

CHAPTER 404

DIRECT PROCUREMENT METHOD (DPM)

A. PURPOSE AND SCOPE

This chapter provides guidance for the preparation and shipment by the DPM method, and provides instructions for the preparation and marking of DPM shipments and procurement of DPM services. This chapter applies to all DPM HHG and UB shipments when transportation services are acquired on the BL or other shipping document.

B. DPM SERVICES

When the DPM is used, generally the line-haul transportation service is provided by common TSPs of freight. Approval by SDDC is not required of a commercial contractor providing DPM transportation services. Required materials (including containers) and services for the preparation, storage, and movement of DPM shipments are acquired by the contract. See [Paragraph G](#) for contracting procedures.

C. ROUTING BY THE PPSO

The PPSO determines the mode of transportation and the origin freight TSP for the movement of DPM shipments.

D. USE OF DPM AIR MODE FOR IHG

Prior to moving DPM shipments overseas, TOs must have Service approval IAW DOD component publications.

E. VALUATION OF SHIPMENTS

Generally, the maximum released valuation applicable to the lowest rate or rating published by freight TSPs is used for DPM shipments. Consideration must be given to use another code/mode of service when a member/employee requests a valuation higher than that offered by the freight TSP.

F. CONTAINERS

Authorized containers, including overflow and oversize containers, must be constructed as specified in the technical provisions of the Performance Work Statement for Packing, Containerization, and Local Drayage of Direct Procurement Method Personal Property Shipments (Appendix G). The policy on the use of overflow and oversize containers is also set forth in this regulation.

G. PROCEDURES

1. DPM Contracts. Packing and containerization services must be acquired by contract. The contracting format in Appendix G is mandatory. The Performance Work Statement (PWS) or the technical provisions for Packing, Containerization, and Local Drayage of DPM Personal Property Shipments (Appendix G) and the Bid Schedules or items to be ordered must be used for developing requirements in acquiring packing and containerization services. The contractual clauses used in the solicitation, award, and administration of the contract are contained in the Federal Acquisition Regulation (FAR) and the Department of Defense Federal Acquisition Regulation Supplement (DFARS). Annual estimates need to be annotated on the Bid Schedules and a copy of Appendix G provided to the contracting office for their coordination and preparation of the solicitation package.
 - a. Inspection of shipments must be performed by using DD Form 2773, Report of Contractor Services, [Figure 404-1](#). Unsatisfactory services must be indicated by citing specific Par. or areas in the PWS and annotating this on DD Form 2772, Contract Discrepancy Report (CDR), [Figure 404-2](#). When completed, the Contract Discrepancy Report must be forwarded to the contracting office for action. The Contracting Officer (CO) or COR must take action (set-off deduction, cure letter), against the contractor IAW FAR Clause 52.246-4, Inspection of Services-Fixed-Price.
 - b. Problems encountered in executing the PWS contract must be resolved by the COR, with the assistance of the CO.
 - c. The PPSO will base contractual requirements on past experience and estimated future needs. The PPSO must establish areas of performance for contracting purposes. Both population density and traffic volume must be considered in the establishment of areas of performance.
2. PWS Contract Administration. The TO is responsible for the routing and release of shipments and for arranging delivery to the line-haul TSP. Delivery to the line-haul TSP can be by common TSP pickup at the contractor's facility or by local drayage by the contractor to the TSP's terminal. The TO must ensure the contractor meets all requirements of the PWS, and is also responsible for maintaining accurate DPM contract data in TOPS. If the contractor fails to comply with the terms of the PWS, the PPSO must document deficiencies and follow procedures outlined in paragraph G.1.a., above.
3. Weight Data for DPM UB Shipments. The TO/PPSO must receive the actual pieces weight and cube prior to printing the BL. The contractor must provide the required information to the TO/PPSO within three working days after pickup.
4. Consignment.
 - a. DPM shipments must be consigned IAW the PPCIG.
 - b. When the CONUS destination is not known for a shipment from overseas, the shipment must be consigned to the designated storage facilities as contained in the PPCIG in the CONUS. The statement "Hold for Storage in Transit" or "Hold for Nontemporary Storage" must be stenciled on each container after the consignment data. In such cases, the member/employee at the time application for shipment is made, must provide the origin PPSO a leave or contact address in the space provided on the DD Form 1299, Application for Shipment and/or Storage of Personal Property, [Figure 404-3](#)). The origin PPSO must forward this information to the responsible storage facility identified at designated ports. The origin PPSO must instruct the member/employee to furnish disposition instructions to the designated storage facilities, either directly or through the most convenient PPSO, upon determination of the final destination.

- c. Shipments moving by military or commercial air must not be consigned for placement in a “hold” status, except when AMC TP-4 tariff rates apply or when air is the only available shipping method between the origin overseas area and the CONUS. In those cases, the DPM must be used to make delivery to the nearest designated storage facilities. For shipments arriving at East/West Coast ports, refer to the CONUS PPCIG for the responsible facility.
5. Documentation for DPM Shipments Entering the DTS.
- a. If documentation for DPM shipments is unavailable through the DTS, the PPSO must assign a TCN to each DPM personal property shipment entering the DTS. The TCN must be developed IAW this Regulation Part II, Cargo Movement, and annotated on the BL, freight warrant, or other transportation acquisition document. When a shipment requires more than one transportation acquisition document, the same TCN must be annotated on each document. The PPSO must use the date of pickup from the member/employee as the Julian date in the construction of the TCN.
 - b. The BL for UB shipments must be prepared after the TO/PPSO has received and input the actual weight and cube from the contractor into DTS. The TO/PPSO then provides the BL to the contractor to give to the TSP upon pickup of the shipment from the contractor facility or provides the BL directly to the TSP picking up the shipment.
 - c. The TCMD must be prepared for all DPM personal property shipments entering the DTS.
 - d. After the TCMD is assembled, the shipper must offer the shipment for clearance before making the shipment. A clearance is required for all DPM personal property shipments entering the DTS. The shipper clears a DPM shipment by sending ATCMD data to the clearance authority.
 - e. DPM personal property shipments are considered cleared if the clearance authority has not challenged it by the hours/day entered in the ATCMD shipped field.
 - f. One copy of the BL or other transportation acquisition document, annotated with the TCN, and a properly completed manual TCMD, together with other required documents, must be placed in a waterproof pouch on the number one container of the shipment. One copy of the inventory and one copy of the packing list must be placed in an envelope inside the number one container, in an easily accessible position. For shipments released from NTS, the exception sheet must also be included. Specific detail on the preparation and usage of TCMDs, TCNs, data elements, prime documents, and trailer cards are contained in this Regulation, Part II, Cargo Movement.
 - g. For those shipments entering the DTS at DOD controlled aerial and water ports, a two-dimensional and linear bar coded MSL, prepared IAW Appendix G, Paragraph A.7.f(5) must be prepared and affixed to each shipment piece.
 - h. The origin PPSO must mail one copy each of DD Form 1299, member’s/employee’s orders, transportation document, and BL to the destination PPSO, who has final delivery responsibility.

REPORT OF CONTRACTOR SERVICES						
SECTION I						
1. INSPECTING ACTIVITY		2. CONTRACTOR NAME	3. CONTRACT NUMBER	4. ORDER NUMBER		
5. SHIPMENT INSPECTED <i>(X as applicable)</i>			6a. DATE (YYYYMMDD)	b. TIME		
<input type="checkbox"/> RESIDENCE	<input type="checkbox"/> CONTRACTOR'S FACILITY	<input type="checkbox"/> OTHER				
7a. PROPERTY OWNER NAME <i>(Last, First, Middle Initial)</i>		8. PICKUP/DELIVERY ADDRESS <i>(Street, Apartment Number, City, State, ZIP Code)</i>				
b. RANK/GRADE	c. SSN					
INSTRUCTIONS: Information in Section I above is obtained from DD Form 1299. Section II will be completed during the inspection of services. Place an "A" in the box when the service is acceptable or a "U" when the service is unacceptable. When the service is not required, place an "NA" in the box. The appropriate contract paragraph number must be placed in the column marked "REFERENCE" when the service is unacceptable.						
SECTION II						
9. SERVICE		10. REFERENCE		11. SCHEDULES		
				I	II	III
a. Did the carrier perform a premove survey, if required?						
b. Did the contractor weigh the shipment in accordance with prescribed procedures?						
c. Was PBB&E properly weighed?						
d. Did the contractor reweigh in accordance with prescribed procedures?						
e. Was shipment picked up within agreed times on the agreed date?						
f. Was shipment delivered within agreed times on the agreed date?						
g. Do packing materials meet specifications?						
h. Were proper packing methods used?						
i. Was inventory properly prepared?						
j. Were appliances properly serviced as required?						
k. Were appliances properly unserviced as required?						
l. Were proper materials used to service appliances?						
m. Were articles properly containerized?						
n. Were articles properly loaded in the van?						
o. Were containers properly marked?						
p. Were containers properly remarked, when required?						
q. Were proper storage services provided?						
r. Were unloading services performed and were articles placed so they were readily accessible to the member?						
s. Were unpacking services performed?						
t. Was debris removed from residence?						
u. Was loss and damage recorded on a DD Form 1840 at the time of delivery?						
v. Were weight tickets, GBL, and packing lists properly completed?						
w. Were documents returned to the ITO within the required time frame?						
12. REMARKS						
13. NAME OF CONTRACTOR NOTIFIED OF DISCREPANCIES <i>(Last, First, Middle Initial)</i>				14. SIGNATURE OF CONTRACTOR NOTIFIED OF DISCREPANCIES		
15. NAME OF INSPECTING OFFICIAL <i>(Last, First, Middle Initial)</i>		16. SIGNATURE OF INSPECTING OFFICIAL		17. DATE (YYYYMMDD)		

DD FORM 2773, SEP 1998 (EG)

REPLACES MT FORM 360-R (TEST), WHICH IS OBSOLETE.

WH5/DIOR, Oct 98

Figure 404-1. DD Form 2773, Report of Contractor Services

CONTRACT DISCREPANCY REPORT				
1. CONTRACT NUMBER		2. REPORT NUMBER FOR THIS DISCREPANCY		
3. TO <i>(Contractor and Manager's Name)</i>		4. FROM <i>(Name of QAE)</i>		
5. DATES <i>(YYYYMMDD)</i>				
a. PREPARED	b. RETURNED BY CONTRACTOR		c. ACTION COMPLETE	
6. DISCREPANCY OR PROBLEM <i>(Describe in detail. Include reference to PWS Directive; attach continuation sheet if necessary.)</i>				
7. SIGNATURE OF CONTRACTING OFFICER				
8a. TO <i>(Contracting Officer)</i>		b. FROM <i>(Contractor)</i>		
9. CONTRACTOR RESPONSE AS TO CAUSE, CORRECTIVE ACTION AND ACTIONS TO PREVENT RECURRENCE. <i>(Cite applicable Q.C. program procedures or new Q.C. procedures. Attach continuation sheet(s) if necessary.)</i>				
10. SIGNATURE OF CONTRACTOR REPRESENTATIVE				b. DATE <i>(YYYYMMDD)</i>
11. GOVERNMENT EVALUATION <i>(Acceptance, partial acceptance, reflection. Attach continuation sheet(s) if necessary)</i>				
12. GOVERNMENT ACTIONS <i>(Reduced payment, cure notice, show cause, other)</i>				
13. CLOSE OUT				
	NAME (1)	TITLE (2)	SIGNATURE (3)	DATE <i>(YYYYMMDD)</i> (4)
a. CONTRACTOR NOTIFIED				
b. QAE				
c. ACO				

DD FORM 2772, SEP 1998 (EG)

REPLACES MT FORM 352-R, WHICH IS OBSOLETE.

Designed using Perform Pro, WHS/DIOR, Sep 98

Figure 404-2. DD Form 2772, Contract Discrepancy Report

APPLICATION FOR SHIPMENT AND/OR STORAGE OF PERSONAL PROPERTY <i>(Read Privacy Act Statement on back before completing form.)</i>		1. DATE PREPARED (YYYYMMDD)	2. SHIPMENT NUMBER
3. NAME OF PREPARING OFFICE		4. TO (Responsible Origin Personal Property Shipping Office) a. NAME	
5. NAME OF DESTINATION PERSONAL PROPERTY SHIPPING OFFICE		b. ADDRESS (Street, Suite Number, City, State, ZIP Code)	
6. MEMBER OR EMPLOYEE INFORMATION			
a. NAME (Last, First, Middle Initial)	b. RANK/GRADE	c. SSN	d. AGENCY
7. REQUEST ACTION BE TAKEN TO TRANSPORT OR STORE THE FOLLOWING:			
a. HOUSEHOLD GOODS/UNACCOMPANIED BAGGAGE/ITEMS/NO. OF CONTAINERS (Enter quantity estimate)			
(1) POUNDS	(2) POUNDS OF PROFESSIONAL BOOKS, PAPERS, AND EQUIPMENT (PBP&E) (Enter "NONE" if not applicable)	(3) EXPENSIVE AND VALUABLE ITEMS (Number of cartons)	
b. MOBILE HOME INFORMATION (Enter dimensions in feet and inches)			
(1) SERIAL NUMBER	(2) LENGTH	(3) WIDTH	(4) HEIGHT
(5) TYPE EXPANDO (Describe)			
c. MOBILE HOME SERVICES REQUESTED (X as applicable)			
<input type="checkbox"/> CONTENTS PACKED <input type="checkbox"/> MOBILE HOME BLOCKED <input type="checkbox"/> MOBILE HOME UNBLOCKED <input type="checkbox"/> STORED AT ORIGIN <input type="checkbox"/> STORED AT DESTINATION			
8. THIS SHIPMENT/STORAGE IS REQUIRED INCIDENT TO THE FOLLOWING CHANGE OF STATION ORDERS:			
a. TYPE ORDERS (X one) <input type="checkbox"/> PERMANENT <input type="checkbox"/> TEMPORARY		b. ISSUED BY	c. NEW DUTY ASSIGNMENT
d. DATE OF ORDERS (YYYYMMDD)	e. ORDERS NUMBER	f. PARAGRAPH NO.	g. IN TRANSIT TELEPHONE NO. (Include Area Code)
h. IN TRANSIT ADDRESS (Street, Apartment Number, City, State, ZIP Code)			
9. PICKUP (ORIGIN) INFORMATION		10. DESTINATION INFORMATION	
a. ADDRESS (Street, Apartment Number, City, County, State, ZIP Code) <i>(If a mobile home park, include mobile home court name)</i>		a. ADDRESS (Street, Apartment Number, City, County, State, ZIP Code) <i>(If a mobile home park, include mobile home court name)</i>	
b. TELEPHONE NUMBER (Include Area Code)		b. AGENT DESIGNATED TO RECEIVE PROPERTY	
11. EXTRA PICKUP/DELIVERY ADDRESS (If applicable)		12. SCHEDULED DATE FOR (YYYYMMDD)	
		a. PACK	b. PICKUP
		c. DELIVERY	
13. REMARKS			
14. I CERTIFY THAT NO OTHER SHIPMENTS AND/OR NONTEMPORARY STORAGE HAVE BEEN MADE UNDER THESE ORDERS EXCEPT AS INDICATED BELOW (If none, indicate "NONE.")			
a. FROM	b. TO	c. NET POUNDS (Actual or estimated)	d. POUNDS OF PBP&E (Actual or estimated)
15. CERTIFICATION OF SHIPMENT RESPONSIBILITIES/STORAGE CONDITIONS I certify that I have read and understand my shipping responsibilities and storage conditions printed on the back side of this form.			
a. SIGNATURE OF MEMBER/EMPLOYEE	b. DATE SIGNED	c. ADDRESS OF CONTRACTOR (Street, Suite No., City, State, ZIP Code)	
d. NAME OF CONTRACTOR (Origin DPM or non-temporary storage)			
16. CERTIFICATE IN LIEU OF SIGNATURE ON THIS FORM IS REQUIRED WHEN REGULATIONS SO AUTHORIZE. Property is baggage, household goods, mobile home, and/or professional books, papers and equipment authorized to be shipped at government expense.			
a. REASON FOR NONAVAILABILITY OF SIGNATURE		b. CERTIFIED BY (Signature)	
		c. TITLE	

DD FORM 1299, SEP 1998

PREVIOUS EDITION IS OBSOLETE.

Figure 404-3. DD Form 1299, Application for Shipment and/or Storage of Personal Property