



# Department of Defense MANUAL

NUMBER 4140.26-M, Volume 4  
September 24, 2010

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USD(AT&L)

SUBJECT: DoD Integrated Materiel Management (IMM) for Consumable Items: Logistics Reassignment (LR)

References: See Enclosure 1

## 1. PURPOSE

a. Manual. This Manual is composed of several volumes, each containing its own purpose. In accordance with the authority in DoD Directive (DoDD) 5134.12 (Reference (a)), the purpose of the overall Manual is to reissue DoD 4140.26-M (Reference (b)) to provide requirements and procedures consistent with DoDD 4140.1 (Reference (c)), for integrated materiel managers and others who work within or with the DoD supply system to determine if an item qualifies for wholesale management; submitting and processing supply support requests, and submitting and processing LR transactions.

b. Volume. This Volume establishes uniform guidance for IMM processes and management controls dealing with LRs of consumable items resulting from the DoD program for implementation of IMM assignments and for elimination of multi-management of items.

## 2. APPLICABILITY. This Volume applies to:

a. OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the Department of Defense (hereafter referred to collectively as the "DoD Components").

b. Federal agency organizations participating with the DoD Components, e.g., the U.S. Coast Guard (USCG), Federal Aviation Administration (FAA), and General Services Administration (GSA), but only when and to the extent they adopt the terms of this Manual.

## 3. DEFINITIONS. See Glossary.

4. POLICY. According to Reference (c), it is DoD policy that the materiel management functions shall be implemented with DoD standard data systems.
5. RESPONSIBILITIES. See Enclosure 2.
6. PROCEDURES. See Enclosure 3.
7. RELEASABILITY. UNLIMITED. This Volume is approved for public release and is available on the Internet from the DoD Issuances Website at <http://www.dtic.mil/whs/directives>.
8. EFFECTIVE DATE. This Volume is effective upon its publication to the DoD Issuances Website.



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ENCLOSURE 1

REFERENCES

- (a) DoD Directive 5134.12, "Deputy Under Secretary of Defense for Logistics and Materiel Readiness (DUSD(L&MR)), May 25, 2000
- (b) DoD 4140.26-M, "Defense Integrated Materiel Management Manual for Consumable Items," May 16, 1997 (cancelled by Volume 1 of this Manual)
- (c) DoD Directive 4140.1, "Supply Chain Materiel Management Policy," April 22, 2004
- (d) Joint Regulation JESI 3200.1/AR 715-13/NAVSUPINST 4120.30/AFR 400-40/MCO 4000.18C, "Joint Engineering Support Instruction," March 13, 1986
- (e) DoD 4100.39-M, "Federal Logistics Information System (FLIS) Procedures Manual," date varies by volume
- (f) DoD 4000.25-2-M, "Military Standard Transaction Reporting and Accounting Procedures (MILSTRAP)," September 1, 2001
- (g) DoD Regulation 4140.1-R, "DoD Supply Chain Materiel Management Regulation," May 23, 2003
- (h) DoD 4000.25-1-M, "Military Standard Requisitioning and Issue Procedures (MILSTRIP)," April 28, 2004
- (i) DoD 4000.25-M, "Defense Logistics Management System (DLMS)," March 1, 2003
- (j) DoD Instruction 6055.05, "Occupational and Environmental Health (OEH)," November 11, 2008
- (k) Joint Regulation AMC-R 700-99/NAVSUPINST 4740.7/AFMCR 400-21/MCO PRR10-22C, "Wholesale Inventory Management and Logistics Support of Multiservice Used Nonconsumable Items," April 27, 1990
- (l) Federal Acquisition Regulation (FAR) Subpart 6.303, "Other than Full and Open Competition," current edition
- (m) Federal Acquisition Regulation (FAR) Subpart 12.103, "Commercially Available Off-the-Shelf (COTS) Items," current edition
- (n) DoD 5010.12-M, "Procedures for the Acquisition and Management of Technical Data," May 14, 1993
- (o) DLAR 4155.24/AR 702-7/SECNAVINST4855.5/AFI 21-115, "Product Quality Deficiency Report," July 20, 1993
- (p) Joint Publication 1-02, "Department of Defense Dictionary of Military and Associated Terms," current edition

ENCLOSURE 2

RESPONSIBILITIES

1. ASSISTANT SECRETARY OF DEFENSE FOR LOGISTICS AND MATERIEL READINESS (ASD(L&MR)). The ASD(L&MR), in accordance with Reference (a) and under the authority, direction, and control of the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)), shall oversee logistics reassignment procedures to optimize resources and leverage collaboration between support providers and customers to meet established support strategies.

2. SECRETARIES OF THE MILITARY DEPARTMENTS; DIRECTORS OF DEFENSE LOGISTICS AGENCY (DLA) AND NATIONAL SECURITY AGENCY (NSA) AND THE COMMANDANT, USCG AND ADMINISTRATORS OF OTHER CIVIL FEDERAL AGENCIES (e.g., FAA AND GSA). The Secretaries of the Military Departments; the Directors of DLA and NSA; and the Commandant, USCG and Administrators of other civil Federal agencies (FAA and GSA) when agreed to by these agencies, shall:

- a. Implement the procedures in this Volume.
- b. Retain responsibility for engineering support, configuration management, and current technical data in support of the integrated materiel manager for transferred items in accordance with Joint Regulation JESI 3200.1/AR 715-13/NAVSUPINST 4120.30/AFR 400-40/MCO 4000.18C (Reference (d)).
- c. Establish LR monitors in their respective ICPs, and supply activities.
- d. Monitor all matters related to LRs within their respective IMM activities and between integrated materiel managers.
- e. Coordinate and resolve any problems resulting from LRs that cannot be resolved at the integrated materiel manager level.
- f. Review and recommend revisions of policies and establish internal supplemental procedures.

ENCLOSURE 3

PROCEDURES

1. LR GUIDANCE. LR guidance is provided to establish standard guidelines for processing LR actions. Items are logistically reassigned as a result of item management coding (IMC) from one materiel manager to another. The LR process is an essential part of item management in that it ensures the items are periodically reviewed and assigned to the appropriate manager. During this process, the Military Departments review all the characteristics of an item to determine whether it should be Military Department-retained or coded to DLA or GSA for management.

a. An LR results when:

(1) Items are item management coded by an inventory control point (ICP) to an integrated materiel manager and the acceptance of materiel management responsibilities is acknowledged by the integrated materiel manager.

(2) A change in managers results from a DLA Logistics Information Service (DLIS) reclassification action.

(3) Items are assigned or transferred to an integrated materiel manager and the IMC requirement is waived by the ASD(L&MR).

(4) Items are transferred between integrated materiel managers.

(5) An entire Federal Supply Class (FSC) is transferred from one manager to another without change in the National Stock Number (NSN).

b. The LR process is divided into three periods of time based upon the effective transfer date (ETD). These periods are identified as pre-ETD, ETD, and post-ETD, and known collectively as the transition period.

(1) The pre-ETD period begins on the date of gaining inventory manager (GIM) assignment or ETD is disseminated by DLIS to the GIM or losing inventory manager (LIM) and terminates at ETD.

(2) The ETD is the date of the LR. Although the ETD is a specific point in time, for the purpose of this Volume any actions involving data requirements that reflect conditions as of the ETD will be discussed as if such actions took place on the ETD, even though they may have been taken immediately before or after the actual ETD.

(3) The post-ETD period begins immediately following the ETD and includes all actions that do not specifically involve data requirements that reflect conditions as of the ETD.

c. Due to the differences between DLA and/or Military Department ICPs and GSA mission responsibilities, supply system capabilities, and funding methods, exceptions are required to some of the standard DoD LR policy and procedures when GSA is involved as a GIM. Those items that are in GSA FSCs and meet the following criteria will be reassigned to DLA as exceptions:

(1) Equipment, components, replacement parts, tools, or supply items that are uniquely designed or altered for military use only.

(2) Items with acquisition advice codes (AACs) of F, M, N, P, R, W, or Z.

d. The Federal Logistics Information System (FLIS) will process the document identifier code (DIC) LVA transactions submitted by the Military Department and return to the Military Departments the appropriate transaction response for each submitted DIC LVA. Update of FLIS database due to LRs will be made in accordance with DoD 4100.39-M (Reference (e)).

e. All interchangeable and substitutable (I&S) family members will be reviewed whenever the master or family member is identified for logistic reassignment.

f. Inactive items coded with AACs N, T, V, or Y will not be logistically reassigned unless the item is related to a transferable item by way of a family, an I&S coding, or an item standardization coding.

g. Full pipeline will be transferred from LIM to GIM for stock items. The pipeline requirement will be satisfied for stocked items by transferring a sufficient quantity of assets, on hand and/or on order, to satisfy current backorders and meet forecasted demands through a period equal to the procurement lead time plus the safety level quantity and other war reserve materiel requirements, protectable of the LIM, if applicable. LIMs will not transfer materiel obligations being supplied by direct vendor delivery (DVD).

h. Wholesale assets will be transferred on a non-reimbursable basis. Retail assets and industrial fund accounting materiel will always be considered as operating material and will not be included in LRs. Stocks which stratify beyond the total retention limits, using the latest stratification prior to LR, will not be recapitalized to the GIM.

i. Items with a demilitarization code of G or P will not transfer to DLA and/or GSA. Items in this category will be retained by the Military Departments in IMC Q, unless another IMC applies.

j. FSC or other major transfers involving DLA and/or GSA wholesale management will be negotiated by the DLA or GSA coordinators.

k. When two or more Military Departments and/or Defense or Federal agencies are potential GIMs, determination for one Military Department or agency to be the manager and support the other Military Departments and agencies will be made before the LR is accomplished. It will be

the responsibility of the LIM to obtain a coordinated position from using the Military Department or agency for single assignment of management responsibility.

l. When an integrated materiel manager assumes management of an item that has been managed by a USCG activity and/or a non-IMM civilian activity (e.g., performance-based life-cycle product support logistics and contractor logistics support) the LR provisions do not apply.

m. All uncompleted contracts covering items to be transferred will be processed through contract closure by the responsible procurement office of the LIM. Indefinite delivery-type contracts and/or multi-year contracts may be transferred subject to the review and mutual agreement between the responsible procurement offices of the LIM and the GIM involved. Contract administration responsibility that is not assigned to the Defense Contract Management Agency will remain with the retained contracts or, if mutually agreed to by the LIM and GIM, be reassigned with the transferred contracts.

n. Asset accountability and the interchange of related information for items recorded in the materiel management and distribution systems of the various DoD Components and participating Federal agencies will be in accordance with DoD 4000.25-2-M (Reference (f)). LR data records will be transferred via electronic transmission

2. LR FUNCTIONS. The integrated materiel manager, LIM, and GIM each have distinct functions as they utilize item management data in the integrated LR process.

a. The integrated materiel manager, LIM, and GIM each shall:

- (1) Monitor all matters related to LRs for items migrating to and from their management.
- (2) Assure compliance with guidance in this Volume for the accomplishment of LRs.
- (3) Review and recommend revision of policies, establish internal procedures, and coordinate resolution of problem areas with other integrated materiel managers.
- (4) Appoint LR monitors and alternates. The LR monitors will function as single points of contact on all matters relating to LRs and will interface directly with their respective counterpart monitors at the DLA ICPs, Military Department ICPs, and other Defense or Federal agencies.
- (5) Report LR procedural problems to their Military Department or agency, in accordance with References (c) or (f).
- (6) Ensure critical safety items (CSIs) are properly identified prior to items migrating from Military Department management, and update the criticality code (table 181 of Reference (e)) with a code of "E" or "F," designating NSN as CSI in accordance with Reference (e).



(7) Retain a sole source item if notice of discontinuance is received until the Diminishing Manufacturing Sources and Material Shortages (DMSMS) situation is resolved in accordance with DoD 4140.1-R (Reference (g)).

(a) If an LR is already in process, the LIM will initiate LR back-out procedures in accordance with Reference (e) up to 75 days prior to the ETD.

(b) For items being logistically reassigned, the LIM will identify those items that have had a life-of-type buy accomplished or that have inventory retained to support requirements resulting from DMSMS cases. The LIM will provide the GIM with all available documentation used to justify maintaining the inventory. The GIM will ensure inventory held to support DMSMS requirements is identified to prevent inadvertent disposal.

b. The LIM shall:

(1) Ensure specific demilitarization instructions are in the Army Electronic Product Support Website (<https://aeaps.ria.army.mil/>) for items with demilitarization code F.

(2) Dispose of materiel quantities that do not qualify as retention stock.

(3) Support GIM requests for critical supply support items to expedite award on LIM-managed purchase requests (PRs), and expedite delivery of material on LIM-generated contracts. The GIM will fund all premium costs incurred to accomplish the requested expedite.

(4) Pass to the GIM any requisitions received by the LIM after the ETD, in accordance with DoD 4000.25-1-M (Reference (h)).

(5) Coordinate LRs with the GIM and other affected activities, when required.

(6) Transfer maximum LR data to the GIM in accordance with prescribed timeframes.

(7) Notify the GIM of items that are or may become in short supply, so that corrective action can be taken.

(8) Transfer accountability and materiel management responsibilities on the ETD. Transfer of management responsibility does not include transfer of engineering support or configuration management responsibility. The Military Department LIM will always retain responsibility for configuration management and maintain the technical data for transferring items. If DLA or GSA is the LIM, it does not have configuration responsibility of the item; this responsibility will remain with the Military Department Engineering Support Activity.

(9) Perform residual functions applicable to the transferred items due to the GIM after ETD, to include but not be limited to:

- (a) Resolving nontransferable materiel obligations (Military Standard Requirements Issue Procedures and/or Defense Logistics Management System (DLMS) status code BV – items being procured for direct shipment to consignee).
- (b) Completing all Military Standard Transaction Reporting and Accounting Procedures/DLMS transactions on assets.
- (c) Providing engineering and technical support to the IMM except in the case of DLA or GSA as LIM. Engineering-related responsibilities and support will always be the responsibility of the Military Department when DLA or GSA is the LIM or GIM.
- (d) Developing or validating specifications for IMM items used by the Military Departments and/or agencies.
- (e) Establishing parametric (acceptable exceptions) specifications for engineering change proposals.
- (f) Determining feasibility of life-of-type support for obsolete or aged items versus procurement of new items.
- (g) Reviewing alternate item offers.
- (h) Developing or approving engineering change notifications and design change notifications.
- (i) Assisting the integrated materiel manager on supply difficulties.
- (j) Supporting the GIM for LIM-awarded contracts, in resolving defective parts problems relating to Product Quality Deficiency Reports (PQDRs). For foreign military sales customers, defective parts problems relating to PQDRs are submitted using Supply Discrepancy Reports (SDRs).
- (k) Participating in defective parts problem resolution.
- (l) Determining substitutes or design changes for continued support of items subject to diminishing manufacturing sources.
- (m) Identifying all items that have a weapon system application and essentiality code needed to include the items in the DLA Weapons System Support Program (WSSP).
- (n) Coordinating with the GIM on materiel disposition actions taken as a result of PQDR resolution.
- (o) Expediting award of PRs and delivery of material on LIM-generated contracts for items in critical supply support, at GIM request.

(p) Processing disposal release orders for materiel identified as DoD potential reutilization materiel, or identify the applicable materiel quantities to the GIM for follow-on or immediate disposal action by the GIM upon completion of the logistic reassignment.

(q) Coordinating with GIM to reevaluate requirements data before the award of any purchase request exceeding \$100,000 and take appropriate action.

(10) Identify to the GIM any items determined to be consumable, but known to require special management actions or processing instructions (e.g., special licensing requirements) that cannot be adequately communicated using established procedures, before submitting the IMC change.

c. The GIM shall:

(1) Coordinate LRs with the LIM.

(2) Assume materiel management responsibilities on the ETD.

(3) Resolve potential pipeline shortages with LIM.

(4) Advise LIM of changes of shipping destinations for LIM contracts being reconsigned.

(5) Participate in resolution of supply discrepancies relating to SDRs received on items from contracts awarded by the LIM, as required.

(6) Process PQDRs for physically completed and/or closed LIM-awarded contracts, and PQDRs received after ETD on open LIM-awarded contracts.

(7) Request expedited award of LIM-held PRs and expedited delivery of materiel on LIM-generated contracts for items in critical supply posture, and provide necessary funding. The expedite request may be submitted from the GIM to the LIM in letter, message, or e-mail format; the latter is preferred. The GIM will fund all premium costs incurred by the LIM for such requests.

(8) Fund transportation costs incident to materiel movements directed by the GIM, other than costs of first destination transportation for undelivered orders at time of transfer.

(9) Retain decapitalized assets under the physical care and custody of the current storage facility until they are issued, relocated, and/or disposed of at the direction of the GIM. If relocation of these assets becomes necessary the requestor will pay for the movement, unless the GIM determines it does not have access to decapitalized assets in their current location.

### 3. LR TRANSITION PERIOD PROCEDURES

- a. Uninterrupted supply support will be maintained throughout the entire transition period.
- b. LRs will be accomplished on the ETD, which will be the first day of the month within 120 days after the new IMM assignment is recorded in the FLIS database. The LIM must notify DLIS at least 1 business day before submission of the LVA transaction(s).
- c. Due-in information for quantities to be transferred as of the ETD will be provided to the GIM. Quantities will reflect only those assets that are available for transfer.
- d. Physical inventory program requirements for all items through the ETD will be conducted in accordance with Reference (f) and DoD 4000.25-M (Reference (i)).
- e. Book balances on the ETD will be accepted by the GIM as submitted by the LIM.
  - (1) On-hand balances recorded in acceptable supply condition codes (condition codes A, B, C, D, E, and G), and designated as wholesale stock, will be transferred. The LIM will provide status of assets held in condition code D, E, and G to include a written description and estimated cost to restore each asset to an issuable condition.
  - (2) Assets identified to unacceptable supply condition codes (condition codes F, H, J, K, L, M, P, Q, R, S, and V) will be retained by the LIM. Condition code J-K items will be reclassified prior to the ETD. J and K materiel identified at ETD minus 10 days through ETD will be reclassified and reported to the GIM as a follow-on decapitalization action.
  - (3) Assets committed to the support of special projects, programs, and plans will be retained by the LIM, and are exempt from reporting requirements.
  - (4) Proposed transfer of on-hand balances in unacceptable condition codes will be held in abeyance until they can be restored to acceptable condition. The LIM will continue restoration of all materiel submitted for restoration prior to the ETD.
- f. Wholesale assets generated after the ETD will be transferred to the GIM in acceptable supply condition by the LIM on an expedited basis. Conversely, losses of wholesale assets revealed to the GIM through day-to-day transaction accounting after the ETD will be accounted for as a decrease to capitalized stocks. A time limit of 12 months from ETD applies in both instances; thereafter, normal inventory adjustment practices will prevail. Significant gains discovered by the LIM after this time limit will be reported in accordance with References (f) and (i), materiel returns program to the GIM and disposition requested. Assets received from contract delivery should be decapitalized regardless of the date of receipt. The 12-month time limit does not apply to materiel received on open contracts.
- g. Materiel obligations to be passed to the GIM will be validated in accordance with Reference (h), prior to the ETD.

h. High-priority requisitions that received ETD plus 10 days by the GIM may require support by the LIM if decapitalization of assets to the GIM has been delayed. Close coordination between the LIM and GIM is required to assure effective supply support.

i. Unit of issue and/or asset quantity conflicts, if any, must be resolved prior to the ETD.

j. DLIS will provide the capability to delete an erroneous LR transaction on a case-by-case basis. Use of the back-out procedure is for exception processing. LRs involving FSC/NSN changes are not subject to deletion. The LIM will coordinate with the GIM to resolve erroneously submitted LR transactions. The LIM will notify DLIS and the DLA or GSA LR monitor that they request a back-out. If the LR was done in error, Integrated Materiel Management Committee (IMMC) approval is not required. The LIM will provide to DLIS and DLA or GSA the NSN; ETD; activity codes of the LIM and GIM; the reason for back-out request; the IMC under which the item(s) will be retained; and the DIC LVA for each NSN to be deleted. The DLA or GSA LR monitor will authorize DLIS to back out an LR from the FLIS database Future File. LR transactions may be deleted up to 75 days prior to the ETD. Requests for LR back-out of 10 or more NSNs must be submitted at least 75 days prior to the ETD.

k. Hazardous items must comply with DoDI 6055.05 (Reference (j)) by being properly entered into the Hazardous Materiel Information Resource System (HMIRS) prior to logistics reassignment. Items should be screened for hazardous materiel indicator code (HMIC) "D" and, if the item has been purchased, verify that the HMIRS data is loaded. Failure to update the HMIRS can result in backing out the LR transaction if already in process, or immediate return of the management assignment if ETD has passed until all management requirements can be satisfied.

4. PRE-ETD ACTIONS. The pre-ETD period includes all actions that begin on the date of GIM assignment or DLIS dissemination of ETD to the GIM and LIM, and ends at ETD.

a. Before Establishing an ETD

(1) The LIM will:

(a) Using electronic media, provide, at a minimum, the following data element source information to the GIM on NSNs transferring:

1. Annual sales (demands for last 12 months by FLIS unit price).
2. Assets at non-DLA storage facilities.
3. CSI.
4. Critical application item.
5. IMC.

6. FSC.
7. GSA-managed FSC.
8. National Item Identification Number (NIIN).
9. Number of backorders.
10. Stock on-hand quantity.
11. AAC.
12. Acquisition method code.
13. Acquisition method suffix code.
14. Controlled inventory item code.
15. Demilitarization code.
16. Hazardous characteristics code.
17. HMIC.
18. Item name.
19. Item standardization code.
20. NIIN status code.
21. Quantity.
22. Location.
23. Phrase Code (F, 7, G, E, S, 3, or J).

(b) Identify items requiring special management techniques and/or processing instructions. Examples of special management conditions for which data may be required include those items:

1. Requiring special calibration requirements associated with test, measurement, and diagnostic equipment.
2. Requiring specified storage licensing items such as Nuclear Regulatory Commission-controlled radioactive material.

quantities.

3. Designated for Military Department-authorized customers in specified

4. Requiring special safety assurance measures used by the LIM.

5. Requiring special security measures used by the LIM.

6. Requiring special packaging requirements for long-term storage.

7. Containing potentially hazardous material or processing ozone-depleting substances (e.g., asbestos, chlorofluorocarbons in refrigerants, halons in fire extinguishing agents, lithium batteries, laser radiation, radio frequency and electromagnetic fields, compressed gas/cylinders.)

8. Requiring periodic oxygen cleaning.

9. Managed as sensitive items/controlled substances/pilferable items, but not covered in Reference (j).

10. Managed as strategic or critical material.

11. Requiring controlled room temperature storage.

12. Requiring special care in storage.

13. That have Government-furnished property such as tooling, test equipment, plant equipment, materiel, military or Agency-unique property.

(2) The GIM will:

- (a) Determine if special requirements can be accommodated.

- (b) If special requirements cannot be accommodated, advise the LIM when the required capability can be developed with a projected implementation date.

- (c) Notify the LIM of transfer acceptance with proposed ETD.

b. 150 Days Prior to ETD. Accelerated transfers fall outside of this window and will require shorter timeframes.

(1) The LIM will:

- (a) Provide to DLIS the final list of items to transfer.

(b) Submit LR LVA transactions to initiate the LR and advise DLIS of ETD. When the LIM is GSA, the LVA process will not be used. A manual “LMD”/”LCU”/”LCM” transaction will be submitted by the GIM for GSA.

(c) Coordinate jointly with GIM on ETD between the Military Departments. In accordance with Joint Regulation AMC-R 700-99/NAVSUPINST 4740.7/AFMCR 400-21/MCO PRR10-22C (Reference (k)), the LIM will prepare and forward to the GIM and all users, via JLC Form 19, “PICA/SICA Management Level Change and/or Reassignment Request,” (<http://www.amc.army.mil/pa/officialcommandpubs.asp>), a proposal for an LR when the GIM is other than DLA or GSA.

(d) Request DLIS to enter transactions to initiate the intra-Military Department transfers (e.g., Army-to-Army transfer).

(e) Provide funding as required.

(f) Conduct an inventory for on-hand wholesale assets designated as classified or sensitive and ensure all research and balance adjustments or reversals are accomplished prior to the ETD in accordance with Reference (f).

(2) The GIM will submit file maintenance LMD transactions to update the data in FLIS database and to establish the ETD.

c. 120 Days Prior to ETD. Accelerated transfers fall outside of this window and will require shorter timeframes. The LIM will:

(1) Provide LR supply management data to the GIM using the data record format in Reference (f).

(2) Provide LR contract history data to the GIM, using the data record format in accordance with Reference (f).

(3) Push applicable record format for each NSN being transferred. The mandatory data elements are identified on the record format and must be provided. All other data elements in the record format will be provided when available. If not available, fields should be blank.

(4) Prepare LIM/Military Department Engineering Support Agreements to ensure LR CSIs are identified on the Military Department’s CSI listing prior to the ETD.

d. Not Later Than (NLT) 90 Days Prior to ETD. Accelerated transfers fall outside of this window and will require shorter timeframes. The LIM will:

(1) Provide access to bidders’ list, term- or requirements-type contracts, and other applicable procurement data to the GIM.



(2) Provide industrial readiness information, quality assurance data, and appropriate justifications when required by Federal Acquisition Regulation (FAR) 6.303 (Reference (l)) and FAR 12.103 (Reference (m)), to support other than full and open competition-type procurements to the GIM.

e. NLT 60 Days Prior to ETD. The LIM will discontinue intra-Military Department distribution to storage activities of wholesale stocks for assets anticipated to be transferred to the GIM.

f. NLT 45 Days Prior to ETD

(1) The LIM will:

(a) Provide access to technical data, as specified in DoD 5010.12-M (Reference (n)), to include:

1. Engineering drawings.
2. Full military or commercial description.
3. All sources known to the prime contractor, not just the primary or current source.
4. Commercial and Government entity code and applicable part number for all sources identified by the prime contractor.

(b) Identify to the GIM those NSNs where no technical data is available.

(c) On a case-by-case basis, change requirements-type contracts to reflect the new ordering office, as mutually agreed to by the LIM and GIM. The continuation of requirements contracts will be negotiated for transfer to the GIM or possible termination on a case-by-case basis.

(d) Amend existing contracts and/or purchase orders and purchase requests for items being transferred to divert shipments of stock buy quantities into the storage depots of the GIM, as appropriate.

(e) Advise the GIM of items due-in on undelivered purchases that do not qualify for automatic reconsignment.

(f) Change destination of item due-in on undelivered purchases that do not qualify for automatic reconsignment, as requested by the GIM.

(g) Advise the GIM of the categories of government property, which also includes government-owned industrial plant equipment special tooling and test equipment applicable to the production of an item logistically reassigned.

(2) The LIM or custodial depot will maintain current due-in records and receipt suspense files in accordance with References (f) and (h).

(3) The GIM will furnish appropriate reconsignment instructions to the LIM for items from undelivered contracts/purchase orders.

g. 30 Days Prior to ETD. The LIM will:

(1) Provide the second output of LR supply management data (updated) to the GIM using the data record format.

(2) Provide the second output of LR contract history data (updated) to the GIM using the data record format.

(3) Push applicable record format for each NSN being transferred. The mandatory data elements are identified on the updated record format and must be provided. All other data elements in the record format will be provided when available. If not available, fields should be blank.

(4) Provide war materiel requirements data to the GIM in accordance with References (f) and (h).

(5) Discontinue automatic initiation of replenishment procurement actions and coordinate with GIM to initiate stock replenishments, as required, to ensure a full pipeline.

5. ETD PERIOD ACTIONS. The ETD is a specific point in time for any actions involving data requirements that reflect conditions as of the ETD. The ETD will be discussed as if such actions took place on the ETD, even though they may have been taken immediately before or after the actual ETD.

a. The LIM will provide the inventory manager folder, when available, to the GIM. The contents are a work file containing hard copy or electronic data, which is not considered part of the information provided by the reporting requirements, to support management of the item.

b. The GIM will assume responsibility for wholesale supply support on ETD and accept funded requisitions from all authorized requisitioners as of the ETD.

c. The LIM/GIM will transfer funded materiel obligations (excludes requisitions cited for DVD against retained contracts) using referral or passing orders prepared in accordance with Reference (h).

d. The LIM/GIM will reconcile procurement requests and fund any deemed appropriate for continuation or procurement actions.

e. The GIM will ascertain the need for continuation of procurement actions exceeding \$100,000, diversion instructions, or cancellations, as appropriate, and advise the LIM.

f. The LIM/GIM/custodial depot will take action in accordance with Reference (f) to complete all research and final balance adjustments or reversals for required physical inventories; transfer or decapitalize all on-hand wholesale assets in acceptable supply condition codes that are needed to meet the full pipeline requirement; and update depot custodial records to reflect correct ownership of transferred or recapitalized assets.

g. The LIM/GIM/custodial depot will take action in accordance with Reference (f) to establish due-in information for wholesale quantities at the GIM for LIM-retained contracts, un-awarded procurement requests, and for materiel returns authorized prior to ETD.

h. The LIM/GIM/custodial depot will take action in accordance with Reference (f) to maintain current LIM and GIM due-in wholesale records, custodial depot receipt suspense files, and current status at GIM of wholesale assets in unacceptable supply condition codes that are required for logistics transfer to meet the full pipeline.

6. **POST-ETD ACTIONS.** The post-ETD period begins immediately following the ETD and includes all actions that do not specifically involve data requirements that reflect conditions as of the ETD.

a. The LIM will:

(1) Fund restoration of wholesale assets in unacceptable supply condition codes (F, J, K, L, Q, R, and W) that are required for the transfer of a full pipeline.

(2) Fund credit for all dues-in on materiel returns authorized prior to the ETD and for all reported discrepancies in shipments initiated prior to the ETD.

(3) Accomplish actions for unawarded PRs required by the annotated copy of the reconciliation of the purchase request listing received from the GIM.

(4) Review all items for determination of the weapon system application and essentiality code for inclusion in the DLA WSSP. Submit weapon item data card(s), DIC "WS1," to the GIM NLT 14 days after ETD.

(5) For contracts/purchase orders retained by the LIM:

(a) Notify the GIM before contract award so that an inventory management review can be conducted for all purchases exceeding \$100,000 to determine whether requirements for the item on order have changed or been eliminated since the GIM assumed IMM responsibility.

(b) Follow-up on all requests for order adjustment or cancellation to ensure that contract award quantities are appropriately adjusted or eliminated.

(c) Change the destination of undelivered assets upon request of the GIM.

b. For contracts/purchase orders retained by the LIM, the GIM will:

(1) Review LIM notification of all LRs with assets that stratified beyond the total retention limits for which LIM disposal action had not been taken. If the quantity provided by the LIM still stratifies beyond the GIM's total retention limits, initiate disposal in accordance with References (f), (h), and (i).

(2) Expedite award of PRs and delivery of material on LIM-generated contracts for items in a critical supply posture.

(3) Initiate request for expedited PR action and expedited delivery on material on LIM-generated contracts. Provide funds needed to cover incurred premium costs.

(4) Advise LIM to adjust or cancel orders as appropriate and furnish re-consignment instructions to the LIM for undelivered assets.

c. At a GIM/custodial depot, the Military Department or agency will:

(1) Perform the storage function but not provide cataloging and inventory management for an item after transfer.

(2) Add a "T" major organizational entity rule to record the storage function in the FLIS database, which will allow the nonuser or storage activity to receive the GIM catalog management data.

d. At a LIM/GIM/custodial depot, the Military Department or agency will:

(1) Complete processing of all supply discrepancies on shipments initiated prior to the ETD in accordance with individual Military Department and/or agency applicable procedures authorized by Reference (c).

(2) Complete processing of all PQDRs received in accordance with DLAR 4155.24/AR 702-7/SECNAVINST4855.5/AFI 21-115 (Reference (o)), as follows:

(a) The LIM will process the PQDRs received prior to ETD. The results will be provided to the GIM when the investigation is completed.

(b) The GIM will process PQDRs for physically completed and/or closed LIM-awarded contracts, and PQDRs received after ETD on open LIM-awarded contracts. The LIM will provide the full technical data package and any required information from contract files to support the investigation.

(c) The GIM will take action to complete processing of all PQDRs for GIM-awarded contracts, and materiel that cannot be identified to a specific contract.

(d) For materiel that can be traced back to LIM-awarded contracts that have not been transferred, any contractual remedies available to the government resulting from the investigation of PQDRs will be pursued under the cognizance of the LIM, regardless of whether the contract has been previously closed.

(3) Ensure adequate funding for reporting supply and quality discrepancies.

e. The LIM/GIM/custodial activity, in accordance with References (f), (h), and (i), will:

(1) Confirm asset transfers or decapitalizations and update of custodial depot records.

(2) Reconcile due-in wholesale records for retained contracts/returns authorized prior to ETD.

(3) Maintain current LIM/GIM due-in wholesale records and custodial depot receipt suspense files.

(4) Transfer/recapitalize due-ins against retained contracts/purchase orders and returns authorized prior to the ETD when needed to meet the full pipeline requirement.

(5) Improve any unacceptable supply condition codes to acceptable and transfer/recapitalize all residual assets when needed to meet the full pipeline requirement.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

AAC	acquisition advice code
AMC	acquisition method code
ASD(L&MR)	Assistant Secretary of Defense for Logistics and Materiel Readiness
CSI	critical safety items
DIC	document identifier code
DLA	Defense Logistics Agency
DLIS	DLA Logistics Information Service
DLMS	Defense Logistics Management System
DMSMS	diminishing manufacturing sources and material shortages
DoDD	Department of Defense Directive
DVD	direct vendor delivery
ETD	effective transfer date
FAA	Federal Aviation Administration
FAR	Federal Acquisition Regulation
FLIS	Federal Logistics Information System
FSC	Federal Supply Classification
GIM	gaining inventory manager
GSA	General Services Administration
HMIC	Hazardous Materiel Indicator Code
HMIRS	Hazardous Materiel Information Resource System
ICP	inventory control point
IMC	item management coding/code
IMM	integrated materiel management
I&S	interchangeable and substitutable
LIM	losing inventory manager
LR	logistics reassignment
NIIN	National Item Identification Number
NSA	National Security Agency
NSN	National Stock Number
NWS	National Weather Service
PQDR	Product Qualification Deficiency Report

PR	purchase request
SDR SVC	Supply Discrepancy Report Service
USCG USD(AT&L)	United States Coast Guard Under Secretary of Defense for Acquisition, Technology, and Logistics
WSSP	Weapon System Support Program

## PART II. DEFINITIONS

These terms and their definitions set forth standard terminology for use in DoD supply chain materiel management.

AAC. A code denoting how, as distinguished from where, and under what restrictions an item will be acquired.

commercial and Government entity code. A 5-digit code which combines the FSC for manufacturers and the FSC for non-manufacturers of the end items or parts.

component (materiel). Defined in Joint Publication 1-02 (Reference (p)).

consumable item. An item of supply or an individual item (except explosive ordnance and major end items of equipment) that is normally expended or used up beyond recovery in the use for which it is designed or intended.

DLMS. A broad base of business rules to include uniform policies, procedures, time standards, transactions and data management, designed to meet DoD requirements for total logistics support. DLMS supports emerging electronic business capabilities such as: data sharing, automated identification technology, object-oriented user interfaces, electronic malls, web-based technology, and electric funds transfer, as appropriate.

DMSMS. The loss or impending loss of manufacturers' items or suppliers of items or raw materiel. DMSMS occurs when manufacturers of items or raw materiel suppliers discontinue production due to reasons such as rapid change in item or material technology, uneconomical production requirements, foreign source competition, Federal environmental or safety requirements, or limited availability of items and raw materials used in the manufacturing process.

full pipeline. A term used for NSNs that are gains or losses when there is a sufficient quantity of assets on hand and/or on order, to satisfy current backorders and meet forecasted demands.

GIM. The inventory manager responsible for assuming wholesale IMM functions of an item or group of items.

I&S family. Two or more items having interchangeable and/or substitutable relationship with another. The head of the family is called the master item, i.e., an item with an interchangeable or substitutable relationship with every member of the family.

ICP. An organizational unit or activity within the DoD supply system that is assigned the primary responsibility for the materiel management of a group of items either for a particular Military Department or for the Department of Defense as a whole. In addition to IMM functions, an ICP may perform other logistics functions in support of a particular Military Department or for a particular end item (e.g., centralized computation of retail requirements levels and engineering tasks associated with weapon system components).

IMC. The process of determining whether items of supply in FSC assigned for IMM qualify for management by the individual Components other than DLA or GSA.

IMM. Any activity or agency that has been assigned IMM responsibility for the Department of Defense and participating Federal agencies. Wholesale IMM responsibilities include requirements determination, procurement, distribution overhaul and repair of reparable materiel, and disposal of materiel.

inventory. Materiel, titled to the U.S. Government, held for sale or issue, held for repair, or held pending transfer to disposal.

inventory manager. Handles all functions related to the tracking and management of material. This would include the monitoring of material moved into and out of stockroom locations and the reconciling of the inventory balances.

item of supply. A category of items identified by an NSN with the same form, fit, and function. The individual items (units) included in this category could be manufactured by multiple sources.

LIM. The organization responsible for relinquishing wholesale IMM functions.

LR. The transfer of IMM responsibilities from one manager to another.

major organizational entity. The principal subdivision of Government organization under which component organization entities are identified (e.g., Army, Navy, Air Force, Marine Corps, DLA, NSA, GSA).

major organizational entity rule. Codes reflecting the relationship of an activity to an item of supply. The codes are defined in Volume 13 of Reference (e).

materiel. Defined in Reference (p).



materiel management. Continuing actions relating to planning, organizing, directing, coordinating, controlling, and evaluating the application of resources to ensure the effective and economical support of military forces. It includes provisioning, cataloging, requirements determination, acquisition, distribution, maintenance, and disposal. The terms “materiel management,” “materiel control,” “inventory control,” “inventory management,” and “supply management” are synonymous.

retail. Level of inventory below the wholesale level, either at the consumer level for the purpose of directly providing materiel to ultimate users, or at the intermediate or region level for the purpose of supplying consumer levels or ultimate users in a geographical area.

supply chain. Defined in Reference (p).

supply chain management. Defined in Reference (p).

supply support request. A transaction identifying requirements for consumable items that is submitted by the component introducing a materiel/weapon system to the IMM.

wholesale. The highest level of organized supply, and as such, procures, repairs, and maintains stocks to resupply the retail levels of supply. The terms “wholesale supply,” “wholesale level of supply,” “wholesale echelon,” and “national inventory” are synonymous.