



DEFENSE LOGISTICS AGENCY
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July 3, 2008

IN REPLY
REFER TO

DLMSO

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE MEMBERS

SUBJECT: Approved Addendum to Approved Defense Logistics Management System (DLMS) Change (ADC) 245B, Notification for Distribution Depot (DD) Product Quality Deficiency Report (PQDR) Exhibit Receipt (Supply/SDR)

The attached change to DOD 4000.25-M, Defense Logistics Management System (DLMS) and DLAI 4140.55, AR 735-11-2 SECNAVINST 4355.18A, AFJMAN 23-215, Reporting of Supply Discrepancies, is approved. **This document re-publishes ADC 245A with updates to remove the requirement for Accession Number and instead use the PQDR Report Control Number. The transaction routing rule change and the Distribution Standard System (DSS) interim process became effective June 26, 2008, by request of the USAF.** No date is available for the data element update in the SDR transaction for implementation by the Distribution Standard System (DSS). The updated DLMS Supplement will be posted to the DLMSO Web site <http://www.dla.mil/j-6/dlms0/elibrary/TransFormats/formats.asp> within 5 days.

Addressees may direct questions to the Defense Logistics Management Standards Office points of contact, Ms. Ellen Hilert, Chair, Supply Process Review Committee, 703-767-0676, DSN 427-0676, or e-mail: Ellen.Hilert@dla.mil Others must contact their Component designated representative.

Dr. Heidi M. Darned

DONALD C. PIPP
Director
Defense Logistics Management
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Attachment

cc:
DUSD (L&MR) SCI
SDR Subcommittee
DOD PQDR Committee



ADC 245B
Notification for DD PQDR Exhibit Receipt

1. ORIGINATOR:

a. Service/Agency: Defense Logistics Agency and Air Force

b. Originator: DLA/J-334, Phone: DSN 427-2630, Comm. 703-767-2630

2. FUNCTIONAL AREA: Primary: Supply/SDR

3. REFERENCES:

a. DLAI 4140.55/AR 735-11-2/SECNAVINST 4355.18a/AFJMAN 23-215, Reporting of Supply Discrepancies, dated January 9, 2006

b. DLMSO memorandum, dated January 9, 2006, subject: Approved Defense Logistics Management System (DLMS) Change (ADC), 188, Quality-Related Discrepancies Identified During Distribution Depot (DD) Receipt and In-Storage Screening (Supply/SDR/SQCR).

c. DLMSO memorandum, dated July 13, 2007, subject: Approved Defense Logistics Management System (DLMS) Change (ADC) 245A, Notification for Distribution Depot (DD) Product Quality Deficiency Report (PQDR) Exhibit Receipt.

4. APPROVED CHANGE:

b. Description of Change: This change defines new routing and processing changes for SDRs prepared by Distribution Depots (DDs) to notify Air Force managers of the arrival of Air Force-owned PQDR exhibits and is designed to support expansion for other Services. The change requires new routing rules at Defense Automatic Addressing System (DAAS). Two new data elements are added to the SDR transaction to support the Air Force requirement and pre-position cross-reference information to support exhibit tracking for other Services. This change is a variant of the business rules already implemented for DLA-managed materiel under ADC 188 (reference 3.b.). These business rules may be applied to other Components by agreement with DLA. Updates subsequent to previous ADC Addendum publication are highlighted. The transaction exchange under the previous ADC 245/ADC 245 Addendum was not implemented.

c. WebSDR Revision:

(1) Initial implementation: DAAS/WebSDR will route incoming SDR transaction to the Joint Discrepancy Reporting System (JDRS) address used for AF PQDRs and exhibit tracking (replacement for G021) (e-mail: basisg@wpafb.af.mil) when addressed to the Air Force source of supply (SoS) (FGZ, FGB, FHZ, FHB, FLZ, FLB) and the SDR Discrepancy Code is Q11.

(2) **Subsequent implementation:** WebSDR and transaction interfaces will be updated to maintain/display one new data element to support this process: the standard PQDR Report Control Number (RCN) (see enclosure) (eliminating the requirement for USAF-unique Accession Number)

d. Published Guidance: Update DLMS manual, chapter 17, as revised by Change 4, and the joint instruction. Changes are identified in *bold italics* (paragraph numbering below is for the DLMS manual):

“C17.3.20. DAAS SDR Processing

C17.3.20.1. Under DLMS, SDRs shall be integrated with standard logistics transaction processing through DAAS. DAAS shall perform the following actions:

C17.3.20.1.1. Pass/route SDR transactions.

C17.3.20.1.1.1 Generate and route an information copy of SDRs reporting packaging discrepancies associated with United States Air Force (USAF)-directed shipments to the USAF packaging office.

C17.3.20.1.1.2 Route the action copy of SDRs reporting distribution depot receipt of PQDR exhibits (Discrepancy Code Q11) to the materiel owner by agreement with DLA. For USAF owners this process will use an electronic (email-based) interface with the USAF processing system for product quality.

e. Detailed Business Process:

(1) **Current Process.** Current reporting and resulting disposition processing for Air Force-owned PQDR exhibits received at DDs is a manual, labor intensive process for DLA and Air Force personnel. Both DLA and the Air Force agree that it is an inefficient and outdated process. Processing includes duplicative data entry in two separate systems and off-line e-mails. Current outdated process is described below:

Step 1. Customer contacts Air Force to report quality problem with Air Force-owned materiel. The Air Force authorizes customer to send in quality deficient materiel as a PQDR and directs customer to send materiel to an Air Force/co-located DD. Air Force directs the customer to put the **standard PQDR Report Control Number** information on the materiel tag and shipment paperwork accompanying PQDR materiel to the storage site. Per DOD requirements, Air Force Logistics is required to create a due-in with document number, NSN, quantity and supply condition code information to ensure proper receipt of the PQDR exhibit materiel when it arrives at the depot.

Step 2. When materiel arrives at the depot, the receiver scans the receipt documentation. If there is a due-in, DSS automatically pre-fills the receipt screens with all the due-in information provided by the Air Force. DLA completes the receipt of the materiel into the Air Force account by document number, NSN, quantity, Supply Condition Code Q, etc. The Q condition code notifies depot receiving personnel that the Air Force materiel requires a

segregated storage location. The DSS system sends the accountable receipt information to D035 (to include: receipt document number, NSN, quantity, Supply Condition Code Q).

Step 3. Depot personnel duplicate most of the receiving process by going off-line into Air Force system G021 and once again **recording** the same receipt information to G021 (receipt document number, NSN, quantity, Supply Condition Code Q). In addition, the depot personnel also provides the Deficiency Report (DR) Number/Accession Number which was assigned to the PQDR by the Air Force quality office and was known when the due-in was created for the materiel.

Step 4. Once the receipt of the PQDR exhibit is reported to the Air Force in G021, Air Force does their research. The Air Force then manually provides disposition instructions via e-mail to an individual at the depot. There is no management capability for tracking of the off-line e-mail. There is no DSS system workload created by the e-mailed Air Force disposition requirements. The reclassification process when it does occur is accomplished off-line (i.e. no systemic COSIS workload is created in DSS). E-mail may get lost, warehouse personnel may be off or ignore the e-mail for any length of time, and there is no one to check on progress at the DD because there is no systemic process in place.

Step 5. After the reclassification process occurs, an individual at the depot again enters the off-line G021 system and updates with the reclassification information. Depot performance in this G021 update process is questionable at best. It is again duplicative work as D035 receives the updated reclassification information directly from DSS. Air Force has verified that depots are not performing the manual off-line updates in a timely, accurate manner.

(2) Approved Process. Following is a description of the new process using D035 and WebSDR to report receipt of the Air Force-owned PQDR exhibit. WebSDR would be used to provide receipt notification of PQDR exhibit arrival, and give the Air Force PQDR materiel managers an electronic avenue to provide disposition instructions to DDs. The SDR process would also provide management ability to track completion of disposition instructions received from the PQDR materiel managers.

Step 1. Same as above.

Step 2. When materiel arrives at the depot, receiver scans the receipt documentation. If there is a due-in, DSS automatically pre-fills the receipt screens with all the due-in information provided by the Air Force. DLA completes the receipt of the materiel into the Air Force account by receipt document number, NSN, quantity, Supply Condition Code Q. The receiver will enter a receiving discrepancy code on the receipt screen. This code allows DSS to automatically call up the SDR programs in DSS. The SDR screen automatically prefills most of the receipt/materiel information and receiver completes the SDR by adding a Discrepancy Code Q11 (Returned PQDR Exhibit Deficiency). Receiver would enter an Action Code 1A (Disposition Instructions Requested). When receiver hits enter, DSS automatically sends the receipt information to the D035 system and the DSS SDR programs send an SDR to WebSDR. WebSDR would then automatically route the SDR for the PQDR exhibit return to the

new USAF PQDR e-mail address (e-mail: basisg@wpafb.af.mil) which is the **customer receiving email address** for the Air Force PQDRs. The Q condition code notifies DD receiving personnel that this Air Force materiel requires segregated storage.

Step 3. WebSDR distribution via e-mail to the Air Force e-mail address will allow the Air Force application to extract information electronically (i.e. the application will read the e-mail text). The following data elements will appear in the SDR e-mail:

- DOCUMENT NUMBER:
- NSN:
- UNIT OF ISSUE:
- QUANTITY SHIPPED:
- QUANTITY RECEIVED:
- CONDITION CODE:
- TOTAL COST (DISCR. MAT.):
- DOD WEB SDR NUMBER: (this will be the WebSDR-assigned control number)

The following data element will also be perpetuated to the e-mail format. The implementation of this portion of the ADC will occur at a later date due to the required change to the receiving process and Distribution Standard System (DSS) to capture these data elements from the PQDR exhibit and perpetuate to the SDR transaction. The DLMS SDR format will be updated to support this additional data element to provide cross-reference between the exhibit and the PQDR to which it relates:

- PQDR REPORT CONTROL NUMBER

Until the updated format is available, DSS personnel preparing the SDR exhibit receipt notification will annotate the PQDR **Report Control Number** as the first entry in the remarks field of the SDR, e.g. **PQDR REPORT CONTROL NUMBER: FB1111080111.**

Step 4. When Air Force has finished their research and made applicable updates to the G021 **or Joint Deficiency Reporting** system, the Air Force responder would log into WebSDR using the WebSDR control number from the SDR and enter disposition instructions. Total time required to log in and provide disposition would be less than 1 minute.

Step 5. WebSDR will automatically route the Air Force disposition instructions electronically to the appropriate DSS depot using WebSDR routing rules. The Air Force disposition information would pass systemically to DSS and appear on an ADRS/DSS SDR Disposition Report which is pushed out to the depots daily. That report notifies the depots that disposition has been provided on the SDR. This electronic disposition process would allow disposition for PQDR materiel to be worked and completed as well as allow management tracking of depot work completion through the DSS system. Reclassification and re-warehousing actions may be accomplished by Distribution Depot personnel in DSS, and resulting transactions will pass to the AF D035K system. AF Supply personnel will be notified when the materiel needs to be shipped off-base, to disposal, or issued to depot maintenance. The issue and shipment transactions must be initiated in the D035 system, and will be transmitted to the DSS. Issue and shipment transactions must not be initiated in the DSS system. DLA depot managers and DDC oversight managers would have visibility of the reclassification, re-

warehousing actions, and any other processes required/accomplished as a result of the Air Force disposition instructions.

5. Reason for change:

a. This change is for Air Force to use a proven successful process currently used by Distribution Depots and DLA ICPs to process DLA-managed materiel which has quality issues identified during the receipt process. DLA has successfully used the SDR process for many years to report quality deficient or potentially deficient materiel to DLA ICPs. This process has been very effective in helping DLA ICPs to track and identify quality deficient and potentially quality deficient materiel when it is received/stored at DDs and ultimately to ensure that defective or potentially defective materiel receives proper disposition instructions from the ICP and does not get accidentally shipped to a customer. The advantage of using the SDR process and Discrepancy Code Q11 for receipt of Air Force PQDR exhibits will improve Air Force customer support and give Air Force PQDR managers the all important visibility of deficient and potentially deficient materiel as it is received at DDs. It will also provide the Air Force PQDR materiel managers with an electronic avenue to provide disposition instructions for their PQDR materiel when research has been completed and the Air Force wants to reclassify or dispose of the materiel.

b. The PQDR Record Control Number (RCN) is added to the receipt notification SDR for cross-reference so that the exhibit received by the depot can be tied to the original PQDR which was the basis for the return. The Air Force and Services will cite the RCN on the exhibit tag. The presence of the PQDR RCN will support future expansion of this capability to provide exhibit tracking data to the Product Data Reporting and Evaluation Program (PDREP) application via the Q-series receipt alert SDRs.

c. Revision ADC 245A. The above update to the Approved Process Step 5 is provided to clarify the procedures where the PQDR exhibit receipt which triggers the SDR is AF owned. This is necessary because the process differs from the current procedures where the PQDR exhibit receipt is DLA-owned. **For DLA-owned exhibits**, the SDR disposition instructions direct shipment of the materiel off base, to disposal, or into maintenance, and the DD prepares the materiel release order (MRO). The MRO is based upon MILSTRIP data provided in the SDR remarks. Once the DD performs the directed action, DSS passes the transaction to the owner so that the balance is updated in both systems. **For AF-owned exhibits**, the AF has reported that the shipment/issue transaction must be created in the D035K system which holds the AF asset balances. Any changes to those balances must be recorded in D035K and must be reported to D035J, the AF financial accounting system. Since the asset was receipted into DSS and the receipt passed to D035K when the materiel arrived at the depot (Step 2), shipment of that asset off-base or issue to depot maintenance must also be recorded in the D035 system. Therefore, all shipments/issues of AF-owned assets at a depot will be initiated in D035 and will be transmitted to DSS. The SDR reply will provide confirmation that the ICP has received the SDR receipt alert will take action to direct appropriate shipment of materiel.

6. Advantages and Disadvantages:

a. Advantages: This process will improve visibility and tracking of Air Force-owned PQDR exhibits as they are returned to Distribution Depots by ensuring that Air Force PQDR

materiel managers are notified of receipt of their PQDR materiel. It will also ensure that the Air Force has an avenue to provide electronic disposition instructions directly to the DDs via WebSDR to the ADRS/DSS system. This electronic process will allow for management track ability of Air Force PQDR disposition instructions to the DLA Distribution Depots.

b. Disadvantages: None specifically identified.

7. COMMENT RESOLUTION:

| # | Submitter | Comment | DLMSO Response |
|----|--|---|---|
| 1. | USA SDR Team Leader AMSTA-LC- LSDL | I non-concur with filing an SDR for materiel returned from a PQDR exhibit. It is not a shipping discrepancy. I have seen a few SDR's filed because the materiel was being returned from a PQDR exhibit. I have rejected these back to the depot stating that this is a PQDR. These returns need to go to the PQDR area so that they know of the return and can account for the PQDR materiel | Regarding the use of the SDR process to identify DD receipt of PQDR exhibits - this is an optional process. I agree that it is inappropriate to consider these transactions with the Q11 (or other three-digit Q-series discrepancy codes) to be SDRs. They will be excluded from DLMS SDR management reports and you may reject them if sent to you unsolicited (since you clearly are right that they do not belong in your SDR data base without appropriate programming). This "SDR piggy back process" was operational between DLA HQ and the DDs long before DLMS SDRs and is considered a requirement at DLA; it was a senior management decision to allow it to continue. Since it is now being used by the AF and being studied for use in exhibit tracking by the Navy, it is not likely to go away soon. In a fully integrated process, it would be much more correct to use the DD receipt with supply condition code Q and enhanced with the PQDR RCN for cross-reference, but apparently the others aren't ready to pursue this at this time. I will admit that I too am not very happy about borrowing the SDR process for this type of communication exchange. At the time I became aware of it, I was successful in establishing the unique code list with the 3-digit Q codes (which was an improvement since previously DLA re-used existing SDR discrepancy codes with different definitions). When these are received, the unique discrepancy code is interpreted as an exhibit receipt notification (or other unique process) and is never processed as an SDR. For the AF, DAASC routes the Q11 specifically to the PQDR application (now JDRS). |
| 2 | DFAS | Editorial comments provided including Recommendation to use "materiel" instead of "material" | Concur. |
| 3. | DDC | Recommended spelling out the term "RCN" in the SDR | Concur. |

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| | | remarks for clarification (the RCN acronym is used in another DDC process) | |
|--|--|--|--|

7. IMPACT:

a. This change will impact future processing of supply discrepancies between DAAS/WebSDR, ADRS/DSS, and the Air Force PQDR materiel managers (using the G021 system or the Joint Deficiency Reporting System). This change will be used in the processing of receiving SDRs (document type 8, customer returns).

b. This process change would also include requirement of Air Force PQDR materiel management personnel to acquire responder level access for WebSDR in order to use WebSDR to provide disposition instructions directly into WebSDR as applicable for the Air Force-owned PQDR exhibit materiel.

c. The DLMS Supplement 842A/W, SDR will be updated as identified in the enclosure.

d. The DDC has now authorized for DSS to block the first line in the SDR remarks data field and add the title “**PQDR REPORT CONTROL NUMBER:**” along with allowing up to **15** alpha/numeric characters only on that line. **(this is a revision to the previous PTR which identified the “Accession Number”)**. This will be restricted to type 8 SDRs that have an owner RIC beginning with "F" and a Discrepancy Code Q.

Enclosure, DLMS Supplement Revisions

| Item # | Location | Revision to 4030 842A/W | Reason |
|--------|-------------------------|--|--|
| 1. | DLMS Introductory Notes | <p><u>Added ADC 245 to DLMS Introductory note 5:</u></p> <p>- ADC 245, Supply Discrepancy Report (SDR) Notification to United States Air Force (USAF) for Distribution Depot (DD) Product Quality Deficiency Report (PQDR) Exhibit Receipt</p> | To identify DLMS changes included in supplement. |
| 2 | 2/REF01/0700 | <p><u>Delete</u> qualifier “GO” and DLMS notes:</p> <p>GO Exhibit Identifier DLMS Note:</p> <p>1. Use to identify the PQDR Accession Number assigned to the PQDR exhibit for USAF in conjunction with discrepancy code Q11.</p> <p>2. Pending full implementation of ADC 245, the PQDR Accession Number will be carried as the first two words of the SDR remarks text, e.g. ACCESSION 123456.</p> <p>3. For GO: WebSDR field Length = 6</p> | This data element is no longer required for USAF exhibit tracking. |
| 3. | 2/REF01/0700 | <p><u>Added</u> qualifier “QR” and DLMS note:</p> <p>QR Quality Report Number DLMS Note:</p> <p>1. Use to identify the PQDR report control number for cross reference to the PQDR exhibit when the discrepancy code is Q11.</p> <p>2. Pending full implementation of ADC 245, the PQDR Report Control Number will be carried as the first line of the SDR remarks text, e.g. PQDR REPORT CONTROL NUMBR: FB1111080111.</p> <p>3. Implementation pending under ADC 245.</p> <p>4. For QR: WebSDR field length =15</p> | Required by the USAF to associate the exhibit receipt with the applicable PQDR. May be used to associate the exhibit receipt with the applicable PQDR through PDREP or where other Services coordinate with DLA to receive exhibit receipt alerts via the SDR process. |