June 7, 2006

IN REPLY
REFER TO DLMSO

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC) 202,
Revisions to DLMS Supplement 947I to Support Requirements for the Army Medical
Material Agreement Inventory Adjustment Transactions (Staffed by PDC 217) (Supply)

The attached change to DOD 4000.25-M, DLMS, is approved for immediate implementation.
This change is required for a Defense Logistics Agency (DLA) Business System Modernization
(BSM) release to support Defense Medical Logistics Standard Support (DMLSS).

Addressees may direct questions to the DLMSO point of contact Ms. Mary Jane Johnson,
email: Mary.Jane.Johnson@dla.mil. Others must contact their Component designated Supply
Process Review Committee representative.

DONALD C. PIPP
Director
Defense Logistics Management
Standards Office

Attachment

cc:
ADUSD(L)SCI
Joint Physical Inventory Working Group

ATTACHMENT TO ADC 202,
Revisions to DLMS Supplement 947I to Support Requirements for the Army Medical Material Agreement Inventory Adjustment Transactions (Staffed by PDC 217) (Supply)

1. ORIGINATOR:

   a.   **Service/Agency:** Defense Logistics Agency

   b.   **Originator:** DLA Order Fulfillment Lead, Cindy McGee

2. FUNCTIONAL AREA: Primary: Supply/Logistics

3. REFERENCES:

   a. Army Medical Material Agreement (**AMMA**) Functional Requirements Document.

   b. DLMSO memorandum, April 21, 2006, subject: Proposed Defense Logistics Management System (DLMS) Change (PDC) 217, Revisions to DLMS Supplement 947I to Support Requirements for the Army Medical Material Agreement Inventory Adjustment Transactions (Supply).

   c. DLMSO memorandum, May 23, 2006, subject: Defense Logistics Management Systems (DLMS) Supply Process Review Committee (SPRC) Meeting 06-01, April 25-27, 2006.

4. REQUESTED CHANGE:

   a.   **Title:** Revisions to DLMS Supplement 947I to Support Requirements for the Army Medical Material Agreement Inventory Adjustment Transactions (Supply)

   b.   **Description of Change:**   This change is to allow inventory adjustments for local catalog items at Defense Medical Logistics Standard Support (**DMLSS**) and Theater Enterprise-Wide Logistics System (**TEWLS**) sites as part of AMMA.

   c.   **Background:**

      (1) The Tailored Vendor Relationships (**TVR**) process was implemented in Defense Logistics Agency's Business System Modernization (BSM) R2.2**.** TVR are those business processes where there is a direct relationship between the customer and the vendor. That is, customers place orders directly with the Prime Vendor using various communication channels such as EDI, phone, fax, e-mail, or via the prime vendor's ordering system. BSM receives copies of transactions in order to maintain line item accountability.

      (2) For BSM R2.2.1 a new process termed the Army Medical Material Agreement (AMMA – previously known as Medical Army Single Stock Fund (MASSF)) is being

implemented in coordination with the DMLSS and TEWLS. The prime vendor model of the AMMA program is in many ways very similar to TVR, however, DLA funds are used by the Army to purchase items via DMLSS/TEWLS. In this case BSM owns the materiel at the AMMA sites until items are issued at the retail level. As a result a DLMS 947I Inventory Adjustment transaction will be received by BSM from DMLSS/TEWLS to communicate inventory adjustments for both NSNs and local catalog numbers.

      (3) AMMA and TVR were discussed at the SPRC meeting 06-1 (reference 3.c.) and the background was summarized in the minutes as follows: In DLA's legacy system, AMMA was known as Medical Army Single Stock Fund. The new agreement between DLA and Army renamed the program, and to support this supply technique in DLA's ERP (BSM), some reengineering of the process has taken place which requires additional data to be passed in the associated DLMS transactions. Under the AMMA concept, DLA owns the medical materiel all the way down to the retail or hospital shelf level until it is issued to a consumer. When it is issued to a consumer, then a post-post issue transaction is sent to DLA, inventories are debited, and the customer is billed. To replenish DLA-owned "retail" materiel from DLA supply sources, Army employs DMLSS/Theater Enterprise-Wide Logistics System (TEWLS). There are multiple ordering chains used to obtain materiel depending on how DLA manages the item. These range from traditional MILSTRIP stock and DVD orders for medical NSN items to TVR direct procurements for part number items. However, the predominance of support is via the TVR arrangements. TVRs are business processes where there is a direct relationship between the customer and the vendor (e.g**.,** customers place orders directly with the Prime Vendor or with an Electronic Catalog (ECAT) Vendor). BSM receives copies of the transaction between the customer and the vendor in order to maintain line item accountability. Under the AMMA process, when the hospital receives the materiel they send a receipt transaction back to BSM so the assets are posted on DLA's records as the owner, however, DMLSS/TEWLS maintains the accountable record.

    d. DLA RECOMMENDED: Add local catalog ID qualifier. Inventory adjustments for AMMA sites may be for a local catalog number and not a NSN. The identification qualifier "A3 - Locally Assigned Control Number" could be added to W1905 to handle this situation as for the 527R.

    e. PROCEDURES: Revise DS 947I (versions 4010 and 4030) as shown below:

Item #	Location	DS 947I (Inventory Adjustment) Revision (Versions 4010 and 4030)	Reason	Federal IC Impact
1.	DLMS Introductory Notes (both version 4010 and 4030)	Added ADC 202 - ADC 202, *Revisions* to DS 947I to Support Requirements for Army Medical Material Agreement Inventory Adjustment Transactions	Identifies DLMS Changes included in the DLMS Supplement	No revision required

ADC 202
Att

Item #	Location	DS 947I (Inventory Adjustment) Revision (Versions 4010 and 4030)	Reason	Federal IC Impact
2.a	2/W1905/**20** **(Version 4010)**	<u>Add new qualifier A3 with DLMS note:</u> A3 Locally Assigned Control Number DLMS note: Defense Medical Logistics Standard Support (DMLSS)/Theater Enterprise-Wide Logistics System (TEWLS) use to cite their Local Catalog Identification which can reference multiple prime vendor part numbers for a specific site 2. DLMS enhancement; see introductory DLMS note 4a.	To accommodate requirement for Local Catalog Identification number	No revision required
2.b	2/W1905/**0200** **(Version 4030)**	<u>Add new qualifier A3 with DLMS note:</u> A3 Locally Assigned Control Number DLMS note: Defense Medical Logistics Standard Support (DMLSS)/Theater Enterprise-Wide Logistics System (TEWLS) use to cite their Local Catalog Identification which can reference multiple prime vendor part numbers for a specific site 2. DLMS enhancement; see introductory DLMS note 4a.	To accommodate requirement for Local Catalog Identification number	No revision required

f.   DAASC Mapping: Update DAASC mapping to allow DS 947I transactions containing the new qualifier to pass edits.

g.   Alternatives: BSM will not be able to accurately support the AMMA processes using the DLMS 947I Inventory Adjustment transaction without this change.

5.   REASON FOR CHANGE: The AMMA process requires the addition of a local catalog qualifier to accurately identify the material number to be adjusted.

6.   ADVANTAGES AND DISADVANTAGES:

a.   Advantages: BSM and DMLSS/TEWLS will be able to comply with DLMS standards for the AMMA inventory adjustment process.

b.   Disadvantages: None identified