 October.

 C7.2.7.4. The ILCO shall follow up on the appropriate SAO when no acknowledgment of the reconciliation requests is received. The follow-up, in the format shown in Appendix AP1.20 and including a reproduction of the original requests, shall be sent by priority mail on 10 October.

 C7.2.8. ACKNOWLEDGMENT OF LISTINGS/REQUESTS BY SECURITY ASSISTANCE ORGANIZATIONS

 C7.2.8.1. SAOs in receipt of validation requests intended for other recipients shall forward the requests by priority mail to the intended recipients when known; otherwise, the requests shall be returned immediately to the submitting ILCO.

 C7.2.8.2. The SAOs shall acknowledge receipt of the requests by entering the receipt date in the prescribed block of the transmittal letter, with appropriate signature of the recipient, and returning the letter to the ILCO from which it was received. Such acknowledgment shall be effected immediately upon receipt of the validation requests.

 C7.2.9 VALIDATION OF REQUIREMENTS BY THE SECURITY ASSISTANCE ORGANIZATIONS

 C7.2.9.1. The SAOs receiving the validation requests/listings shall determine whether requirements for the items and quantities still exist. The SAOs shall also determine whether requirements exist for items/quantities having reached the age criteria and not included with the validation requests. Once the validation of requirements is completed, the SAOs shall adjust their records to reflect the need of the country for the items/quantities.

 C7.2.9.2. SAOs shall request status of any outstanding items that have met the age criteria and are not included in the materiel obligation validation requests. When such status is required, the SAO shall send a DIC AF1 follow-up to the appropriate ILCO.

 C7.2.9.3. The SAO shall annotate a copy of the listing or each DIC AN\_ validation request, as appropriate, to indicate:

 C7.2.9.3.1. The required quantity of each item (if DIC AN\_ requests are used, entry shall be made in Data Block 8), and

 C7.2.9.3.2. The received quantity of the item “to date,” if any (if DIC AN\_ requests are used, entry shall be made in Block U of the remarks block).

 C7.2.9.4. SAOs shall send annotations to the appropriate ILCO by priority mail. For United States Army Security Assistance Command (USASAC) and Air Force Logistics Command (AFLC), these annotations must be forwarded to arrive no later than the date specified in the latter of transmittals, which is 35 days prior to the response due date contained in rp 75-77 of the request transactions. For NAVILCO, these annotations must arrive no later than 31 October.

 C7.2.10. RESPONSE TO MATERIEL OBLIGATION VALIDATION REQUESTS BY THE ARMY AND AIR FORCE INTERNATIONAL LOGISTICS CONTROL OFFICES

 C7.2.10.1. Upon receipt of the responses from the SAOs, the ILCO shall adjust its records to agree with country requirements indicated by the responses. The ILCO shall then prepare responses (DIC AP\_) using the Appendix AP3.29 format for each reconciliation request transaction received from the source of supply. The responses shall be transmitted to the source of supply having submitted the validation requests. The response will serve to advise the source of supply as to whether the items should be canceled or requirements still exist and the items should be continued as materiel obligations. Responses to validation requests are required to be furnished to the source of supply by the reply due date contained in rp 75-77 of the validation requests. The reply due date shall be established as the 125th day following the cutoff date for validation. The cutoff date shall be entered in rp 71-73 of the validation requests.

 C7.2.10.2. The quantity field of the DIC AP\_ response shall indicate the quantity still required and the advice code field shall be zero filled. If total cancellation is desired, the quantity field shall be zero filled.

 C7.2.10.3. A follow-up, either in the DIC AT\_ or AF\_ series, shall be submitted for items outstanding on the ILCO records, indicated as required by the SAO, and for which no DIC AN\_ request was received from the source of supply.

 C7.2.11. NAVY INTERNATIONAL LOGISTICS CONTROL OFFICE ACTION ON SECURITY ASSISTANCE ORGANIZATION RESPONSES

 C7.2.11.1. Upon receipt of the response from the SAOs, NAVILCO shall adjust its records to agree with country requirements indicated by the responses. Cancellation requests shall be submitted to the source of supply on those unshipped lines for which the SAO indicated a reduced quantity requirement. Action shall be initiated to resolve unreconciled lines for which the SAO indicated a requirement. NAVILCO shall provide appropriate supply and shipment status to the SAOs.

 C7.2.11.2. By 30 November, the cancellation requests, prepared in the format contained in Appendix AP3.7, shall be transmitted to the last known source processing the corresponding requisition.

 C7.2.11.3. NAVILCO shall maintain a record of confirmed cancellations received in response to cancellation requests submitted as a result of reduced quantity requirements indicated by SAOs.

 C7.2.11.4. NAVILCO shall prepare a report of the number of lines reconciled with the SAO, the number and value of SAO requested quantity reductions, and the number and value of confirmations received as of 31 December. Two copies of the report shall be submitted to the appropriate Service headquarters for review and submission to the Office of the Assistant Secretary of Defense (OASD).

 C7.2.12. INTERNATIONAL LOGISTICS CONTROL OFFICE CANCELLATION OF MATERIEL OBLIGATIONS

 C7.2.12.1. The source of supply shall cancel materiel obligation items upon receipt of cancellation requests or indication of need for lesser quantities from the ILCO. (When there is no record of the item, at time of receipt of validation responses, the responses shall be matched with the requisition history file to determine the latest status of the item or action taken to accomplish cancellation action and provide the ILCO with supply or shipment status as appropriate.) In the event procurement, rebuild, or other expense has been incurred and must be billed to Grant Aid for an individual item being canceled, the supplying S/A shall take action under [DoD 5105.38-M](http://www.dla.mil/j-6/dlmso/elibrary/manuals/regulations.asp), Part II, Chapter H.

 C7.2.12.2. The source of supply shall furnish the ILCO for each validation request submitted a supply status transaction containing Status Code BR for each item and/or quantity canceled as a result of validation actions. The ILCO should not consider any quantity canceled until confirming BR status is received.

 C7.2.12.3. The source of supply shall not automatically cancel items for which materiel obligations were established when no DIC AP\_ response has been received relative to specific items/requests submitted for validation.

1. Status Code BP may be deferred for inclusion under logistics system modernization. [↑](#footnote-ref-1)
2. Established procedures to reinstate canceled requisitions last reported as not implemented by USN. Refer to AMCL 150C. [↑](#footnote-ref-2)
3. Use of revised MOV temporary suspension procedures for selected Activities last reported as not implemented U.S. Marine Corps (USMC). Refer to Approved MILSTRIP Change Letter (AMCL) 37. [↑](#footnote-ref-3)
4. Requirement to clarify the Material Obligation Validation (MOV) report to reflect only cancellations actually requested by the requisitioner via the MOV response last reported as not implemented by USAF and USMC. Refer to AMCL 33. [↑](#footnote-ref-4)
5. Authorizes use of Distribution Code 6 with Navy Service Codes N, R, and V last reported as not implemented by USMC. Refer to AMCL 38. [↑](#footnote-ref-5)
6. Ibid. [↑](#footnote-ref-6)
7. Refer to Approved DLMS Change (ADC) 369. Deferred implementation authorized. [↑](#footnote-ref-7)
8. Use of revised MOV temporary suspension procedures for selected Activities last reported as not implemented by U.S. Marine Corps (USMC). Refer to Approved MILSTRIP Change Letter (AMCL) 37. [↑](#footnote-ref-8)
9. Use of revised MOV temporary suspension procedures for selected Activities last reported as not implemented by U.S. Marine Corps (USMC). Refer to Approved MILSTRIP Change Letter (AMCL) 37 [↑](#footnote-ref-9)
10. Use of revised MOV temporary suspension procedures for selected Activities last reported as not implemented by U.S. Marine Corps (USMC). Refer to Approved MILSTRIP Change Letter (AMCL) 37 [↑](#footnote-ref-10)
11. Use of RDP for conventional ammunition last reported as not implemented by USAF. Refer to AMCL 148. [↑](#footnote-ref-11)
12. Use of revised MOV temporary suspension procedures for selected Activities last reported as not implemented by and U.S. Marine Corps (USMC). Refer to Approved MILSTRIP Change Letter (AMCL) 37. [↑](#footnote-ref-12)
13. lbid. [↑](#footnote-ref-13)
14. lbid. [↑](#footnote-ref-14)
15. Established procedures to reinstate canceled requisitions last reported as not implemented by USN. Refer to AMCL 150C. [↑](#footnote-ref-15)
16. Established procedures to reinstate canceled requisitions last reported as not implemented by USN. Refer to AMCL 150C. [↑](#footnote-ref-16)