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IN REPLY  
REFER TO J-627

August 25, 2010

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC) 353A, Revised Procedures for Pre-positioned Materiel Receipt (PMR) and Shipment Status for Retrograde and Directed Discrepant/Deficient Materiel Returns Including Corrected Time Standard for Security Assistance/Foreign Military Sales (SA/FMS) (Supply/SDR/PQDR/TDR/Retrograde)

The attached change to DOD 4000.25-M, DLMS, is approved for phased implementation. Components should notify the DLA Logistics Management Standards Office (formerly DLMSO) when establishing an implementation schedule for use of the DLMS 856R outside the MILSTRIP Materiel Returns Program shipment status. New data elements may be transmitted on existing transactions no sooner than January 2011, with the understanding that these new data elements may not be recognized/received by the application processing the incoming transaction.

This document replaces ADC 353 in its entirety. The purpose of this revision is to correct the time standard applied directed return of SA/FMS materiel. Additionally, clarifying information is provided for implementation planning. No other procedural or data content changes are included and the DLMS Supplements are not impacted.

Addressees may direct questions to the DLA Logistics Management Standards Office points of contact, Ms. Ellen Hilert, MILSTRIP/SDR Administrator, 703-767-0676, DSN 427-0676, e-mail: [ellen.hilert@dla.mil](mailto:ellen.hilert@dla.mil); Ms. Mary Jane Johnson, MILSTRAP Administrator, 703-767-0677; DSN: 427; e-mail: [mary.jane.johnson@dla.mil](mailto:mary.jane.johnson@dla.mil); or Ms. Heidi Daverede, Transportation Primary, 703-767-5111, DSN 427-5111, e-mail: [heidi.daverede@dla.mil](mailto:heidi.daverede@dla.mil). Others must contact their Component designated representative.

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USTRANSCOM

## ADC 353A

### Procedures for PMR and Shipment Status for Retrograde and Directed Discrepant/Deficient Materiel Returns Including Corrected Time Standard for SA/FMS

#### 1. ORIGINATOR:

- a. **Requesting Service/Agency:** Navy, Naval Inventory Control Point
- b. **Originator:** NAVICP 0344.04, DSN 442-9477, commercial (215) 697-9477
- c. **Sponsor/Procedural Development:** DLA Logistics Management Standards Office (formerly DLMSO), Supply Process Review Committee Co-Chairs: Ms. Ellen Hilert, 703-767-0676 (DSN 427), e-mail: [ellen.hilert@dla.mil](mailto:ellen.hilert@dla.mil), and Ms. Heidi Daverede, Transportation Primary, 703-767-5111 (DSN 427), e-mail: [heidi.daverede@dla.mil](mailto:heidi.daverede@dla.mil)

2. **FUNCTIONAL AREA:** Primary: Supply; Secondary: Transportation

#### 3. REFERENCES:

- a. DoD 4000.25-M, Defense Logistics Management System, Volume 2, Supply: <http://www.dla.mil/j-6/dlmso/elibrary/manuals/dlms/v2.asp>.
- b. Defense Transportation Regulation (DTR), Part II, Cargo Movement: [http://www.transcom.mil/j5/pt/dtr\\_part\\_ii.cfm](http://www.transcom.mil/j5/pt/dtr_part_ii.cfm).
- c. Product Quality Deficiency Report Program, DLAD 4155.24/AR 702-7/SECNAVINST 4855.5B/AFI 21-115.
- d. DLA Logistics Management Standards Office (formerly DLMSO) memorandum dated July 01, 2010, subject: Approved Defense Logistics Management System (DLMS) Change (ADC) 353, Procedures for Pre-positioned Materiel Receipt (PMR) and Shipment Status for Retrograde and Directed Discrepant/Deficient Materiel Returns (Staffed as PDC 331).

4. **REQUESTED CHANGE:** ADC 353A revisions are highlighted in yellow. Revisions are limited to the SA/FMS time standard for discrepant return and the associated Estimated Due Date (EDD) for the Pre-positioned Materiel Receipt (PMR) Document. All other aspects of this document are carried forward from the original version without change.

a. **Description of Change:** This change provides notification of shipment of a returned item of supply and an appropriate PMR document. It proposes modification of the DLMS Supplements (DS) 856R and 527D and associated business rules to discretely identify the type of materiel return (discrepant/deficient return, retrograde) and provide a matching PMR and materiel returns shipment status to the receiving activity. This change specifically requires assignment of an appropriate Transportation Control Number (TCN) to retrograde and directed return shipments (to eliminate reuse).

**b. Background:**

(1) The DoD supply chain may require the return of supply items for a variety of reasons, beyond the familiar one of excesses turned in for credit under the MILSTRIP Materiel Returns Program (MRP). These returns include the exchange of Depot Level Repairable (DLR) Class IX repair parts as required by the Military Services' Exchange Pricing programs, the retrograde of forward-positioned retail stock back to a home location, or discrepant/deficient materiel as directed by a Supply Discrepancy Report (SDR), Product Quality Deficiency Report (PQDR), or Transportation Discrepancy Report (TDR) response. Many logistics business rules require that the return use the same document number as the related order/sale. This can cause duplication of data for Transportation Control Numbers (TCN), and prevents the use of standard status transactions (such as the 856S /AS\_ shipment status) which might be interpreted by logistics systems as referring to the non-return shipment.

(2) The Navy proposed to use a combination of enhanced returns-specific transactions (such as the 856R) and the addition of returns-specific indicators to common transactions (such as the 527D). This allows ample reporting of status within the DoD while preventing data confusion or collisions. This is the first in a series of DLMS changes intended to facilitate retrograde/returns processing..

(3) The DLA SDR Continuous Process Improvement (CPI)/Lean Six Sigma initiative and resulting review of process gaps identified a requirement for automated support for establishment of the due-in/PMR and shipment status associated with directed returns. This change is intended to support those requirements as well.

**(4) ADC 353A:** Subsequent to the publication of ADC 353, the Defense Security Cooperation Agency (DSCA) requested that the approved procedures revert to the original 180 day time standard for directed SA/FMS returns associated with discrepant/deficient materiel that is not classified/sensitive, pending the planned update to the Letter of Offer and Acceptance (LOA) Standard Terms and Conditions (ST&C).

**(a)** The LOA is the legally binding agreement between the U.S. Government and the foreign government. The LOA ST&C is the boiler plate document that's provided with every LOA. The ST&C states the FMS customer has 180 days to return discrepant materiel. DSCA has been trying to revise the LOA ST&C for over 2 years. It has required numerous meetings/reviews with DSCA lawyers as well as State Department lawyers. One of the changes to the LOA ST&C will be deleting any reference to the 180 day time standard for returns. Instead, the time standard will be identified in a note that is included on every FMS LOA. DSCA can change a note much easier than it can revise the LOA ST&C giving the U.S Government more flexibility and paving the way for a shorter time standard. Until the LOA ST&C are officially changed, the 180 day period will continue to be identified in every FMS LOA.

**(b)** The Military Departments are in agreement that the time period should be shortened as planned under ADC 353, but the implementation date must be delayed until the LOA revisions are approved and adopted.

**(c)** DSCA also clarified that implementation of a revised time period for directed SA/FMS returns will apply only to LOAs that include the revised LOA ST&C. The revised time

period will not be retroactive; therefore, it will not impact LOAs in existence prior to implementation of the revised LOA ST&C. The impact of the mixed environment on implementation planning will need to be investigated further and may be facilitated by future availability of Security Cooperation Enterprise Solution (SCES).

(d) In the interim, DSCA is working to improve the returns process. DSCA reports that one problem is due to downsizing and base closures over the years resulting in fewer OCONUS SDR turn-in points. These are the places where FMS customers turn in discrepant/deficient materiel as a result of an SDR when sending the materiel back to the U.S. via the Defense Transportation System (DTS). The FMS customers continue to ask DSCA for assistance in helping them locate a list of OCONUS SDR turn-in points, i.e. physical location and POC information. Numerous people from different U.S. Government organizations have tried to obtain this information with no luck. It seems no one knows who "owns" SDR turn-in points. DSCA personnel are working with the USTRANSCOM liaison officer located at DSCA to try and resolve this issue. DSCA believes USTRANSCOM is the owner of OCONUS SDR turn-in points. After some research, USTRANSCOM stated there is no longer a consolidated list of all the OCONUS SDR turn-in points. USTRANSCOM is looking into the possibility of creating such a list.

### **c. Procedures**

#### **(1) Overview:**

(a) A PMR, DLMS 527D/MILSTRAP DW\_, is required for all returns to a Defense Distribution Depot/storage activity. This requirement is applicable to DLMS-capable applications and legacy MILS applications. New procedures associated with the PMR are shown below.

(b) A materiel returns shipment status, DLMS 856R with enhanced data content, is required from DLMS-capable customers to report directed returns to the storage activity and the Inventory Control Point/Item Manager (ICP/IM) under the MILSTRIP Materiel Returns Program. New procedures associated with expanded use of the materiel returns shipment status are below.

(c) Passive Radio Frequency Identification (pRFID) and Item Unique Identification (IUID) shall be included in the DLMS materiel returns shipment status as required by DoD or Component policy. The procedures below accommodate inclusion of pRFID and IUID in association with the expanded use of the materiel returns shipment status. The 856R functionality as it related to pRFID and IUID are intended to be consistent with that of the 856S.

(d) Where DoD or Component policy directs return on a previously used document number (e.g. the original shipment to the customer), the value of the TCN cannot be derived from the document number. Instead, the returning activity/shipper shall construct a unique TCN in accordance with the DTR 4500.9-R, Appendix L, paragraph H; the DODAAC of the activity in record position 1-6 of this TCN is responsible to ensure that TCN numbers are unique. Note: The Navy intends to use "ZR" in positions 11-12 of the TCN to uniquely identify a block of TCNs for retrograde use.

(e) This change provides a mechanism to identify correction or reversal of the

materiel returns shipment status. This functionality may be supported only on an intra-Component basis where authorized and is not applicable to the MILSTRIP Materiel Returns Program.

(f) Updates to the DS 527D, PMR, to include revised content, is shown at Enclosure 1.

(g) Updates to the DS 856R, Materiel Returns Shipment Status, to include revised content, is shown at Enclosure 2. **Note:** This process uses the DLMS 856R at the ASC X12 Version 4030 which is designed to mirror some of the expanded data content carried in the DLMS 856S, Shipment Status.

(h) Updates to the DS 842A/W, Standard SDR Reply, to include revised content, is shown at Enclosure 3.

(i) Update to the DLMS manual for the proposed use of the PMR, the Materiel Returns Shipment Status, and the SDR reply are shown at Enclosure 4. Applicable changes to the DTR and the PQDR guidance are delegated to the responsible proponent.

## **(2) Detailed Procedures - Supply Discrepancy Report (SDR).**

**1 SDR Reply.** When directing return of discrepant materiel, the SDR reply shall indicate the number of days allowed for the customer to return the materiel to the designated location. The ICP shall require expedited return where appropriate, such as FMS classified/sensitive item returns and overage returns for back-ordered materiel not available within another customer's required delivery date. The return-to location shall be identified by DoDAAC or Commercial and Government Entity (CAGE) (for contractors where no DoDAAC is assigned). Clear text addresses may be included in addition to the coded address since customers may not have access to the authoritative address source. The SDR reply shall include the number of days allowed for the directed return as follows. This approved change revises existing SDR policy for directed returns time standards.

### **For U.S. Forces and non-Security Assistance (SA) customers:**

30 calendar days	Classified/sensitive items (wrong item/misdirected/misidentified)
<del>90</del> 45 calendar days	Returns within Combatant Command/geographic area
<del>120</del> 90 calendar days	Returns between Combatant Commands/geographic areas, e.g., between CONUS and OCONUS locations

### **For Security Assistance (SA) program customers:**

45 calendar days	Classified/sensitive items (wrong item/misdirected/misidentified or an unidentified item)
105 calendar days	Used in the return of an SDR exhibit is specifically requested, e.g. for testing/evaluation

195 ~~120~~ calendar days<sup>1</sup>

Used in the return of discrepant materiel (other than above)

**2 Associated Due-in and PMR**. The ICP/IM responsible for the SDR reply will take action to establish a due-in and generate a PMR transaction to the receiving activity. The PMR will include the return quantity and the appropriate supply condition code. Action to establish the due-in and create the PMR transaction will be accomplished under MILSTRAP/DLMS. The PMR shall perpetuate the document number associated with the SDR, normally the document number of the original shipment.

**1.** The DLMS PMR shall include a Return Type Code indicating the reason for the PMR as return of discrepant materiel.

**2.** For cross reference to the specific discrepancy report, the PMR shall perpetuate the DoD WebSDR control number associated with the SDR.

**3.** The PMR Estimated Delivery Date (EDD) indicating the time allowed for shipment and return of discrepant materiel will be based upon the date of the SDR reply directing the return. The EDD shall be calculated based upon the date of the initial SDR reply directing return from the storage activity when action activity responsibility has been delegated by the ICP/IM. The EDD is to be considered a “not to exceed” time standard established for system processing and does not necessarily equal the number of days identified in the SDR reply. The PMR EDD time standard for SDR returns was based upon the customer’s time standards for return shown above.

**EDD**

**Usage**

**For U.S. Forces and non-Security Assistance (SA) customers:**

30 calendar days	Classified/sensitive items (wrong item/misdirected/misidentified)
45 calendar days	Returns within Combatant Command/geographic area
90 calendar days	Returns between Combatant Commands/geographic areas, e.g., between CONUS and OCONUS locations (U.S.)

**For Security Assistance (SA) program customers:**

45 calendar days	Classified/sensitive items (wrong item/misdirected/misidentified or an unidentified item)
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105 calendar days

Used in the return of an SDR exhibit when specifically requested, e.g. for testing/evaluation

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<sup>1</sup> The FMS customer has 180 days from receipt of the discrepancy/deficiency report response from the Military Departments International Logistics Control Office (ILCO). The 195 days is from the U.S. Government SDR action activity perspective and includes the 15 day ILCO processing time authorized for review and forwarding of the action activity’s SDR response.

**3 Materiel Returns Shipment Status.** DLMS capable returning activities shall prepare the DLMS materiel returns shipment status (856R) citing the Return Type Code, identifying the reason for the shipment status as discrepant materiel return. The shipment status shall perpetuate the SDR control number, where electronic interface is available to facilitate inclusion of this data content. The materiel returns shipment status shall include pRFID and item unique identification (IUID) in accordance with DoD/Component policy. The return-to location shall be perpetuated from the SDR reply using the applicable DoDAAC or CAGE Code. The shipment status shall be directed to both the return-to activity (if identified by DoDAAC) and to the applicable ICP/IM. DAAS shall transmit to DLMS capable activities as identified.

**4 Updated EDD.** Upon receipt of materiel returns shipment status, the ICP/IMM shall recalculate the EDD to equal the original time allowed for shipment and return of materiel (i.e., re-set the EDD using the date of the shipment status as the starting date, comparable to MILSTRIP Materiel Returns Program EDD procedures) and provide an replacement PMR to the receiving location. This action will ensure both records have the same EDD date.<sup>2</sup>

**5 Monitoring for Return.** The ICP/IM and the ILCO shall monitor for directed returns. Follow-up with the receiving activity, and potentially the customer, is required where classified/sensitive materiel has not been returned by the EDD. The ICP/IM shall use automated research tools to determine status where applicable: query for materiel returns shipment status in WEBVLIPS, transportation shipment status in Global Transportation Network (GTN), and Report of Shipment (REPSHIP) in Intelligence Road/Rail Information Server (IRRIS). Off-line communication with the shipper may be necessary to determine the status of the materiel. The ICP shall verify that proper discrepancy procedures are followed for materiel reported in-transit and not received. If shipment was delayed an updated EDD shall be identified and disseminated. [Staffing Note: New procedures for electronic follow-up using the DLMS 180M, Materiel Returns Reporting, mirroring the MILSTRIP FT6, ICP/IMM Follow-up, will be addressed in a separate PDC. OSD-Transportation Policy and USTRANSCOM are pursuing enhanced REPSHIP procedures and integrating automated support for REPSHIPS and receipts at destination.]

**6** For non-classified/sensitive returns, in the event that the ICP/IM requires advice of shipment to support related supply decisions and neither the materiel nor shipment status have been received, the ICP/IM may follow-up with the customer. Follow-up for non-classified/sensitive returns is optional except when return shipment status was provided and materiel was not received. If the non-classified/sensitive returns are not received by the EDD and no transportation shipment status in GTN exists and no materiel returns shipment status was provided or the customer is non-responsive to ICP/IM follow-up, the ICP/IM will initiate cancellation of the due-in/PMR and take appropriate financial action, i.e., reversal of credit previously provided or billing for materiel not returned. If the EDD was re-set based upon

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<sup>2</sup> **Note:** This change does NOT impose revisions to the PMR EDD time standards for the MILSTRIP MRP. Although these procedures for calculation and update of the PMR EDD are based upon the MILSTRIP Materiel Returns Program (MRP), the PMR EDD time standards for directed discrepant/deficient returns and retrograde are shorter. As implemented by DLA, the business rules for the MRP are noted here for clarification of the process.

1. The PMR EDD will start out as 120 days CONUS / 180 days OCONUS from date in ICP response (FTR).

2. ICP will update PMR date based supply status (FTL) with an estimated shipping date. Date will be 120/180 from ESD.

3. ICP will again update PMR date based upon shipment status (FTM). Date will be 120/180 from date FTM is posted.

shipment status and the materiel is not received by the new EDD, the ICP/IM will follow-up with the shipper to determine the status of the return. The ICP shall initiate cancellation of the PMR and establishment of a new PMR if the originally planned receiving location is changed. Off-line communication with the shipper may be necessary to determine the status of the materiel. The ICP shall verify that proper discrepancy procedures are followed for materiel reported in-transit and not received.

**(3) Detailed Procedures - Product Quality Deficiency Report (PQDR).**

(a) **PQDR Reply.** When directing return of deficient materiel/exhibits, the PQDR reply shall include the date (or number of days) by which the customer must return the materiel to the designated location. The return-to location will be identified by DoDAAC or CAGE. Clear text addresses may be included in addition to the coded address since all customers may not have access to the authoritative address source.

(b) **Associated Due-in and PMR.** When directing return of deficient materiel/PQDR exhibit to distribution depots, the ICP/IMM will establish a due-in and generate a PMR transaction to the receiving activity for the materiel return/exhibit quantity using Supply Condition Code Q. Action to establish the due-in and create the PMR transaction will be accomplished under MILSTRAP/DLMS by the activity directing the return. The PMR shall perpetuate the document number associated with the PQDR, normally the document number of the original shipment. If not available a constructed document number will be assigned for use in the PMR, the return shipment, and future financial actions. The DLMS PMR shall include the Return Type Code indicating the reason for the PMR as return of quality deficient materiel and shall perpetuate the PQDR report control number (RCN). The Due-in Estimated Delivery Date (EDD) indicating the time allowed for shipment and return of deficient materiel will be based upon the date of the PQDR reply directing the return. The EDD is to be considered a “not to exceed” time standard established for system processing and does not necessarily equal the number of days identified in the PQDR reply. The PMR EDD will be established as follows.

EDD	Usage
45 calendar days	Non-SA returns within Combatant Command/geographic area (U.S. Forces)
90 calendar days	Non-SA returns between Combatant Commands/geographic areas, e.g., between CONUS and OCONUS locations (U.S. Forces)
105 calendar days	SA exhibit returns - Used in the return of an SDR exhibit for suspected quality deficiency when specifically requested, e.g. for testing/evaluation
195 <del>120</del> calendar days	SA returns

(c) **Materiel Returns Shipment Status.** DLMS capable returning activities shall prepare DLMS materiel returns shipment status (856R) citing the Return Type Code, indicating the reason for the shipment status as deficient materiel return. The materiel returns shipment status shall perpetuate the PQDR RCN. The materiel returns shipment status shall include pRFID and



item unique identification (IUID) in accordance with DoD/Component policy. The return-to location shall be perpetuated from the PQDR response using the applicable DoDAAC or CAGE Code. The shipment status shall be directed to both the return-to activity (if identified by DoDAAC) and to the applicable ICP/IM. DAAS shall transmit to DLMS capable activities as identified.

(d) **Updated EDD.** Upon receipt of materiel returns shipment status, the ICP/IMM shall recalculate the PMR EDD to equal the original time allowed for shipment and return of materiel (i.e., re-set the EDD using the date of the shipment status as the starting date, comparable to MILSTRIP Materiel Returns Program EDD procedures) and provide a replacement PMR under MILSTRAP procedures to the receiving location. This action will ensure both records have the same EDD date.

(e) **Monitoring for Return.** The ICP/IM and the ILCO shall monitor for directed returns. Follow-up with the receiving activity, and potentially the customer, is required where materiel/PQDR exhibit has not been returned by the EDD. The ICP/IM shall use automated research tools to determine status where applicable: query for materiel returns shipment status in WEBVLIPS, transportation shipment status in Global Transportation Network (GTN), and Report of Shipment (REPSHIP) in Intelligence Road/Rail Information Server (IRRIS). The ICP shall verify that proper discrepancy procedures are followed for materiel reported in-transit and not received. [Staffing Note: New procedures for electronic follow-up using the DLMS 180M, Materiel Returns Reporting, mirroring the MILSTRIP FT6, ICP/IMM Follow-up, will be addressed in a separate PDC. OSD-Transportation Policy and USTRANSCOM are pursuing enhanced REPSHIP procedures and integrating automated support for REPSHIPS and receipts at destination.]. The originator of the PMR shall cancel the PMR if circumstances have changed and materiel will not be returned as directed. The PMR shall be cancelled and a new PMR established if the originally planned receiving location is changed.

#### (4) Detailed Procedures - Transportation Discrepancy Report (TDR).

(a) **TDR Reply.** When directing return of materiel associated with a TDR, the TDR reply shall include the date by which the reporting activity must return the materiel to the designated location. The return-to location will be identified by DoDAAC. Clear text addresses may be used in addition to the coded address.

(b) **Associated Due-in and PMR.** When directing return of discrepant materiel, the ICP/IM responsible for the TDR reply will take action to establish a due-in and generate a PMR transaction to the receiving activity for the quantity in the TDR reply. Action to establish the due-in and create the PMR transaction will be accomplished under MILSTRAP/DLMS. The PMR shall perpetuate the return document number associated with the document number of the original shipment or as assigned by the ICP/IM.

**1.** The DLMS PMR shall include a Return Type Code indicating the reason for the PMR as return of transportation-related discrepant materiel.

**2.** For cross reference to the specific discrepancy report, the PMR shall perpetuate the control number associated with the TDR.

3. The Due-in Estimated Delivery Date (EDD) indicating the time allowed for shipment and return of deficient materiel will be based upon the date of the TDR response directing the return. The EDD is to be considered a “not to exceed” time standard established for system processing and does not necessarily equal the number of days identified in the TDR reply. The PMR EDD will be established as follows.

EDD	Usage
45 calendar days	Non-SA returns within Combatant Command/geographic area
90 calendar days	Non-SA returns between Combatant Commands/geographic areas, e.g., between CONUS and OCONUS locations
195 <del>120</del> calendar days	SA returns

(c) **Materiel Returns Shipment Status.** DLMS capable returning activities shall prepare DLMS materiel returns shipment status (856R) citing the Return Type Code indicating the reason for the shipment status is applicable to a TDR directed return. The materiel returns shipment status shall perpetuate the TDR control number. The materiel returns shipment status shall include pRFID in accordance with DoD/Component policy. The return-to location shall be perpetuated from the TDR response using the applicable DoDAAC. The shipment status shall be directed to both the return-to activity and the activity directing the return. DAAS shall transmit to DLMS capable activities as identified.

(d) **Updated EDD.** Upon receipt of materiel returns shipment status, the ICP/IMM shall recalculate the PMR EDD to equal the original time allowed for shipment and return of materiel (i.e., re-set the EDD using the date of the shipment status as the starting date, comparable to MILSTRIP Materiel Returns Program EDD procedures) and provide a replacement PMR under MILSTRAP procedures to the receiving location. This action will ensure both records have the same EDD date.

(e) **Monitoring for Return.** The ICP/IMM and ILCO shall monitor for receipt. Follow-up with the receiving activity, and potentially the customer, is required where materiel has not been returned by the EDD. The ICP/IM shall use automated research tools to determine status where applicable: query for materiel returns shipment status in WEBVLIPS, transportation shipment status in Global Transportation Network (GTN), and Report of Shipment (REPSHIP) in Intelligence Road/Rail Information Server (IRRIS). The ICP shall verify that proper discrepancy procedures are followed for materiel reported in-transit and not received. [Staffing Note: New procedures for electronic follow-up using the DLMS 180M, Materiel Returns Reporting, mirroring the MILSTRIP FT6, ICP/IMM Follow-up, will be addressed in a separate PDC. OSD-Transportation Policy and USTRANSCOM are pursuing enhanced REPSHIP procedures and integrating automated support for REPSHIPs and receipts at destination.]. The originator of the PMR shall cancel the PMR if circumstances have changed and materiel will not be returned as directed. The PMR shall be cancelled and a new PMR established if the originally planned receiving location is changed.

**(5) Detailed Procedures - Retrograde Returns.** These procedures apply to returns for which materiel returns shipment status (DLMS 856R/DI Code FTM) is not provided under the above MILSTRIP Materiel Returns Program.

(a) When directing return of materiel (for return, replacement, or other reason), the ICP/IMM shall include the date by which the reporting activity must return the materiel to the designated location. The return-to location will be identified by DoDAAC or CAGE. Clear text addresses may be included in addition to the coded address since customers may not have access to the authoritative address source. Retrograde returns not subject to ICP/IMM direction shall be returned in accordance with Component procedures.

(b) **Associated Due-in and PMR.** When directing return the ICP/IMM will establish a due-in and generate a PMR transaction to the receiving activity for the applicable quantity. Action to establish the due-in and create the PMR transaction will be accomplished under MILSTRAP/DLMS. Where the returning activity self-initiates the return, the returning activity shall be responsible for preparation of the PMR. The PMR shall perpetuate the return document number. The DLMS PMR shall include a Return Type Code indicating the reason for the PMR as return of materiel for repair (including exchange price returns)/retrograde movement. The PMR Estimated Delivery Date (EDD) indicating the time allowed for shipment and return of materiel will be based upon the date of the directed return or generation of PMR where the return is initiated by the returning activity. The EDD is to be considered a “not to exceed” time standard established for system processing and does not necessarily equal the number of days identified in the in a directed retrograde action. The PMR EDD will be established as follows.

EDD	Usage
45 calendar days	Returns within Combatant Command/geographic area
90 calendar days	Returns between Combatant Commands/geographic areas, e.g., between CONUS and OCONUS locations

(c) **Materiel Returns Shipment Status.** DLMS capable returning activities shall prepare DLMS materiel returns shipment status (856R) citing the Return Type Code indicating the reason for the shipment status is applicable to return/retrograde movement. The materiel returns shipment status shall perpetuate the associated document number. The return-to location shall be identified using the applicable DoDAAC or CAGE. The materiel returns shipment status shall include pRFID and IUID in accordance with DoD/Component policy. The materiel returns shipment status shall be directed to both the return-to activity (if identified by DoDAAC) and to the applicable ICP/IM. DAAS shall transmit to DLMS capable activities as identified.

(d) **Updated EDD.** Upon receipt of materiel returns shipment status, the ICP/IMM shall recalculate the PMR EDD to equal the original time allowed for shipment and return of materiel (i.e., re-set the EDD using the date of the shipment status as the starting date, comparable to MILSTRIP Materiel Returns Program EDD procedures) and provide a replacement PMR under MILSTRAP procedures to the receiving location. This action will ensure both records have the same EDD date.

(e) **Monitoring for Return.** The ICP/IMM shall monitor for receipt. Follow-up with the receiving activity, and potentially the returning activity, is required where materiel has not been returned by the EDD. The ICP/IM shall use automated research tools to determine status where applicable: query for materiel returns shipment status in WEBVLIPS, transportation shipment status in Global Transportation Network (GTN), and Report of Shipment (REPSHIP) in Intelligence Road/Rail Information Server (IRRIS). The ICP shall verify that proper discrepancy procedures are followed for materiel reported in-transit and not received. [Staffing Note: New procedures for electronic follow-up when no shipment status is received using the DLMS 180M, Materiel Returns Reporting, mirroring the MILSTRIP FT6, ICP/IMM Follow-up, will be addressed in a separate PDC. OSD-Transportation Policy and USTRANSCOM are pursuing enhanced REPSHIP procedures and integrating automated support for REPSHIPS and receipts at destination.]. The originator of the PMR shall cancel the PMR if circumstances have changed and materiel will not be returned as directed. The PMR shall be cancelled and a new PMR established if the originally planned receiving location is changed.

(6) **Alternatives:** N/A.

## 5. REASON FOR CHANGE:

a. The existing DLMS 856R and 527D do not permit full reporting of returns shipments or identify pre-positioned materiel receipts as relating to returns. This change supports Component reverse logistics processes. The change specifically includes support for the Navy where the return document number matches a previously utilized requisition number for the purpose of tracking the return.

b. Providing the PMR and materiel returns shipment status to the return-to activity and the ICP supports facilitated receiving functions in association with passive Radio Frequency Identification (pRFID) and item unique item identification (IUID) for retrograde/returns as well as in-transit visibility and tracking requirements.

## 6. ADVANTAGES AND DISADVANTAGES:

a. **Advantages:** These changes would for the first time create a transactional framework for reverse logistics analogous to that for requisitions, without creating data collisions.

b. **Disadvantages:** Legacy applications using MILS will not be able to utilize the enhanced returns shipment status since it does not map to an existing MILSTRIP transaction.

## 7. IMPACT:

### a. Data/Content/Procedures:

(1) The DS 856R and 527D will be updated as shown. Navy will submit an additional DLMS change the use of the 180M for DLR Exchange returns, and, possibly for the 870M returns status.

(2) DLA will submit a PDC documenting revised procedures for update/replacement of the PMR to reflect current Distribution Standard System (DSS) capability to accept an updated PMR as an overlay (without reversal of the original PMR).

(3) Verify that WebVLIPS, the DAAS "R" Table, the DAAS "A" Table, and the DAAS "V" Table will function appropriately with the introduction of these additional shipment status (856) transactions.

(4) Ensure that the data required to build the XML Visibility Response messages can be compiled based on the 856R data, when applicable.

(5) Verify that the Materiel Receipt Acknowledgement (MRA) Report will not react to the 856R messages (regardless of usage, these will never be applicable to the MRA report).

(6) The DSCA, Implementing Agencies, and Business Transformation Agency (BTA) are currently developing the Security Cooperation Enterprise Solution (SCES) which should take the requirements identified in this ADC into consideration for DLMS compliance. The ability to submit returns shipment status is not otherwise available.

(7) Planned Navy actions subsequent to ADC 353 publication:

(a) Submit an additional DLMS change documenting required changes to the DD1348-1A to accommodate additional data elements unique to retrograde.

(b) Submit an additional DLMS change documenting ATAC node/hub procedures for non-standard MILSTRAP use of the 527R Receipt, Inquiry, Response and MRA, and 867I Issue.

(c) Initiate with USTRANSCOM Defense Transportation Regulation Administrator a DTR 4500.9-R, Appendix L, paragraph H change to allow alphanumeric in positions 12-14 of the TCN.

(d) Initiate data maintenance (DM) request with USTRANSCOM Defense Transportation Electronic Business (DTEB) committee adding a Returns indicator to the 856A Shipment Consolidation and Due-in Notice, 315N Transportation Node Status Report, 858B Transportation Control & Movement Document (TCMD), and 858R Freight Bill of Lading.

(e) Initiate DM request with USTRANSCOM DTEB to add a de-aggregation capability to the 856A Receipt/Shipment-Consolidation/Due-In/REPSHIP Notice.

(f) Submit to USTRANSCOM DTEB a proposed new transaction for retrograde transportation service requests (planned and actual) for shipments being lifted by the Navy's Combat Logistics Force (CLF) ships.

(1) Use of the DLMS 856R, Materiel Returns Shipment Status, must be reviewed by the Army for integration with procedures developed under ADC 274, DLMS and DLSS Changes to Support Army Exchange Pricing.

(2) The Security Cooperation Enterprise Solution (SCES) must incorporate capability to provide Materiel Returns Shipment Status via DLMS for directed discrepant/deficient returns to reduce risk of unnecessary follow-ups to the ILCO and to allow EDDs to be systemically recalculated based upon the actual shipment date.

#### **b. Conversion Mapping:**

(1) Only 856Rs/MILSTRIP associated with the FTM are applicable for conversion by DAAS, excluding all the enhanced uses of the 856R under this change.

(2) All PMRs for returns may be converted between the 80-record position format and the DLMS. Enhanced data content identified in this change is not applicable to the 80 record position format.

(3) DAAS shall apply Return Type Code (Qualifier KYL, Key Event Lookup) = M, Directed Return under Materiel Returns Program, for returns status originated in MILS format (FTM).

c. DLMS Data: This change clarifies and expands the use of existing data elements. Obsolete transaction content is removed. This change establishes new data elements for the Return Type Code and TDR Control Number.

- **Return Type Code:** A code used in the PMR and Materiel Returns Shipment Status to identify the reason for the return shipment. Applicable values are listed below. (Mapped to Data Element 1270, Qualifier KYL Key Event Lookup)
  - S = Directed return of discrepant materiel associated with a SDR
  - Q = Directed return of quality deficient materiel associated with a PQDR (including Security Assistance quality SDR)
  - T = Directed return associated with a TDR
  - R = Retrograde (general retrograde movement of unit materiel)
  - X = Carcass return under Component exchange pricing rules
  - M = MILSTRIP Materiel Returns Program (FTM)
  - O = Other return not identified above
- **Transportation Discrepancy Report (TDR) Control Number:** This value is the control number applicable to the TDR.
- **Prior Requisition Document Number:** This data element was established under ADC 352, Management Code for PQDR Replacement Requisitions. This change provides an additional usage. This is the document number used in the PMR and Materiel Returns Shipment Status to identify document number under which the materiel was originally requisitioned when the materiel had to be re-requisitioned due to a deficiency on the original requirement and is now returned under the second document number.

d. **Publication(s):** The changes to DoD 4000.25-M, Defense Logistics Management Systems Manual, Volume 2, are included as Enclosure 4. Updates to implementing procedures for PQDR, TDR, and Component-directed retrograde process, including references 3b and 3c, are required.

e. **Implementation:** Phased implementation is authorized for any portion of this change. Components must ensure that new data content in DLMS transactions does not cause transaction failure. Components should notify the DLA Logistics Management Standards Office (formerly DLMSO) when establishing an implementation schedule for use of the DLMS 856R outside the MILSTRIP Materiel Returns Program shipment status. New data elements may be transmitted on existing transactions no sooner than January 2011, with the understanding that they may not be recognized/received by the application processing the incoming transaction. Revisions to time standards for SA/FMS directed returns will be coordinated separately subsequent to removal of the 180 time standard from the LOA ST&C and adoption of the new standards within the LOA notes. Implementation of the planned 120 day standard time period for FMS returns may also be dependent upon completion of LOAs in effect prior to the transition, as the new standards will not be retroactive.

**Enclosure 1 - DS 527D, Due-in/Advance Receipt/Due-In Verification**

#	<u>Location</u>	<u>527D Revision</u>	<u>Explanation</u>
1.	DLMS Introductory Note:	<p>Add ADC 353 to DLMS Introductory notes.</p> <p><b>- ADC 353, Procedures for Pre-positioned Materiel Receipt (PMR) and Shipment Status for Retrograde and Directed Discrepant/Deficient Materiel Returns</b></p>	To identify DLMS changes included in the DS.
2.	1/N101/70	<p><u>PDC revisions adopted under separate DLMS Change.</u></p> <p><b>DLMS Note.</b>  <i>2. For Prepositioned Materiel Receipt/Advance Receipt Information (PMR/ARI) transactions (1/BR02/20 code DE), use code KA to identify the ICP to which the receipt will be reported. This will normally be the party generating the PMR (advance receipt). Repeat the N1 loop to use Qualifier 41 when the party returning materiel and preparing the PMR transaction is different from the party to which the receipt will be reported.</i></p> <p><b>41 Submitter</b>  <b>DLMS Note:</b>  <i>1. Use to identify the party preparing the PMR/ARI when the receipt is to be reported to another organization.</i>  <i>2. DLMS enhancement; see introductory DLMS note 4a. Refer to ADC 353.</i></p>	<p>No change. Shown here for continuity. This revision was originally proposed in PDC 331. It was approved under separate ADC and is already available in the approved Supplement.</p> <p>The change supports procedures where the PMR is generated by the party originating the return and the resulting receipt will be reported to the ICP/IMM.</p> <p>Additionally, this provides DLMS functionality to satisfy a USAF work-around whereby DAAS is required to overlay the MILSTRAP DW_Routing Identifier-From (rp 4-6) with the IM RIC.</p>
3.	2/N901/90	<p><u>Add Qualifier “NN” and DLMS Note.</u></p> <p><b>NN Nonconformance Report Number</b>  <b>DLMS Note:</b>  <i>1. Use to identify the DoD WebSDR control number associated with the SDR Reply directing the return. Recommended for inclusion in the PMR where an automated interface with the discrepancy reporting application is available.</i>  <i>2. DLMS enhancement. Refer to ADC 353.</i></p>	<p>Included for cross-reference.</p> <p>The ADC simplifies the rules by requiring the DoD WebSDR Control number in lieu of multiple numbers including the individual Component application control numbers.</p> <p>The ADC authorizes only on TDR control number per PMR.</p>
4.	2/N901/90	<p><u>Add Qualifier “D9” and DLMS Note.</u></p> <p><b>D9 Claim Number</b>  <b>DLMS Note:</b>  <i>1. Use to identify the TDR control number directing the return. Recommended for inclusion in the PMR where an automated interface with the discrepancy reporting application is available.</i>  <i>2. DLMS enhancement. Refer to ADC 353.</i></p> <p><u>Add Qualifier “QR” and DLMS Note.</u></p> <p><b>QR Quality Report Number</b>  <b>DLMS Note:</b>  <i>1. Use to cite the PQDR report control number (RCN) directing the return. Recommended for inclusion in the PMR where an automated interface with the discrepancy reporting application is available.</i>  <i>2. DLMS enhancement; see introductory DLMS note 3a. Refer to ADC 353.</i></p>	<p>Included for cross-reference.</p> <p>The ADC authorizes only on control number per PMR.</p>

#	<u>Location</u>	<u>527D Revision</u>	<u>Explanation</u>
5.	2/N901/90	<p>Add Qualifier “CR” and DLMS note.</p> <p><b>CR Customer Reference Number</b>  <b>DLMS Note:</b>  <i>1. Use the Customer Reference Number to cross reference to the requisition number under which the materiel was ordered, when it differs from the turn-in document number used with code TN. This only applicable to retrograde shipments occurring subsequent to a PQDR and replacement requisitioning.</i>  <i>2. DLMS enhancement. Refer to ADC 353.</i></p>	<p>Included for cross-reference. Navy provided clarification for this field: CR identifies the original customer order number for PQDRs where the customer requisitioned a part on document number A and turned in their carcass on document number A. Then they did a PQDR on the A-condition they got under document number A. They also reorder on document number B because they still need a good part for whatever requirement drove the original requisition A. But now they have to turn in the PQDR exhibit as the carcass for requisition B, so they'll use document number B as the retrograde document number. The PQDR managers should know that RCN 1 refers to requisition A and retrograde B, but the PQDR folks asked if we could include document number A as additional info in the exhibit retrograde which is turned in under document number B.</p> <p>The mapping to X12 was modified to use Qualifier CR (in lieu of CO) to prevent conflict with another Navy requirement.</p>
7.	2/LQ01/130	<p>Delete Qualifier “HD” and DLMS note.</p> <p><del><b>HD Discrepancy Status or Disposition Code</b></del>  <del><b>DLMS Note:</b></del>  <del><i>1. Use in due in and advance receipts to identify discrepant materiel.</i></del>  <del><i>2. DLMS enhancement; see introductory DLMS note 4a.</i></del></p> <p>Add Qualifier “KYL” and DLMS Note.</p> <p><b>KYL Key Event Lookup</b>  <b>DLMS Note:</b>  <i>1. Use to identify the Return Type Code.</i>  <i>2. Enter the applicable value in LQ02:</i>  <i>S = Directed return of discrepant materiel associated with a SDR</i>  <i>Q = Directed return of quality deficient materiel associated with a PQDR (including Security Assistance quality SDR)</i>  <i>T = Directed return associated with a TDR</i>  <i>R = Retrograde (general retrograde movement of unit materiel )</i>  <i>X = Carcass return under Component exchange pricing rules</i></p>	<p>Original placeholder removed and new data element added to identify the reason for the return.</p>



#	<u>Location</u>	<u>527D Revision</u>	<u>Explanation</u>
		<i>M = MILSTRIP Materiel Returns Program (FTM)</i> <i>O = Other return not identified above</i> <b>3. DLMS enhancement. Refer to ADC 353.</b>	

Enclosure 2 - 856R, Shipment Status Materiel Returns

#	<u>Location</u>	<u>856R Revision</u> <u>Version 4030</u>	<u>Explanation</u>
1.	DLMS Introductory Note:	<p><u>Add ADC 353 to DLMS Introductory notes.</u></p> <p><b>- ADC 353, Procedures for Pre-positioned Materiel Receipt (PMR) and Shipment Status for Retrograde and Directed Discrepant/Deficient Materiel Returns</b></p>	To identify DLMS changes included in the DS.
2.	1/BSN01/0200	<p><u>Add Qualifier “01” and DLMS Note.</u></p> <p><b>01 Cancellation</b> <b>DLMS Note:</b></p> <ol style="list-style-type: none"> <li>1. Use when a shipment status must be reversed. Cancellations shall not be used unless the materiel is still on hand.</li> <li>2. Applicable when used for retrograde returns and directed returns of discrepant/deficient materiel (BSN06/640/Code RD). Not applicable to MILSTRIP Materiel Returns Program except as authorized for intra-Component use.</li> <li>3. DLMS enhancement. Refer to ADC 353.</li> </ol> <p><u>Add Qualifier “CO” and DLMS Note.</u></p> <p><b>CO Corrected</b> <b>DLMS Note:</b></p> <ol style="list-style-type: none"> <li>1. Use to correct shipment information (e.g., TCN or RFID tag number).</li> <li>2. Applicable when used for retrograde returns and directed returns of discrepant/deficient materiel. Not applicable to MILSTRIP Materiel Returns Program except as authorized for intra-Component use.</li> <li>3. DLMS enhancement. Refer to ADC 353.</li> </ol>	New capability to cancel a returns shipment status.
3.	1/BSN06/0200	<p><u>Revise DLMS Note.</u></p> <p><b>FT Materiel Returns</b> DLMS Note: <del>Must</del> Use to indicate this transaction <del>set</del> provides shipment status information related to materiel returns <b>program</b> transactions (<b>MILSTRIP FTM, Shipment Status (Customer Status to ICP/IMM)</b>). For all other types of returns, use Code RD.</p> <p><u>Add Qualifier “RD” and DLMS Note.</u></p> <p><b>RD Returns Detail</b> <b>DLMS Note:</b></p> <ol style="list-style-type: none"> <li>1. Use for retrograde shipment for return or repair which fall outside the scope of the MILSTRIP Materiel Returns Program asset reporting.</li> <li>2. Use when seeking intra-Service DLR Exchange Pricing credit for materiel turn-in.</li> <li>3. Use when shipping directed return of discrepant/deficient materiel associated with a Supply Discrepancy Report (SDR), Product Quality Deficiency Report (PQDR), or Transportation Discrepancy Report (TDR).</li> <li>4. Use in conjunction with a Return Type Code to identify the reason for the return (LQ01= KYL).</li> <li>5. DLMS enhancement. Refer to ADC 353.</li> </ol>	Clarification added to distinguish from new uses for materiel returns shipment status. Transactions using code FT will be available for conversion by DAAS to MILSTRIP format. Transactions using new value RD will not convert to MILSTRIP.

#	<u>Location</u>	<u>856R Revision Version 4030</u>	<u>Explanation</u>
4.	1/BSN07/0200	<p><u>Delete Qualifier “W05” and DLMS Note.</u></p> <p><del><b>W05 Order Discrepancy</b></del>  <del>DLMS Note: 1. Use to indicate when the shipment status is related to return of discrepant or deficient material.</del>  <del>2. DLMS enhancement; see introductory DLMS note 3a.</del></p>	<p>Replaced by more generic “RD” qualifier in the beginning segment. The Event Lookup value is used to identify the specific reason for return.</p>
5.	2/REF01/1500	<p><u>Revise DLMS Note.</u></p> <p><b>TN Transaction Reference Number</b>  <b>DLMS Note:</b>  Must use in every 2/HL/0100 transaction reference number loop to identify the <del>original customer assigned</del> document number associated with the materiel return.</p> <p><b>TG Transportation Control Number (TCN)</b>  <b>DLMS Note:</b>  1. Must use in every 2/HL/0100 transaction reference number loop to identify the shipment unit TCN.  2. <i>Reuse/duplication of a previously used TCN is not permitted. If the controlling document number for the retrograde or directed return is the same as the original shipment, a unique TCN (not derived from the original document number) must be identified.</i></p>	<p>In the expanded use under this proposal, it is possible that the document number for the directed return may be assigned by the activity directing the return.</p> <p>Provides specific guidance for TCN assignment.</p>
6.	2/REF01/1500	<p><u>Add Qualifier “NN” and DLMS Note:</u></p> <p><b>NN Nonconformance Report Number</b>  <b>DLMS Note:</b>  1. <i>Use to identify the DoD WebSDR control number applicable to the SDR Reply directing the return. Recommended for inclusion in the PMR where an automated interface with the discrepancy reporting application is available.</i>  2. <i>DLMS enhancement. Refer to ADC 353.</i></p> <p><u>Add Qualifier “D9” and DLMS Note:</u></p> <p><b>D9 Claim Number</b>  <b>DLMS Note:</b>  1. <i>Use to identify the TDR control number directing the return. Recommended for inclusion in the PMR where an automated interface with the discrepancy reporting application is available.</i>  2. <i>DLMS enhancement. Refer to ADC 353.</i></p> <p><u>Add Qualifier “QR” and DLMS Note:</u></p> <p><b>QR Quality Report Number</b>  <b>DLMS Note:</b>  1. <i>Use to cite the PQDR report control number (RCN) directing the return. Recommended for inclusion in the PMR where an automated interface with the discrepancy reporting application is available.</i>  2. <i>DLMS enhancement. Refer to ADC 353.</i></p>	<p>Included for cross-reference. The ADC authorizes only one associated discrepancy/deficiency report control number per status transaction (the originally proposed version allowed multiples).</p>

#	<u>Location</u>	<u>856R Revision Version 4030</u>	<u>Explanation</u>
		<p><u>Add Qualifier “CR” and DLMS Note:</u></p> <p><b>CR Customer Reference Number</b>  <b>DLMS Note:</b>  <i>1. Use the Customer Reference Number to cross reference to the requisition number under which the materiel was ordered, when it differs from the turn-in document number used with code TN. This only applicable to retrograde shipments occurring subsequent to a PQDR and replacement requisitioning.</i>  <i>2. DLMS enhancement. Refer to ADC 353.</i></p>	<p>See note associated with Customer Reference Number in Enclosure 1 for further clarification.</p>
7.	2/N101/2200	<p><u>Delete Qualifier “CN” and DLMS Note.</u></p> <p><del><b>CN Consignee</b>  <b>DLMS Note:</b>  <i>1. Use to identify the materiel consignee.</i>  <i>2. DLMS enhancement. See introductory DLMS note 3a.</i></del></p> <p><u>Add Qualifier “RT” and DLMS Note.</u></p> <p><b>RT Returned to</b>  <i>1. Cite the applicable routing identifier code (RIC) for the receiving depot for materiel returns program shipment status (BSN06=FT).</i>  <i>2. For other types of returns, cite the applicable DoDAAC or CAGE.</i>  <i>3. Inclusion of the associated text address is optional.</i>  <i>3. Use of DoDAAC and CAGE is a DLMS enhancement. Refer to ADC 353.</i></p>	<p>Removes unused qualifier for consignee and adds new qualifier for returned-to location. Clarification and expanded functionality.</p>
8.	2/N102/2200	<p><u>Revise Data Element DLMS Note.</u></p> <p><b>Name</b>  Description: Free-form name  DLMS Note:  <i>1. Use with N101 code CA to identify the carrier by name. (Field length restricted to 20 positions.)</i>  <i>2. Use with N101 Code RT to identify the returned-to location activity name (address line 1). (Field length restricted to 35 positions.)</i></p>	<p>New capability to identify the returned-to location by clear-text activity name.</p>
9.	2/N106/2200	<p><u>Revise DLMS Note.</u></p> <p><b>TO Message To</b>  <b>Federal Note:</b>  Must use with the appropriate 2/N101/2200 code to indicate the organization cited in N101 is receiving the transaction set.  <b>DLMS Note:</b>  <i>1. Use to identify the party directing the return (N101=Z4). Required for MILSTRIP Materiel Returns Program Shipment Status (BSN06=FT).</i>  <i>2. Use a separate N1 loop to identify the returned-to activity (N101=RT) if identified by DoDAAC or RIC. DLMS enhancement. Refer to ADC 353.</i></p>	<p>Clarification and enhanced functionality.</p>
10.	2/N2/2300  2/N201/2300	<p><u>Mark N2 Segment used.</u></p> <p><b>Mark Data Element N201 (Name) used and DLMS Note:</b>  <b>DLMS Note:</b> <i>Use when a clear text address must be specified (address line 2, if needed). (Field length restricted to 35 positions.)</i></p>	<p>New capability to identify the consignee by clear-text address.</p>

#	<u>Location</u>	<u>856R Revision</u> <u>Version 4030</u>	<u>Explanation</u>
11.	2/N3/2400  2/N301/2400	<u>Mark N3 Segment used.</u>  <u>Mark Data Element N301 (Address Information) used and add DLMS Note:</u> <b>DLMS Note:</b> <i>Use when a clear text address must be specified. This equates to the street address. (Field length restricted to 35 positions.)</i>	New capability to identify the consignee by clear-text address.
12.	2/N4/2500  2/N401/2500  2/N402/2500  2/N403/2500  2/N404/2500	<u>Mark N4 Segment used.</u>  <u>Mark Data Element N401 (City Name) used:</u>  <u>Mark Data Element N402 (State or Province Code) used:</u>  <u>Mark Data Element N403 (Postal Code) used:</u>  <u>Mark Data Element N404 (Country Code) used and add DLMS Note:</u> <b>DLMS Note:</b> <i>Use ISO-2 Country Codes</i>	New capability to identify the consignee by clear-text address.
13.	2/LQ01/3500	<u>Add Qualifier "KYL" and DLMS Note.</u>  <b>KYL Key Event Lookup</b> <b>DLMS Note:</b> <ol style="list-style-type: none"> <li>1. <i>Use to identify the Return Type Code.</i></li> <li>2. <i>Enter the applicable value in LQ02:</i> <ul style="list-style-type: none"> <li><i>S = Directed return of discrepant materiel associated with a SDR</i></li> <li><i>Q = Directed return of quality deficient materiel associated with a PQDR or Security Assistance quality SDR</i></li> <li><i>T = Directed return associated with a TDR</i></li> <li><i>R = Retrograde (general retrograde movement of unit materiel)</i></li> <li><i>X = Carcass return under Component exchange pricing rules</i></li> <li><i>M = Directed return under Materiel Returns Program (may be assigned by DAAS for returns status originated in MILS format)</i></li> <li><i>O = Other</i></li> </ul> </li> <li>3. <i>DLMS enhancement. Refer to ADC 353.</i></li> </ol>	Identifies reason for return

Enclosure 3 - 842A/R, SDR Reply

#	<u>Location</u>	<u>842A/R Revision</u>	<u>Explanation</u>
1.	DLMS Introductory Note:	<u>Add ADC 353 to DLMS Introductory notes .</u>  <i>- ADC 353, Procedures for Pre-positioned Materiel Receipt (PMR) and Shipment Status for Retrograde and Directed Discrepant/Deficient Materiel Returns</i>	To identify DLMS changes included in the DS.
2.	2/NCA04/3400	<u>Revise Data Element DLMS Note 1 and add new DLMS Notes 2 and 3.</u>  <b>380 Quantity</b> <b>DLMS Note:</b> <i>1. Use to indicate the number of days when applicable to the reply code</i> <i>2. Must use to indicate the number of days allowed for return of discrepant materiel when the SDR Reply Code 105, 106, 107, or 108 directs shipment of materiel to a specific location.</i> <i>3. Pending full implementation of this data field under DLMS, the number of days must also be identified in the remarks field to ensure that the receiving application has visibility of this information. Refer to ADC 353.</i>	Clarification and enhanced functionality.
3.	2/N101/4100	<u>Revise Data Element DLMS Notes.</u>  <b>ST Ship To</b> <b>DLMS Note:</b> <i>1. Use to identify the location to which material must be shipped/ returned. Location must be identified by DoDAAC or CAGE. Text address may be included.</i> <i>2. Pending full implementation of discrete data elements for the ship-to address, the DoDAAC or CAGE and the clear text address must be repeated in the remarks block to assure that all users will receive the specified address.</i>	Clarification and enhanced functionality

## **Enclosure 4, DLMS Manual Changes (Changes indicated by *Bold, Italics*)**

1. DoD 4000.25-M, Defense Logistics Management System, Volume 2, Chapter 11. Chapter Title is revised to the following (added wording in bold/italics): **Materiel Returns, Redistribution of Assets, *Directed Discrepant/Deficient Materiel Returns, and Retrograde Returns.***
2. Add a new section to Chapter 11 (C11.18) as follows:

### **C11.18. DIRECTED DISCREPANT/DEFICIENT MATERIEL RETURNS AND RETROGRADE RETURNS**

***C11.18.1. General Requirements. The DoD supply chain may require the return of supply items for a variety of reasons, beyond the familiar one of excesses turned in for credit under the Materiel Returns Program (MRP) described earlier in this chapter. These can include the exchange of Depot Level Repairable (DLR) Class IX repair parts as required by Military Services' Exchange Pricing programs, the retrograde of forward-positioned retail stock back to a home location, and discrepant/deficient materiel returns directed by Supply Discrepancy Reports (SDR), Product Quality Deficiency Report (PQDR), or Transportation Discrepancy Reports (TDR). In many cases, logistics business rules require that the return must use the same document number as the related order/sale. The use of a combination of enhanced return transactions and the addition of specific indicators to other transactions will allow for the specific reporting of the transactions without confusion about the nature of the return and enable enhanced intransit visibility (ITV) of these returns. The procedures also support recent process improvement initiatives related to requirements for directed returns.***

***C11.18.2. Associated Transactions. There are three DLMS transactions that contain specific content that shall be used to support the procedures for retrograde and directed discrepant/deficient returns. They are the 527D, Pre-Positioned Materiel Receipt (PMR), 856R, Materiel Returns Shipment Status, and 842A/R Standard Supply Discrepancy Report (SDR) Reply.***

***C11.18.2.1. A Pre-Positioned Materiel Receipt (PMR), DLMS 527D/MILSTRAP DW\_, is required for all returns to a Defense Distribution Depot/Storage Activity. This requirement is applicable to DLMS-capable applications and legacy MILS applications. New procedures associated with the PMR are listed in the detailed procedures paragraph of C11.18.3.***

***C11.18.2.2. A Materiel Returns Shipment Status, DLMS 856R with enhanced data content, is required from DLMS-capable customers to report directed returns to both the storage activity and the Inventory Control Point/Item Manager (ICP/IM) (or other Component designated activity). New procedures associated with the materiel returns shipment status are listed in the detailed procedures paragraph of C11.18. 3.***

***C11.18.2.3. Passive Radio Frequency Identification (pRFID) and Item Unique Identification (IUID) shall be included in the DLMS materiel returns shipment status transactions as required by DoD or Component policy.***

***C11.18.3. Detailed Procedures. The following paragraphs contain detailed procedures for return of supply items related to discrepant/deficient materiel as directed by a Supply Discrepancy Report (SDR), Product Quality Deficiency Report (PQDR), or Transportation***

**Discrepancy Report (TDR) response. This section also addresses retrograde of forward-positioned retail stock back to a home location.**

**C11.18.3.1. Supply Discrepancy Report (SDR).**

**C11.18.3.1.1. When directing return of discrepant materiel, the SDR reply shall include the number of days by which the customer must return the materiel to the designated location. Expedited time standards under DoD or Component policy will be applied to wrong item/misdirected/misidentified classified/sensitive item returns. ICP/IMs may also apply expedited time standards to overage returns for back-ordered materiel not available within another customer’s required delivery date. The return-to location will be identified by DoDAAC or CAGE. Clear text addresses may be included to facilitate the return since not all customers have ready access to an authoritative source for address information.**

**C11.18.3.1.2. The organization responsible for the SDR reply will take action to establish a due-in and generate a PMR transaction to the receiving activity. The PMR will include the return quantity and the appropriate supply condition code. Action to establish the due-in and create the PMR transaction will be accomplished under MILSTRAP/DLMS. The PMR shall perpetuate the document number associated with the SDR, normally the document number of the original shipment. The DLMS PMR shall include a Return Type Code indicating the reason for return for which the PMR is established and shall perpetuate the DoD WebSDR control number associated with the SDR.**

**C11.18.3.1.3. The PMR Due-in Estimated Delivery Date (EDD) indicating the time allowed for shipment and return of discrepant materiel will be based upon the date of the SDR reply directing the return. The EDD shall be calculated based upon the date of the initial SDR reply directing return. (This may be a reply from the storage activity when action activity responsibility has been delegated by the ICP/IM.) The EDD is to be considered a “not to exceed” time standard established for system processing and does not necessarily equal the number of days identified in the SDR reply. The return-by date may be dictated by policy or by need. PMR time standards are as shown in Table C11.T1, PMR Due-In Estimated Delivery Date (EDD) for SDRs.**

**Table C11.T1. PMR Due-In Estimated Delivery Date (EDD) for SDRs**

EDD	Usage
30 calendar days	Wrong item/misdirected/misidentified classified/sensitive items (U.S.)
45 calendar days	Returns within Combatant Command/geographic area Wrong item/misdirected/misidentified classified/sensitive items (SA)
90 calendar days	Returns between Combatant Commands/geographic areas, e.g., between CONUS and OCONUS locations (U.S.)
195 calendar days	Returns for other than classified/sensitive (SA)

**C11.18.3.1.4. The returning activity shall prepare the DLMS materiel returns**



*shipment status (856R) citing the Return Type Code, identifying the reason for return for which the materiel returns shipment status is provided. If the controlling document number for the directed return is the same as the customer's requisition, a unique TCN (not derived from the original document number) must be identified. The shipment status shall perpetuate the DoD WebSDR control number (required where electronic interface is available to facilitate inclusion of this data content). The materiel returns shipment status shall include pRFID and item unique identification (IUID) in accordance with DoD/Component policy. The shipment status shall be directed to the ICP/IM (or other organization that directed the return). The shipment status shall also be directed to the return-to activity when identified by DoDAAC. DAAS shall transmit to DLMS capable activities as identified.*

*C11.18.3.1.6. Upon receipt of materiel returns shipment status, the ICP/IMM shall recalculate the EDD to equal the original time allowed for shipment and return of materiel (i.e., re-set the EDD using the date of the shipment status as the starting date, comparable to MILSTRIP Materiel Returns Program EDD procedures) and provide an replacement PMR to the receiving location. This action will ensure both records have the same EDD date.*

*C11.18.3.1.7. The ICP/IM and the ILCO shall monitor for directed returns. Follow-up action is required where classified/sensitive materiel has not been returned by the EDD. The ICP/IM shall use automated research tools to determine status where applicable: query for materiel returns shipment status in WEBVLIPS, transportation shipment status in Global Transportation Network (GTN), and Report of Shipment (REPSHIP) in Intelligence Road/Rail Information Server (IRRIS). Off-line communication with the shipper may be necessary to determine the status of the materiel. The ICP shall verify that proper discrepancy procedures are followed for materiel reported in-transit and not received. If shipment was delayed an updated EDD shall be identified and disseminated.*

*C11.18.3.1.8. For non-classified/sensitive returns, in the event that the ICP/IM requires advice of shipment to support related supply decisions and neither the materiel nor shipment status have been received, the ICP/IM may follow-up with the customer. Follow-up for non-classified/sensitive returns is optional except when return shipment status was provided and materiel was not received. If the non-classified/sensitive returns are not received by the EDD and no transportation shipment status in GTN exists and no materiel returns shipment status was provided or the customer is non-responsive to ICP/IM follow-up, the ICP/IM will initiate cancellation of the due-in/PMR and take appropriate financial action, i.e., reversal of credit previously provided or billing for materiel not returned. If the EDD was re-set based upon shipment status and the materiel is not received by the new EDD, the ICP/IM will follow-up with the shipper to determine the status of the return. The ICP shall initiate cancellation of the PMR and establishment of a new PMR if the originally planned receiving location is changed. Off-line communication with the shipper may be necessary to determine the status of the materiel. The ICP shall verify that proper discrepancy procedures are followed for materiel reported in-transit and not received.*

### ***C.11.18.3.2. Product Quality Discrepancy Report (PQDR).***

*C.11.18.3.2.1. When directing return of deficient materiel/exhibits to depots, the PQDR reply shall include the date by which the customer must return the materiel to the designated location. The responsible activity may apply an expedited time standards to Type I*

*PQDRs or as appropriate. The return-to location will be identified by DoDAAC or CAGE. Clear text addresses may be included to facilitate the return since not all customers have ready access to an authoritative source for address information.*

*C.11.18.3.2.2. When directing return of deficient materiel/PQDR exhibit, the ICP/IMM will establish a due-in and generate a PMR transaction to the receiving activity for the materiel return/exhibit quantity using Supply Condition Code Q. Action to establish the due-in and create the PMR transaction will be accomplished under MILSTRAP/DLMS by the activity directing the return. The PMR shall perpetuate the document number associated with the PQDR, normally the document number of the original shipment. If not available a constructed document number will be employed for the PMR, the return shipment, and future financial actions. The DLMS PMR shall include the Return Type Code indicating the reason for the PMR as return of quality deficient materiel and shall perpetuate the PQDR report control number (RCN).*

*C.11.18.3.2.3. The PMR Due-in Estimated Delivery Date (EDD) indicating the time allowed for shipment and return of deficient materiel will be based upon the date of the PQDR reply directing the return. The EDD shall be calculated based upon the date of the PQDR reply directing return. The EDD is to be considered a “not to exceed” time standard established for system processing and does not necessarily correlate to the PQDR reply return-by date which may be dictated by other criteria. See Table C11.T2, PMR EDD Days for PQDRs, to establish the EDD.*

*Table C11.T2. PMR EDD Days for PQDRs*

EDD	Usage
45 calendar days	Returns within Combatant Command/geographic area
90 calendar days	Returns between Combatant Commands/geographic areas, e.g., between CONUS and OCONUS locations
195 calendar days	Security Assistance returns

*C.11.18.3.2.4. The returning activity shall prepare DLMS materiel returns shipment status (856R) citing the Return Type Code indicating the reason for the shipment status as deficient materiel returns. If the controlling document number for the directed return is the same as the customer’s requisition, a unique TCN (not derived from the original document number) must be identified. The materiel returns shipment status shall perpetuate the PQDR RCN. The materiel returns shipment status shall include pRFID and item unique identification (IUID) in accordance with DoD/Component policy. The shipment status shall be directed to the ICP/IM (or other organization that directed the return). The shipment status shall also be directed to the return-to activity when identified by DoDAAC. DAAS shall transmit to DLMS capable activities as identified.*

*C.11.18.3.2.5. Upon receipt of materiel returns shipment status, the ICP/IMM*

*shall recalculate the EDD to equal the original time allowed for shipment and return of materiel (i.e., re-set the EDD using the date of the shipment status as the starting date, comparable to MILSTRIP Materiel Returns Program EDD procedures) and provide an replacement PMR to the receiving location. This action will ensure both records have the same EDD date.*

**C.11.18.3.2.6. The ICP/IM and the ILCO shall monitor for directed returns. Follow-up with customers is required where materiel/PQDR exhibit has not been returned by the EDD. The ICP/IM shall use automated research tools to determine status where applicable: query for materiel returns shipment status in WEBVLIPS, transportation shipment status in Global Transportation Network (GTN), and Report of Shipment (REPSHIP) in Intelligence Road/Rail Information Server (IRRIS). The ICP shall verify that proper discrepancy procedures are followed for materiel reported in-transit and not received. The originator of the PMR shall cancel the PMR if circumstances have changed and materiel will not be returned as directed. The PMR shall be cancelled and a new PMR established if the originally planned receiving location is changed.**

**C.11.18.3.3. Transportation Discrepancy Report (TDR)**

**C.11.18.3.3.1. When directing return of materiel associated with a TDR, the TDR reply shall include the date by which the reporting activity must return the materiel to the designated location. The responsible activity may apply an expedited time standard as appropriate. The return-to location shall be identified by DoDAAC or CAGE. Clear text addresses may be included to facilitate the return since not all customers have ready access to an authoritative source for address information.**

**C.11.18.3.3.2. When directing return of discrepant materiel, the ICP/IM responsible for the TDR reply will take action to establish a due-in and generate a PMR transaction to the receiving activity for the quantity in the TDR reply. Action to establish the due-in and create the PMR transaction will be accomplished under MILSTRAP/DLMS. The PMR shall perpetuate the return document number associated with the document number of the original shipment or as assigned by the ICP/IM. The DLMS PMR shall include a Return Type Code indicating the reason for the PMR as return of transportation-related discrepant materiel and shall perpetuate the control number associated with the TDR.**

**C.11.18.3.3.3. The PMR Due-in Estimated Delivery Date (EDD) indicating the time allowed for shipment and return of deficient materiel will be based upon the date of the TDR response directing the return. The EDD shall be calculated based upon the date of the TDR reply directing return. The EDD is to be considered a “not to exceed” time standard established for system processing and does not necessarily correlate to the TDR reply return-by date which may be dictated by other criteria. See Table C11.T4, Due-In EDD for TDR, to establish the EDD.**

**Table C11.T4. Due-In EDD for TDR**

EDD	Usage
45 calendar days	Returns within Combatant Command/geographic area

90 calendar days	Returns between Combatant Commands/geographic areas, e.g., between CONUS and OCONUS locations
195 calendar days	Security Assistance returns

***C.11.18.3.3.4. The returning activity shall prepare DLMS materiel returns shipment status (856R) citing a Return Type Code indicating the reason for the shipment status is applicable to a TDR directed return. If the controlling document number for the directed return is the same as the original shipment, a unique TCN (not derived from the original document number) must be identified. The materiel returns shipment status shall perpetuate the TDR control number. The materiel returns shipment status shall include pRFID in accordance with DoD/Component policy. The shipment status shall be directed to the ICP/IM (or other organization that directed the return). The shipment status shall also be directed to the return-to activity. DAAS shall transmit to DLMS capable activities as identified.***

***C.11.18.3.3.5. Upon receipt of materiel returns shipment status, the ICP/IMM shall recalculate the EDD to equal the original time allowed for shipment and return of materiel (i.e., re-set the EDD using the date of the shipment status as the starting date, comparable to MILSTRIP Materiel Returns Program EDD procedures) and provide an replacement PMR to the receiving location. This action will ensure both records have the same EDD date.***

***C.11.18.3.3.6. The ICP/IMM and ILCO shall monitor for receipt. Follow-up with customers is required where materiel has not been returned by the EDD. The ICP/IM shall use automated research tools to determine status where applicable: query for materiel returns shipment status in WEBVLIPS, transportation shipment status in Global Transportation Network (GTN), and Report of Shipment (REPSHIP) in Intelligence Road/Rail Information Server (IRRIS). The ICP shall verify that proper discrepancy procedures are followed for materiel reported in-transit and not received. The originator of the PMR shall cancel the PMR if circumstances have changed and materiel will not be returned as directed. The PMR shall be cancelled and a new PMR established if the originally planned receiving location is changed.***

***C.11.18.3.4. Retrograde Returns. These procedures apply to returns for which materiel returns shipment status (DLMS 856R/DI Code FTM) is not provided under the above MILSTRIP Materiel Returns Program.***

***C.11.18.3.4.1. When directing return of materiel (for return, replacement, or other reason), the ICP/IMM shall include the date by which the reporting activity must return the materiel to the designated location and the applicable priority designator (PD). The return-to location will be identified by DoDAAC or CAGE. Clear text addresses may be included to facilitate the return since not all customers have ready access to an authoritative source for address information. Retrograde returns that are not subject to ICP/IMM direction shall be returned in accordance with Component procedures.***

***C.11.18.3.4.2. When directing return the ICP/IMM will establish a due-in and generate a PMR transaction to the receiving activity for the applicable quantity. Action to establish the due-in and create the PMR transaction will be accomplished under MILSTRAP/DLMS. Where the returning activity self-initiates the return, the returning activity***

*shall be responsible for preparation of the PMR. The PMR shall perpetuate the return document number. The DLMS PMR shall include a Return Type Code indicating the reason for the PMR as return of materiel for repair (including exchange price returns)/retrograde movement.*

*C.11.18.3.4.3. The PMR Estimated Delivery Date (EDD) indicating the time allowed for shipment and return of deficient materiel will be based upon the date of the directed return or generation of PMR where the return is initiated by the returning activity. The EDD is to be considered a “not to exceed” time standard established for system processing and does not necessarily correlate to the reply return-by date when applicable since that date may be dictated by other criteria. See Table C11.T5, PMR EDD Time Standard for Retrograde Returns, to establish the EDD.*

**Table C11.T5. PMR EDD Time Standard for Retrograde Returns**

EDD	Usage
45 calendar days	Returns within Combatant Command/geographic area
90 calendar days	Returns between Combatant Commands/geographic areas, e.g., between CONUS and OCONUS locations
195 calendar days	Security Assistance returns

*C.11.18.3.4.4. The returning activity shall prepare DLMS materiel returns shipment status (856R) citing a Return Type Code indicating the reason for the shipment status is applicable to return/retrograde movement. The materiel returns shipment status shall perpetuate the associated document number. A unique TCN (not derived from the original document number) must be identified. A customer reference number may be included when applicable to identify the original requisition document number. The materiel returns shipment status shall include pRFID and IUID in accordance with DoD/Component policy. The shipment status shall be directed to the ICP/IM (or other organization that directed the return). The shipment status shall also be directed to the return-to activity when identified by DoDAAC. DAAS shall transmit to DLMS capable activities as identified.*

*C.11.18.3.4.5. Upon receipt of materiel returns shipment status, the ICP/IMM shall recalculate the EDD to equal the original time allowed for shipment and return of materiel (i.e., re-set the EDD using the date of the shipment status as the starting date, comparable to MILSTRIP Materiel Returns Program EDD procedures) and provide an replacement PMR to the receiving location. This action will ensure both records have the same EDD date.*

*C.11.18.3.4.6. The ICP/IMM shall monitor for receipt. Follow-up with the returning activity is required where materiel has not been returned by the EDD. The ICP/IM shall use automated research tools to determine status where applicable: query for materiel returns shipment status in WEBVLIPS, transportation shipment status in Global Transportation Network (GTN), and Report of Shipment (REPSHIP) in Intelligence Road/Rail Information Server (IRRIS). The ICP shall verify that proper discrepancy procedures are followed for*

*materiel reported in-transit and not received. The originator of the PMR shall cancel the PMR if circumstances have changed and materiel will not be returned as directed. The PMR shall be cancelled and a new PMR established if the originally planned receiving location is changed.*

3. Revise Chapter 12, Due-In and Advance Receipt Information as follows:

C12.2.2. Keep Current Status. IMMs shall keep due-in records in a current status. Use revised delivery schedules, notification of shipment or delayed shipment, repair schedules and repair schedule changes, contracts and contract changes, customer and manager cancellations, material receipts, and completion of shipment tracer/discrepancy reporting actions to establish, revise, and delete due-in records and maintain appropriate delivery dates. **Refer to paragraph C11.18 for specific content and estimated delivery date requirements for PMRs associated with directed discrepant/deficient materiel returns and retrograde returns.**

4. Revise Chapter 17, Supply Discrepancy Reporting as follows:

C17.2.7. Interface with Other Materiel Management Functions. Under DLMS, discrepancy processing may be used to trigger other standard materiel management functions.

C17.2.7.1. IMMs ~~should plan to~~ **shall** use the SDR response to establish a due-in record for return of discrepant materiel under Chapter 12. ICPs/IMMs shall use the ~~Advance Receipt Information (ARI) (also known as Prepositioned Materiel Receipt (PMR))~~ to advise storage activities to which a return is directed **using MILSTRAP or the DLMS 527D, Due-In/Advance Receipt/Due Verification. Refer to paragraph 11.18 for additional guidance.**

C17.2.7.2. ~~By future DLMS enhancement pending further coordination, IMMs may use the materiel release order/materiel receipt confirmation (MRO/MRC) to direct and record return of discrepant materiel located at DoD shipping depots under Chapter 4, (refer to DS to 940R, Materiel Release). IMMs may use materiel returns supply status to re-direct the return of discrepant materiel received at other locations under Chapter 5 (refer to DS to 870M, Materiel Returns Supply Status). When returning discrepant materiel, by DLMS enhancement, shipping activities (other than DoD shipping depots) may prepare shipment status for materiel returns as described under Chapter 5 (refer to DS to 856R, Shipment Status Materiel Returns). DLMS enhancements must be coordinated prior to implementation. DLMS capable activities returning discrepant materiel shall prepare shipment status for materiel returns using the DLMS 856R, Shipment Status Materiel Returns) under paragraph C11.18 procedures.~~

C17.3.11. Responsible Action Activity Response to an SDR

C17.3.11.1. Procedures

C17.3.11.1.1. Processing. Responsible action activities shall process all discrepancy reports under the policies and procedures set forth in this publication and the DoD Component implementing regulations. Responsible action activities include all activities required to take action on a reported discrepancy. Action activities shall consider the associated MRA during validation of SDRs. Conflicting information will be investigated as appropriate.

C17.3.11.1.2. Interim Replies. Interim replies may be used to inform the submitter that an SDR has been forwarded to another organization for investigation or resolution. Responsible activities must provide an interim reply where a final reply cannot be provided within

the established timeframes. Failure to meet the established timeframes must be caused by reasons outside the control of the ICP/IMM or GSA. Such interim replies shall indicate when additional status will be provided. Identify the interim disposition/status using the appropriate disposition/status (reply) code ~~available from the under DLMS Logistics Qualifier list~~. If no coding exists to specifically identify the reasons for the delay, indicate Code 137 and provide a clear-text explanation. ~~Supplemental information is provided in accordance with the DS/SF 364.~~

C17.3.11.1.3. Replies. Responsible activities shall reply to SDRs by submission of a DS 842A/R to DAAS/WebSDR or direct WebSDR input. Pending implementation of DLMS, other previously authorized SDR response formats may be used. ***SDR replies shall indicate*** the appropriate disposition, e.g., acknowledgment of the report, disposition of the materiel, validation of the report with authorization of financial adjustment, and/or instructions for repackaging, repair or other types of corrective action. SDR replies must contain the appropriate discrepancy code consistent with all information provided by the customer. This may require updating of the discrepancy codes used by the customer to assign the appropriate discrepancy code for the scenario described in the SDR remarks. ~~Pending final resolution,~~ The action activity may identify the ~~interim~~ disposition/status using up to three codes disposition/status (reply). Applicable codes are published in the DLMS Logistics Qualifier list. ~~If no coding exists to specifically identify the reasons for the delay, indicate Reply Code 137 and provide a clear-text explanation.~~ Shipment information applicable to direct vendor deliveries, new procurement, etc., must be completed by the action activity where incomplete or inaccurate on the original report. This includes identification of the shipping activity or vendor (by CAGE), contract number, and identifying shipment numbers. DLMS compliant applications must also ensure that direct vendor delivery shipments are identified by Document Type Code 6 on the SDR reply, regardless of what the customer originally designated. Historical replies (transactions citing Transaction Set Purpose Code 49) shall be used to fulfill these requirements where the submitter indicated that an SDR reply was not required.

C17.3.11.2.1. Returning Discrepant Materiel. When discrepant materiel is directed to be returned, the responsible activity shall direct the customer to reship the materiel using the same document number under which the materiel was originally shipped. ***The SDR reply shall include the date by which the customer is requested to return the materiel to the designated location. The ICP shall require expedited return where appropriate, such as FMS classified/sensitive item returns, and overage returns for back-ordered materiel not available within another customer's required delivery date. The return-to location shall be identified by DoDAAC or CAGE (contractors where no DoDAAC is assigned). Clear text addresses may be included in addition to the coded address since all customers may not have access to the authoritative address source.*** The SOS shall provide reimbursement for packing, crating, handling, and transportation for directed returns under Volume 5, Finance, procedures. Use the Defense Transportation System (DTS) for the return movement is encouraged. As an Alternative to providing transportation reimbursement, the responsible action activity may provide the transportation account code (TAC) chargeable for the transportation services and supporting information, e.g., the bill of lading number, or provide small package carrier account information. In those cases where an exhibit of the discrepant materiel is directed for return, the activity requesting this action will pay for exhibit shipment costs. Action activities shall ***either*** furnish DD Form 1348-1A for materiel to be returned ***or provide comparable information to accomplish the return.*** A copy of the SDR and the shipment document should be included with returned materiel and annotated as a "SDR RETURN." For Non-SA customers, materiel not returned as directed within 90 calendar days (if CONUS) or 120 days (if OCONUS) of the SDR reply will be billed.



## Enclosure 5, ADC 353 Comment Resolution

#	Received from	Comments	Resolution
1.	Navy Navy (NAVICP)	<p>Concur. Concur with comment.</p> <p>A) Navy wants to establish a unique block of TCNs for retrograde shipments by using a “ZR” in rp 11-12 of the TCN.</p> <p>B) Need DD1348-1A to be redesigned to allow for additional data elements unique to retrograde. C) CONOPS for the ATAC node/hub receipt process uses the 527R (carcass receipt) and 867I (stock issue).</p> <p>D) Need capability to document/transmit de-aggregation of inbound shipments. E) Need capability to generate transportation service request (planned and actual) for lift by the CLF ships, akin to the DTCI use of 219A.</p> <p>E) For discussion purposes, Navy uses the following transit time standards (excluding processing &amp; packaging times) for exchange retrograde:</p> <ul style="list-style-type: none"> <li>• Express (CONUS or OCONUS): 6 days</li> <li>• Routine CONUS: 12 days</li> <li>• Routine OCONUS: 18 days</li> </ul> <p>Afloat turn-in: Additional 7 days</p>	<p>A) Paragraph 4.c(1)(d) of this ADC directs TCN assignments to be done IAW DTR 4500.9-R, Appendix L, paragraph H. Suggest Navy coordinate with USTRANSCOM DTR Administrator to modify this reference to allow usage of alpha/numeric in rp12-14 of the TCN (“Z” is already authorized for use in rp11); the reference currently limits this to all numeric (000-999).</p> <p>B) Request Navy submit separate PDC with proposed redesign.</p> <p>C) These are non-standard uses of the 527R and 867I. Request Navy submit separate PDC to document the alternate procedures for these transactions being used by the ATAC node/hub receipt processes. D) Suggest Navy coordinate requirement with USTRANSCOM/DTEB to modify 856A. E) The ADC provides “Not to exceed” time standards. Internal Component guidance may direct short time standards. F) Suggest Navy coordinate requirement with USTRANSCOM/DTEB to develop a new IC (219R).</p>
2.	Air Force	Concur.	
3.	DLA (Supply)	<p>Concur with comments.</p> <p>A) Didn’t see any changes being made to the MILS D6 to carry the event code back to the IMM, is this correct?</p> <p>B) Is the storage facility to perpetuate the event code into the SDR submitted during the receipt function? (DDC Receiving)</p> <p>C) 527D: The transaction does not support pRFID information, but does have a pRFID indicator that requires or does not require pRFID technology for the</p>	<p>A) Yes. This event code is considered a DLMS enhancement.</p> <p>B) No.</p> <p>C) Current CONOPS for this</p>

	DLA (PQDR)	<p>due-in shipment (J-6U) D) 856R: The transaction does not support pRFID information. (J-6U)</p> <p>E) 870M: The transaction does not support pRFID information. (J-6U) Comments. A) Recommend deleting "Use of pRFID is encouraged." From Paragraph 4.c(1)(c). B) SCC Q not implemented by all Services.</p> <p>C) Recommend changing EDD in response to PQDRs to 45 and 60, vice 30 and 45. D) Recommend clarifying PS/RS roles throughout the SDR/PQDR/TDR detailed procedures.</p> <p>E) Concerns with unique TCN requirement.</p> <p>F) Concern with pRFID tagging requirement and applicability to SDR/PQDR originators.</p>	<p>ADC does not levy a pRFID requirement in the 527D.</p> <p>D) The 856R does support pRFID. See HL03="P" DLMS note explaining use of REF segment to perpetuate pRFID tag numbers, akin to what the 856S does. E) Current CONOPS for this ADC does not levy a pRFID requirement in the 870M.</p> <p>A) Done. Preceding sentence in subject paragraph articulates requirement. B) Inserted staffing note for comment by Navy during staffing of draft ADC. C) Concur.</p> <p>D) Request DLA provide specific changes to satisfy concerns with applying appropriate functions to appropriate job positions (e.g., PS/RS). E) Per DTR 4500.9-R and DOD 4140.1-R, it is DOD policy to assign unique TCNs to all shipments moving through the Defense Transportation System. F) pRFID tagging is being implemented not only between suppliers and the depot, but also from depot to customer and customer to depot.</p>
4.	DCMA	<p>I understand that you are seeking to satisfy your FMS customer. Please be advised that the Department of State has in place agreements with foreign governments that define the process for resolving quality issues. Foreign governments by the agreement report quality deficiencies on a SF 364. The Joint Services PQDR regulation (DLAR 4155.24) defines exactly how the Department of Defense investigates FMS quality deficiencies. To the best of my knowledge the timelines of the PQDR process are consistent with the Department of State agreements. I strongly recommend that you coordinate any proposed FMS processing changes</p>	<p>This DLMS Change has been coordinated with the DoD PQDR Committee. It is the responsibility of that group to ensure that the any further coordination required is pursued.</p>

		with David Christy prior to implementation to avoid violating the Department of State agreements.	
5.	Army (NLC)	<p>Concur.</p> <p>Following are Army's detail comments for PDC 331:</p> <ul style="list-style-type: none"> <li>a. LOGSA - Concur</li> <li>b. AMMO - Concur, no impact</li> <li>c. SCP - No concerns</li> <li>d. SCE-BTL - Concur with the following comments</li> </ul> <p>(1) AMI (RIC AJ2) SDR POCs:</p> <ul style="list-style-type: none"> <li>(a) 1. Para 3c(2) Detailed Procedures - Supply Discrepancy Report (SDR): (a) Routing Identifier Codes (RICs) A12, B14, AKZ already suspend the customer when we have material returned to the depot. This includes a suspense date that material must post back to accountable records. We do not, however, provide a priority to the return shipment. The customer should be able to provide that based upon the suspense date provided and how quickly they want to be reimbursed. All material returns are required to be returned in 30 days. When providing the customer with an address for return, we always provide the depot/SSF DODAAC.</li> <li>(b) We (for RICs A12, B14, AKZ) do not establish a PMR anymore. There was a time, many years ago, when the norm was to establish a PMR using the established document number on the SDR. Also we had a special control code to identify who established the PMR. In this way we should have been able to identify an SDR Action Officer. However, that process went by the wayside because it was not a mandatory field and some POCs did not want to be identified. The Commodity Command Standard System (CCSS) was eventually reprogrammed and the CCSS field was abolished. The PDC lists time frames for material returns. Currently for the RICs of A12, B14, and AKZ, the norm for a customer to return material is 30 days for Non-Security Assistance (SA) customers. For OCONUS customers, Non-SA, most item managers will have the material returned to the nearest depot in that geographic location. For SA customers we follow the current guidelines set forth in the DLMS manual.</li> <li>(c) For RICs A12, B14, and AKZ we have</li> </ul>	NAMI-directed returns will require PMR under the approved procedures.

always provided a Mark For in our disposition instructions and tell the returning customer to include the SDR response with the return of material.

(d) What will happen in the Logistics Modernization Program (LMP) when Army has fully deployed to LMP? It is not known if the SDR action officers will be allowed to input a PMR.

This issue will need to be researched. NOTE: Subject PDC was also reviewed by SDR POCs at C-E LCMC. C-E LCMC has deployed LMP. C-E LCMC SDR POCs concurred with Subject PDC 331.

(e) and (f) The RICs A12, B14, and AKZ have always monitored for directed returns when the suspense date has been exceeded. If material is not posted to accountable records we always follow up to the customer. It is felt that it is the customers responsibility to provide the Inventory Control Point (ICP) with proof that material was shipped back to the address provided in our disposition instructions. Dependent upon the situation, we can credit, bill, or deny credit. If our follow-up to the customer indicates that material was shipped back to the designated depot in good faith, and the customer can provide us with tracking information, GBLs, etc., then the SDR action officer will research as to where the material is located.

The AMI response, in conclusion, with the exception of the PMR, the SDR team processing A12, B14, and AKZ SDRs currently processes as suggested by the Navy. At the present time, it is not known what the procedures will be when all of Army deploys to LMP. Procedures for processing SDRs in LMP are still being assessed.

(2) NAMI (RIC AJ2) SDR POC:

(a) 1. NAMI does not stock, store, or issue materiel from CONUS DLA Defense Distribution Depots/storage activities; therefore, the proposed procedures for PMR & shipment status for retrograde and directed discrepant materiel returns to CONUS DLA depots do not apply to RIC AJ2.

(b) 2. NAMI does have a retrograde program involving shipment of AJ2 materiel to DLA OCONUS forward depots; however, in accordance with established procedures, the retrograde shipments are not subject to ICP direction.

(3) FMS - Concur w/comments

I reviewed this procedure and DLA is changing the timeframes for non SA SDRs, any changes to FMS SDRs must be approved by DCSA and the T&C of

		the LOA updated. I am not sure if/when that'll happen but for now there is no impact upon our SDR processing timeframes. I don't see any issues with Transportation.	
6.	DSCA	<p>Non-concur. 180-day timeframe is published in a standard DSCA SDR Note (as opposed to the LOA Standard Terms and Conditions (ST&amp;C) since it's very difficult to change the LOA ST&amp;C).; it can be changed only if all three MILDEPs concur. Air Force non-concurred with the change to 180 days</p> <p>AFSAC non-concur with DSCA's proposal to revise the LOA Standard Terms and Conditions to reduce the number of days from 180 to 120 for a purchaser to return discrepant materiel at this time. This is contrary to AFSAC's concurrence with the recommendation to reduce the SDR Timeframe from 180 to 120 days in PDC 316 in June 2008. At that time, the unintended consequences of reducing the SDR Timeframe were unknown, the impact of "frustrated" SDR cargo in Europe had not been realized, and SDR Turn in points for new FMS countries had not been addressed.</p>	AF non-concurrence due to frustrated freight and lack of turn-in points was submitted in August 2009. A full year has elapsed to resolve this issues and the timeframe is now adjusted to the more appropriate 120 days.