



DEFENSE LOGISTICS AGENCY
HEADQUARTERS
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IN REPLY
REFER TO

August 20, 2013

MEMORANDUM FOR SUPPLY AND FINANCE PROCESS REVIEW COMMITTEE (PRC)
MEMBERS

SUBJECT: Proposed Addendum to Approved Defense Logistics Management Standards (DLMS) Change 1050 (Staffed as PDC 1050A), New DOD EMALL DoDAAC and Supply Status Codes for DOD EMALL Credit Card Billing (Supply and Finance)

We are forwarding the attached proposed change to DLM 4000.25, Defense Logistics Management System and DLM 4000.25-1, Military Standard Requisitioning and Issue Procedures (MILSTRIP) for evaluation and submission of a single coordinated DOD Component position. It is the responsibility of the Component Supply PRC representative to ensure full coordination of the proposal within your Component.

Request you review the attached proposed change and provide your comments/concurrence to DLA Logistics Management Standards Office not later than **30** days from the date of this memorandum. If nonconcurrence is provided, please provide an alternate method to meet the requirement being addressed.

Addressees may direct questions to Ms. Ellen Hilert, DOD MILSTRIP Administrator, 703-767-0676 or DSN 427-0676, email: ellen.hilert@dla.mil; Ms. Heidi Daverede, DOD MILSTRIP Alternate, 703-767-5111; DSN 427-5111, e-mail: heidi.daverede@dla.mil; or Mr. Robert Hammond, Chair, Finance PRC, email finance@hq.dla.mil. Others must contact their designated representative shown at www.dla.mil/j-6/dlmsoc/CertAccess/SvcPointsPOC/allpoc.asp (DOD common access card restricted).

DONALD C. PIPP
Director
DLA Logistics Management
Standards Office

Attachment
As stated

cc:
ODASD(SCI)
ODASD DPAP (PDI)
DOD EMALL PMO

Attachment to PDC 1050A
New DOD EMALL DoDAAC and Supply Status Codes for
DOD EMALL Credit Card Billing

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION: Defense Logistics Agency, J331 (Order Management), 703-767-7725; DSN 427-7725

2. FUNCTIONAL AREA: Supply/Logistics, Requisition Processing

3. REFERENCES:

- a. [DLM 4000.25, Defense Logistics Management System, Volume 2](#)
- b. [DLM 4000.25-1, Military Standard Requisitioning and Issue Procedures \(MILSTRIP\)](#)
- c. [Approved DLMS Change \(ADC\) 1050](#), New DOD EMALL DoDAAC and Supply Status Cancellation Codes for DOD EMALL Credit Card Billing, dated March 18, 2013

4. PROPOSED CHANGE(S): This PDC replaces the previously published ADC 1050 (Reference 3.c.) in its entirety. It provides additional supply status functionality to better support the DOD EMALL Government purchase card (GPC) or corporate credit card billing procedures. In addition to the originally approved supply status, under this PDC three new supply status codes are being proposed to alert the customer when card information must be updated to prevent manual billing and to alert the customer to establish an obligation when manual billing must be used. Substantive changes subsequent to publication of ADC 1050 are **highlighted**. All other elements of the original ADC 1050 are retained and are provided in this document for context.

a. Brief Overview:

(1) Under ADC 1050, four new requisition supply status codes are established for cancellation status for DOD EMALL GPC or corporate credit card billing. These codes will be used to identify the specified reasons the purchase/credit card was rejected (causing the order to be cancelled) back to the customer. These cancellation codes are unique to the purchase/credit card purchases made through DOD EMALL for Federal and non-Federal customers.

(2) Under PDC 1050A, three additional new status codes will be established to alert the customer regarding issues related to the purchase/credit card billing process. The first status code will alert the customer of a credit card expiration date approaching. The second status code will allow the customer to update credit card information when a card is no longer active at the time of billing, thus minimizing charge and refund failures which could result in manual billing. The third status code will require the customer to create an obligation to maintain compliance with financial requirements when manual billing applies due to inability to bill the original card.

(3) The new status codes will be provided by DLA's Enterprise Business System (EBS) to DOD EMALL and transmitted to DLA Transaction Services for distribution under MILSTRIP routing rules. Customers with connectivity will receive supply status transactions (MILSTRIP/DLMS 870S/Document Identifier Code AE_). The status codes will also be provided to DOD EMALL customers via e-mail.

(4) In conjunction with the transition of billing to DLA's EBS (as discussed in the 4.b. Background), the DOD Activity Address Code (DoDAAC) used to recognize EMALL purchase/credit card billing has changed from SP5200 to SC4210.

(5) This change also includes minor updates to guidance included in the DLMS implementation conventions supporting DOD EMALL requisitions.

b. Background:

(1) DLA's EBS has taken over the billing and collection for DOD EMALL orders for which Federal and non-Federal customers are paying via purchase/credit card. In order for EBS to assume this responsibility, DOD EMALL will establish a new interface to send encrypted purchase/credit card transaction data to EBS via DLA Transaction Services. This process described in this change uses "Pay.gov" which supports secure electronic payments to Federal Government Agencies by credit/debit card (for more information about Pay.gov refer to <https://www.pay.gov/paygov/>).

(2) The transition to EBS allows for consolidation and standardization of billing processes within the DLA Enterprise Resource Program (ERP). Additionally, it allows the timing of the actual billing to be adjusted to conform more closely to DOD policy. Previously, the DOD EMALL purchase/credit card process charged all customers cards up front at the time of order. Under the new DOD EMALL credit card process, billing for stock shipments occurs when the materiel is physically shipped. Billing for direct vendor deliveries occurs when the customer materiel receipt acknowledgment or acceptance is recorded. For non- DOD/non-Federal customers, billing continues to occur at the time of order.

(3) The DOD EMALL DoDAAC SC4210 was established as a cutover solution, to separate orders billed through the old business process versus the new EBS process.

c. Detailed Procedures:

(1) Use of a cancellation supply status based on need for DOD EMALL purchase/credit card requisition cancellation purposes:

(a) The purchase/credit card billing and collections process is initiated with the submission of a Federal or non-Federal purchase/credit card order from DOD EMALL. Prior to the submission to DLA's ERP Central Component (ECC), a zero-dollar authorization and a single sale credit limit check will be performed by DOD EMALL. If the single sale credit limit check fails, the customer will be notified that the order will likely fail when submitted to the ECC,

and the customer will be able to make changes or submit anyway. If the zero-dollar authorization fails, the order is not sent out of DOD EMALL to DLA Transaction Services. After the order is successfully submitted to the ECC, charges will be processed through Pay.gov. If the daily purchase/credit card limit is exceeded by a single charge or a combination of charges against the same purchase/credit card, an unsuccessful response will be returned to the ECC by Pay.gov and cancellation status code PC will apply. (Note: The single sale credit limit check and the daily purchase/credit card limit are both \$49,999.99)

(b) When a non-Federal DOD EMALL purchase/credit card order is submitted, it is placed in a hold status for up to four business days until an advance payment is received. Pay.gov receives the charges and generates a response that is sent back to EBS. Advances must be charged to non-Federal customers prior to the order fulfillment process moving onto sourcing and delivery. This requirement will provide the ability to receive the purchase/credit card charge response from Pay.gov, indicating a successful or failed purchase/credit card charge for each transaction, and update the order to continue processing for successes and cancel the order for failures. If the response is unsuccessful and the order hasn't been cancelled by the customer for any other reason while in hold status, a cancellation reason for rejection will be assigned along with its associated cancellation reason status code of PG.

(c) When an EMALL customer submits an order through the EMALL application, the order information and the purchase/credit card information will be sent to DLA Transaction Services for translation to ECC. The purchase/credit card information will be split into a separate file containing the encrypted credit card number. This file will be transferred from DOD EMALL to DLA Transaction Services over a secure protocol. The data received will contain an EMALL supplier order identification and original requisition document number(s), which will facilitate the reference with the associated orders. When both the order and purchase/credit card information have been matched in ECC, the processing will continue. The only user interaction will be on the front-end of the process when the EMALL customer submits the order. Since the purchase/credit card data and the order are received in two separate intermediate documents (IDocs), there is a possibility that one of the documents may not successfully process. If only the 511R is successfully processed, creating an order without its related purchase/credit card data, and a match is not found within four business days, a Federal order will be sent to manual billing and a non-Federal order will be updated to a cancelled Status Code PH along with the reason for rejection.

(d) Cancellation Status Code PJ will be used as a "catch all" if any of the above cancellation status codes or existing MILSTRIP status codes do not apply to the situation. This will be due to a system error as opposed to a customer input error. Use of this code should be very minimal, but when customers go into DOD EMALL to see their status (or receive status notification), they will know that it was not cancelled due to lack of their efforts; the customer should resubmit their order.

(e) If a purchase/credit card expiration date is within the current month, the customer will be alerted to all open orders for the associated credit card using Status Code PK. This will give the customer one month to update their card information and prevent the expiration date causing a card failure for charges or refund.

(f) If there is invalid credit card information, Status Code PN will be applied and the customer will update the information within 5 business days to prevent manual billing. Examples of this situation would be: (1) the order was placed, partial shipment was completed, and three months later the remaining order is fulfilled, but the credit card has expired or (2) a military user has been deployed and the credit card was closed out before order was fulfilled.

(g) If the requested information referenced in paragraph 4.c.(1)(e) and (f) above is not provided within the specified time periods, Status Code PL will be used to inform the customer that manual billing has been initiated and a financial obligation should be established.

(2) DOD EMALL: EMALL administrative end-users and customers will use a new web service from within DOD EMALL to request purchase/credit card transaction information available in the ERP. The web service will pull requested information differently for EMALL administrative end users and for the customer.

(a) The EMALL administrative end user will have the ability to download the daily purchase/credit card transaction report (updated at 1 p.m. local time) or search for purchase/credit card transaction information by EMALL supplier order ID, original requisition document number, or a date range, of which only one search method may be selected. When the date range option is selected, further selection criteria will be available. By default, all three criteria will be selected to return the related purchase/credit card transactions, orders missing purchase/credit card data, and purchase/credit card data missing an order. To maximize performance, the Web Service will only be able to pull a date range of one month with the ability to go back as many months as needed by running multiple one month reports. Since EMALL will be handling the user security, set up of user-specific reporting criteria would need to be stored by EMALL, which would allow an EMALL Administrative user to create a canned report.

(b) The customer will have limited web service capability and only be allowed to search for purchase/credit card transaction information by EMALL supplier order ID or original requisition document number, which will allow the user to review transactions related to an entire order or by line item. This will return all transaction information for the order or line item that the customer is viewing within the EMALL user interface. The user security established by EMALL will ensure that the customer only has access to request purchase/credit card transaction information related to their orders.

(c) The web service layout and security will be handled by EMALL. EBS will provide the information requested from internal tables, which will be called by the web service and passed through EBS Process Integration (PI), the middleware component of the interface.

(d) DOD purchase/credit card billing will be recognized by use of the DoDAAC SC4210 (carried in the legacy supplementary address field or the DLMS bill-to activity) (in conjunction with Fund Code XP) if billing is accomplished within EBS. Requisitions created prior to the transition to EBS will be identified by DoDAAC SP5200.

(3) Revisions to DLM 4000.25 Manuals:

(a) Revise DLM 4000.25-1, MILSTRIP, Appendix 2.16, Status Codes, to include new supply status codes.

Staffing Note: Status codes explanations are written generically to allow for expanded use beyond DOD EMALL, e.g. to support General Services Agency (GSA) web ordering procedures.

Code Explanation

PC Rejected. Unable to process requisition because the purchase/credit card exceeded its limit. Review records for corrective action and resubmit under new document number if still required.

PG Rejected. Unable to process non-Federal requisition due to an unsuccessful purchase/credit card advance payment. Review records for corrective action and resubmit under new document number if still required.

PH Rejected. Unable to process requisition due to unmatched purchase/credit card and order data within processing system. Resubmit under new document number if still required.

PJ Rejected. Unable to process requisition due to systemic error/rejection from Pay.gov. Resubmit under new document number if still required.

PK Purchase/credit card expiration approaching. Update by end of month or manual billing will be initiated.

PN Invalid purchase/credit card information (card no longer active). Update within 5 business days or manual billing will be initiated.

PL Unable to process billing via customer provided purchase/credit card. Manual billing has been initiated. If required, establish a corresponding obligation in your financial system.

(b) Revise DLM 4000.25 DLMS Volume 2, and 4000.25-1, MILSTRIP, as shown in Enclosure 1.

(c) Revise DLMS 511R Requisition, 511M Requisition Modification, and 869F Requisition Follow-Up as shown at Enclosure 2.

d. Alternatives: None identified.

5. REASON FOR CHANGE: Provide the customer with additional information regarding the cancellation status of their purchase/credit card requisition. Documentation of revised billing procedures associated with DOD EMALL.

6. ADVANTAGES AND DISADVANTAGES:

a. Advantages: Requisitioner will have more accurate information regarding the cancellation status of their purchase/credit card order. Customer purchase/credit cards will no longer be billed immediately upon placing their order in DOD EMALL. This will result in fewer adjustments resulting for differences between the billed and shipped/received quantity.

b. Disadvantages: None identified.

7. ESTIMATED TIME LINE/IMPLEMENTATION TARGET: ADC 1050 implementation was accomplished June 2013. Proposed changes identified under PDC 1050A are planned for: fourth quarter FY 2014 for Status Codes PK and PN (paragraphs 4.c.(1)(e) and (g)) and fourth quarter FY 2016 for Status Code PL (paragraph 4.c.(1)(f)).

8. IMPACT:

a. Automated Information Systems (AIS):

(1) Component systems:

(a) Service/Agency systems must recognize/process the new cancellation supply status codes. From an information exchange perspective, there is no adverse impact for delayed Service/Agency implementation of the new codes because equivalent status will be provided directly to the customer via e-mail and on-line viewing of status will be available. Services/Agencies may request DLA Transaction Services to block transmission of the new status codes if transaction failure causes unnecessary workload for processing personnel.

(b) Impact to Service/Agency AIS due to the DOD EMALL DoDAAC value change is not known.

(2) **DLA EBS and DOD EMALL:** Implement the new web service for querying of purchase/credit card transaction information. Implement the new DoD EMALL DoDAAC in association with the revised billing process. Provide cancellation status via MILSTRIP supply status, e-mail, and on-line to EMALL customers.

b. DLMS Data Elements: No new DLMS data elements are being added by this change.

(1) As a consequence of the DLMS process review associated with this change, it was identified that a revision to the usage instructions/applicability of the Modular Ordering Management System (MOMS) supplier order number would be required. The DLMS Supplements supporting DOD EMALL requisitioning are modified accordingly (See Enclosure 2).

(2) Update required for DLMS dictionary for new supply status codes and definitions as defined above.

c. DLA Transaction Services:

(1) Components may request DLA Transaction Services suppress transmission of new status codes pending system updates.

(2) New interface requirements between DOD EMALL and DLA Transaction Services have been defined separately.

(3) All systemic processes keyed to the EMALL DoDAAC value SP5200 has transitioned to recognize either SP5200 or SC4210. Use of either EMALL DoDAAC will be employed in the Defense Automatic Addressing System (DAAS) Government-Furnished Materiel edit.

d. Non-DLA Logistics Management Standards Publications: Internal Service/Agency guidance may need to be updated. DLA will need to update the Customer Assistance Handbook.

Enclosure 1, DLMS/MILSTRIP Manual Revisions

Revise DLM 4000.25 DLMS Volume 2, Chapter 4 as shown below. A comparable change is required for DLMS 4000.25-1, MILSTRIP, Chapter 11, paragraph C11.9.1.2. Changes are identified in **red italics**.

C4.2.8.12.3. DoD EMALL requisitions for shipment to contractors using corporate purchase/credit card payment are assigned Signal Code B, Fund Code XP, and the supplemental address of the DoD EMALL DoDAAC (SP5200 **or SC4210**). This configuration identifies a Government DoDAAC as the bill-to activity, thereby triggering DAAS and the DoD Component source of supply processing systems to misinterpret such transactions as GFM requisitions. DAAS shall validate these transactions against existing GFM edits and the DoD EMALL CFM Table to determine appropriate action. If the contractor requisition does not contain a valid MCA identification code and the DoDAAC is not listed in the DoD EMALL CFM Table, DAAS shall reject with Status Code CL. If an MCA is identified by either a distribution code or a RIC, DAAS shall forward the requisition to the source of supply. The source of supply shall submit a DLMS 517G to DAAS for validation following GFM MCA procedures (including Army CFM). DAAS will recognize the EMALL supplemental address and again employ existing GFM edits and the DoD EMALL CFM Table to take appropriate action. If the validation using the DoD EMALL CFM Table identifies the contractor DoDAAC as authorized by the contracting officer for ordering CFM using corporate purchase/credit cards, then DLA Transaction Services shall validate the requisition and respond to the source of supply with a DLMS 517G Validation Response using Advice Code 2M indicating the requisition is valid. The source of supply shall continue processing. If the contractor DoDAAC is not contained on the DoD EMALL CFM Table, but the requisition contains a valid MCA code, then DLA Transaction Services shall forward the DLMS 517G Validation Request to the MCA for validation. If the contractor DoDAAC is not contained on the DoD EMALL CFM Table, or does not match the CFM Authorized Materiel Table, when applicable, and the requisition does not contain a valid MCA code, then DAAS shall provide a DLMS 517G Validation Response with Status Code CL indicating the transaction is invalid. The source of supply shall reject the requisition. For DLA contractor credit card purchases (identified by a DLA-assigned U-series DoDAAC in the document number), DAAS processing rules shall be as described in this paragraph, except that the requisition shall be validated based upon the requisitioner DoDAAC matching to the DLA CFM Authorized DoDAAC Table.

Enclosure 2, DLMS Implementation Convention (IC) Revisions

The following revisions were implemented under ADC 1050. There are no additional IC changes under PDC 1050A.

#	Location	DLMS 511R Requisition Revision	Reason
1.	DLMS Introductory Notes	<p><u>Add ADC to DLMS Introductory Notes:</u></p> <p>- <i>ADC 1050, New DOD EMALL DoDAAC and Supply Status Cancellation Codes for DOD EMALL Credit Card Billing</i></p>	Identifies DLMS Changes included in the DLMS Supplement.
2.	2/N907-01/20	<p><u>Revise DLMS note with existing Qualifier AN:</u></p> <p>IL Internal Order Number DLMS Note: <i>Use to identify the unique order number associated with (1) the contract number (Qualifier CT) above for the DoD EMALL/part numbered catalog order, or (2) the document number (Qualifier TN) for stock materiel ordered via DOD EMALL. DoD EMALL shall uses this to provide the Modular Ordering Management System (MOMS) supplier order number. Refer to ADC 1050.</i></p>	The MOMS supplier order number is applicable to both stocked materiel and catalog orders.

#	Location	DLMS 511M Modification Revision	Reason
1.	DLMS Introductory Notes	<p><u>Add ADC to DLMS Introductory Notes:</u></p> <p>- <i>ADC 1050, New DOD EMALL DoDAAC and Supply Status Cancellation Codes for DOD EMALL Credit Card Billing</i></p>	Identifies DLMS Changes included in the DLMS Supplement.
2.	2/N907-01/20	<p><u>Add Qualifier IL and DLMS Note:</u></p> <p>IL Internal Order Number DLMS Note: <i>Use to identify the unique order number associated with (1) the contract number (Qualifier CT) above for the DoD EMALL/part numbered catalog order, or (2) the document number (qualifier TN) for stock materiel ordered via DOD EMALL. DoD EMALL shall uses this to provide the Modular Ordering Management System (MOMS) supplier order number. Refer to ADC 1050.</i></p>	<p>Consistency with DLMS 511R.</p> <p>Under MILSTRIP, the requisition modification perpetuates all data, as modified, from original requisition.</p>

	Location	DLMS 869F Requisition Follow-up	Reason
1.	DLMS Introductory Notes	<p><u>Add ADC to DLMS Introductory Notes:</u></p> <p>- <i>ADC 1050, New DOD EMALL DoDAAC and Supply Status Cancellation Codes for DOD EMALL Credit Card Billing</i></p>	Identifies DLMS Changes included in the DLMS Supplement.
2.	2/REF04-01/105	<p><u>Add Qualifier IL and DLMS Note:</u></p> <p>IL Internal Order Number DLMS Note: <i>Use to identify the unique order number associated with (1) the contract number (Qualifier CT) above for the DoD EMALL part numbered catalog order, or (2) the document number (qualifier TN) for stock materiel ordered via DOD EMALL. DoD EMALL shall uses this to provide the Modular Ordering Management System (MOMS) supplier order number. Refer to ADC 1050.</i></p>	<p>Consistency with DLMS 511R.</p> <p>Under MILSTRIP, the requisition follow-up perpetuates all data, as modified, from original requisition.</p>