IN REPLY
REFER TO DLMSO

JUL 2 3 2008

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC) 292,
Administrative Update to DLMS, Volume 2, Chapter 14, and DLMS
Supplement 846F, Ammunition Freeze/Unfreeze Transaction (Supply/MILSTRAP)

The attached, administrative change to DoD 4000.25-M, DLMS, is approved. The updated
DLMS Supplement will be posted to the Defense Logistics Management Standards Office
(DLMSO) Web site, http://www.dla.mil/j-6/dlmso/elibrary/TransFormats/formats.asp,
within **10** days from the above date for implementation planning. The changes to the DLMS
manual will be published in the next reissuance of the manual.

Addressees may direct questions to the DLMSO point of contact, Ms. Mary Jane Johnson,
e-mail: Mary.Jane.Johnson@dla.mil; (703) 767-0677; and, DSN 427-0677. Others must contact
their Component designated Supply PRC representative.

DONALD C. PIPP
Director
Defense Logistics Management
Standards Office

Attachment

cc:
ODUSD(L&MR/SCI)

ATTACHMENT TO ADC 292
Administrative Update to DLMS, Volume 2, Chapter 14 and DLMS Supplement 846F,
Ammunition Freeze/Unfreeze (Supply/MILSTRAP)

1.   **ORIGINATOR:**

    a.   **Service/Agency:** Defense Logistics Management Standards Office (DLMSO)

    b.   **Originator:** Ms. Mary Jane Johnson, MILSTRAP Administrator,
e-mail: Mary.Jane.Johnson@dla.mil; (703) 767-0677; and, DSN 427-0677.

2.   **FUNCTIONAL AREA:** Supply/MILSTRAP

3.   **REQUESTED CHANGE:**

    a.   **Title:** Administrative Update to DLMS, Volume 2, Chapter 14 and DLMS Supplement 846F, Ammunition Freeze/Unfreeze (Supply/MILSTRAP)

    b.   **Description of Change:** Administrative updates to DLMS Volume 2, chapter 14, Issue, Loan, Demand, and Freeze/Unfreeze Transactions, to address the DLMS Accredited Standards Committee (ASC) X12 transactions beginning segment report type codes and their correlation to MILSTRAP Document Identifier (DI) Code functionality. This is part of an ongoing initiative by the MILSTRAP Administrator to update the DLMS manual to document how the DLMS transactions correlate to the corresponding MILSTRAP DI Code functionality. This information is useful in a mixed DLSS/DLMS environment. This change also updates the name of DS 846F to more closely align with the corresponding MILSTRAP function/terminology.

    c.   **Procedures:**

        (1) Administrative update to DOD 4000.25-M, DLMS, Volume 2, Chapter 14 as shown in the Enclosure.

        (2) Administrative update DLMS, Volume 2 Table of contents to reflect name change for chapter 14 (change identified by *red/bold/italics*) to: "Issue, Loan, Demand, and *SMCA* Freeze/Unfreeze *Actions* Transactions".

        (3) Update DLMS Supplement 846F as follows:

Item #	Location	Revision to DS 846F	Reason	Federal IC Impact
1.	DLMS Introductory Note	Added ADC to DLMS Introductory note 6: - ADC 292, Administrative Update to DLMS, Volume 2, Chapter 14 and DLMS Supplement 846F, Ammunition Freeze/ Unfreeze Action (Supply/ MILSTRAP)	To identify DLMS changes included in the DS	No update needed

Item #	Location	Revision to DS 846F	Reason	Federal IC Impact
2.	Throughout DS	Rename DS 846F from "Ammunition Freeze, Unfreeze" to "*SMCA Freeze/Unfreeze Action*"	**Administrative update** for consistency between DLMS/ MILSTRAP terminology.	**Update required**
3.	1/BIA02/020	*Revise DLMS note for Report Type Code ZB:* *ZB Conventional Ammunition Suspension Report* *DLMS Note*: Use to identify a *Single Manager for Conventional Ammunition (SMCA)* freeze/unfreeze *action* transaction. *(MILSTRAP DI Code DA1/DA2 functionality)*	**Administrative update** for consistency between DLMS/MILSTRAP functionality and terminology. Also identifies the corresponding MILSTRAP DI Code consistent with other MILSTRAP related DS beginning segment information.	No update needed

4.   REASON FOR CHANGE: Administrative updates to DLMS, Volume 2, chapter 14 procedures to provide information useful in a mixed DLSS-DLMS environment. Change provides ASC X12 beginning segment information for DS 867D (Demand), 867I (Issue) and 846F (SMCA Freeze/Unfreeze Action) showing how the ASC X12 beginning segment data corresponds to the MILSTRAP DI Code functionality. Also updates DS 846F to more closely align DLMS and MILSTRAP terminology.

5.   ADVANTAGES AND DISADVANTAGES:

   a.   Advantages: Provides information showing how the DS 867D (demand), DS 867I (Issue), and DS 846F (SMCA Freeze/Unfreeze Action) information correlates to the MILSTRAP DI Code functionality.

   b.   Disadvantages: None known.

6.   IMPACT: Modify DOD 4000.25-M, Volume 2, Chapter 14, and DS 846F as shown in ADC.

Enclosure

C14. CHAPTER 14

ISSUE, LOAN, DEMAND, AND *SMCA* FREEZE/ UNFREEZE *ACTION*

C14.1. GENERAL

   C14.1.1. *Purpose*. *This chapter provides a standard procedure for processing Issue, Demand, and Single Manager for Conventional Ammunition (SMCA) Freeze/Unfreeze Action. This chapter also addresses the materiel loan process.*

   C14.1.2. *Transactions*. *This chapter addresses the procedures applicable to the following ASC X12 transaction functions identified by their beginning segment report type code. Other DLMS formats, such as XML, are also available. See the DLMSO website for available DLMS formats: http://www.dla.mil/j-6/dlmso/elibrary/TransFormats/140_997.asp. The corresponding MILSTRAP transaction functionality is identified for information purposes in a mixed DLSS/ DLMS environment.*

      C14.1.2.1. *ISSUE TRANSACTION*. *Issue transaction is DS to the Federal IC 867I Issue, identified by beginning segment (1/BPT04/20) Report Type Code 01– Product Transfer. This transaction provides MILSTRAP Document Identifier (DI) Code D7_ functionality. The Issue Transaction function is further broken down by the 2/PTD01/10 Product Transfer Type Code which provides the functionality of the third position of the MILSTRAP DI Code. The specific product transfer type code correlation to the MILSTRAP DI Codes is as follows:*

MILSTRAP DI Code	MILSTRAP Title	DS 867I PTD01 Product Transfer Type Code
D7A	Issue (Own Service/Agency)	SS
D7B	Issue (DOD Activities)	BD
D7C	Issue (Non-DOD Activities)	BC
D7D	Issue (Grant Aid)	BE
D7E	Issue (Foreign Military Sales)	BF
D7G	Issue (Destructive Test/Evaluation)	BG
D7H	Issue (Furnished Materiel for Consumption)	BH
D7J	Issue (Reutilization and Marketing)	BI
D7K	Issue (Relocation)	BJ

MILSTRAP DI Code	MILSTRAP Title	DS 867I PTD01 Product Transfer Type Code
D7L	Issue (Assembly/Disassembly/ Reclamation/Conversion/Modification)	BK
D7M	Issue (Repair or nondestructive Test/Evaluation)	BL
D7N	Issue (Loan)	BM
D7P	Issue (Returned Purchases)	BN
D7Q	Issue (Designated Items)	BO
D7R	Issue (Exchange Items)	BR
D7Z	Issue (Other)	BQ

C14.1.2.2. DEMAND TRANSACTION. Demand Transaction is DS to the Federal IC 867D Demand Reporting identified by beginning segment (1/BPT04/20) Report Type Code TO – Demand Report.   This transaction provides MILSTRAP DI Code DHA functionality.

C14.1.2.3. SMCA FREEZE/UNFREEZE ACTION TRANSACTION. SMCA Freeze/Unfreeze Action Transaction is DS to the Federal IC 846F SMCA Freeze/Unfreeze Action, identified by beginning segment (1/BIA02/20) Report Type Code ZB – Conventional Ammunition Suspension Report.   This transaction provides MILSTRAP DI Code DA1/DA2 functionality.

C14.2. ISSUE.

C14.2.1. This chapter provides a standard procedure for processing Issue, information from distribution depots to owner/IMM for the purpose of:

C14.2.1.1. Updating the owner/IMM record.

C14.2.1.2. Recording the appropriate financial transaction.

C14.2.1.3. Providing a basis for billing the customer.

C14.2.2. Processing points receiving requisitions, passing actions, follow-ups and cancellations, irrespective of format or method of transmission, will process such transactions in accordance with their respective internal procedures.

C14.2.3. Internal processing methods may vary due to automated capability and related procedures; however, the formats for output from processing point to requisitioner and between processing points will use the formats prescribed in this manual.

C14.2.*4*. Issue transactions are used to convey issue data to the ICP or IMM. ~~using DS 867I, Issue.~~ Issue transactions resulting from a backorder release are identified by issue transaction related Management Code M.

C14.2.**5.** Material from an Army Medical Material Agreement (AMMA) site may be issued using local catalog identification numbers.

C14.3. <u>MAINTAINING ACCOUNTABILITY DURING MAINTENANCE ACTIONS</u>

C14.3.1. <u>Applicability.</u> When responsibility for maintaining the property accountability record for DoD-owned property has been assigned to an activity other than the owner, the responsible activity shall execute the owner's actions set forth in this section.

C14.3.1.1. These procedures apply to issues from inventory for assembly, disassembly, reclamation, conversion, modification, repair, and destructive or nondestructive test/evaluation consigned by DoD, other Government (non-DoD) Agencies, and commercial activities. Transfers to SCC M are covered under Chapter 7.

C14.3.1.2. These procedures exclude repair and return of material owned below the wholesale distribution system. However, storage activities shall maintain visibility and the property accountability record for these assets pending issue to maintenance and upon their return from maintenance.

C14.3.2. <u>Requirements</u>

C14.3.2.1. <u>Collocated Storage Activity</u>. When the maintenance activity is collocated with a DoD storage activity, owners shall direct material into maintenance only from the collocated storage activity. When necessary, owners shall relocate material from remote storage activities to the storage activity collocated with the maintenance activity using DS to Federal IC 940R, Material Release. The action shall be posted to the property accountability record using either ***DS to Federal IC 867I*** *Issue Transaction (*Issue (Relocation)*)* or DS to Federal IC 945A, Material Release Advice, showing relocation between storage activities without change in ownership. The due-in and ARI for controlling such relocations, which are processed under Chapter 13, may include Management Code V to identify material for immediate issue to transfer to maintenance. The DoD Components may apply processing techniques triggered by Management Code V to preclude physical storage of the material pending its release to the maintenance activity.

C14.3.2.2. <u>Organic Maintenance.</u>. When material is scheduled for organic maintenance by DMISA or other inter-DoD Component agreement, the agreement shall specify property accountability and material control requirements. The agreement shall also indicate whether the owner (Principal) will direct the issue of material to the maintenance activity under this section or the storage activity will transfer the material to the maintenance activity based on the repair schedule and report the transfer to SCC M under Chapter 7.

C14.3.2.3. <u>DoD Component Actions</u>. Each DoD Component shall ensure that:

C14.3.2.3.1. Owned inventory in the hands of the Department of Defense, other Government (non-DoD), and commercial activities, is properly accounted for under the provisions of Chapters 6, Chapter 7, Chapter 12, and Chapter 13 and, for commercial maintenance, the provisions of the Federal Acquisition Regulation. This includes returns from field activities for repair and reissue as wholesale inventory. The DoD Components shall prescribe use of any required internal

codes to meet this requirement. (Responsibility of the owner (Principal for maintenance by DMISA)).

C14.3.2.3.2. Total item property records for material in the hands of maintenance activities are maintained and adjusted based on the quantity of material actually returned and shall support the DoD 7000.14-R accounting and reconciliation requirements. (Responsibility of the owner (Principal for maintenance by DMISA)).

C14.3.2.3.3. Contracts for commercial maintenance require the commercial activity to report or acknowledge receipt and report shipment or condemnation of material to the contracting officer (Responsibility of the agent for maintenance by DMISA).

C14.3.2.3.4. Any needed interface between the procurement and supply operations/functions exists to ensure that reported data is sent to the owner. (Responsibility of the agent for maintenance by DMISA). Arrangements may be made for commercial activities to report directly to the contracting officer and/or the owner using DLMS transactions.

C14.3.2.3.5. Reported data affecting inventory balances is recorded in the total item property record. (Responsibility of the owner (Principal for maintenance by DMISA)).

C14.3.2.4. Owners (Principals for maintenance by DMISA) shall issue material from storage for maintenance action using the process in subparagraph C14.3.2.1., above. Issues should be posted to the property accountability record using either the ~~DS 867I series of~~ *Issue T*ransactions, or an image of DS 945A. Include any internal coding needed for proper financial accounting in the transaction.

C14.4. <u>ISSUE TO DRMO OF SUPPLY CONDITION CODE (SCC) Q MATERIAL</u>. When an inspection or technical/engineering analysis reveals a product quality deficiency which prohibits further DoD use of the material, the ICP will direct the transfer of the material to the DRMO in SCC Q. Disposal release orders and related issue transactions for this material must cite either Management Code O (alpha) to identify deficient material which does not require mutilation or Management Code S to identify deficient material which requires mutilation. DRMS will perform mutilation in accordance with existing guidance for the NSN/type of material. The ICP should identify to DRMS any unique instructions for disposal requiring specific methods or information regarding hazardous constituents contained in the item.

C14.5. <u>BACKORDER TRANSACTIONS</u>. Backorder transactions are not considered essential to supply operations under DLMS (consensus reached by the DLMS Supply Process Review Committee (PRC).

C14.6. <u>DEMAND TRANSACTIONS</u>. Demand transactions, ~~*DS 867D, Demand Reporting*~~, may be used between supported activities and ICPs to report the establishment or cancellation of supply system demands, or may be used by ICPs as a technique for recording and accumulating demands for NSN items resulting from processing DLMS requisitions, passing orders, or other forms of supply system demands.

C14.7. LOAN TRANSACTIONS

C14.7.1. When authority is given to loan Government-owned material, supporting documentation pertaining to the terms and conditions of the loan will be maintained in a manual jacket file. As a minimum, the file should contain appropriate records to provide information on the purpose of the loan/authorization, location(s) of the material, condition of material at time of loan, loan duration, quantity, and value of material loaned.

C14.7.2. If accountability is dropped, *I*ssue *T*ransaction (loan) ~~*DS 867I*~~ shall be used to loan material from depot inventory to authorized recipients. Some centralized systems do not use *Issue Transactions* ~~*DS 867I*~~ for effecting issues; however, the method applied should show the issue of loan material for audit and accountability purposes. For a decentralized system, the ~~*DS 867I*~~ *Issue T*ransaction, if created by other than the IMM, may be used.

C14.8. SMCA FREEZE/UNFREEZE ACTION

C14.8.1. Processing of DS 846R, Location Reconciliation Request, transactions such as mismatched ~~*location audit*~~ *record* reconciliation requests or material release denials (DS 945A, Material Release Advice) may require the SMCA to freeze and, when resolved, to unfreeze wholesale assets at a specific storage activity for a given stock or part number, ownership/purpose code, and SCC.

C14.8.2. When such freeze or unfreeze action is taken, the SMCA shall provide SMCA *F*reeze/*U*nfreeze *A*ction *Transaction* (~~*DS 846F, Ammunition Freeze/Unfreeze)*~~) to the owning Component ICP for update of the ICP wholesale financial accountable records.

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