



DEFENSE LOGISTICS AGENCY
HEADQUARTERS
8725 JOHN J. KINGMAN ROAD
FORT BELVOIR, VIRGINIA 22060-6221

IN REPLY
REFER TO J627

February 09, 2011

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE MEMBERS

SUBJECT: Proposed Defense Logistics Management System (DLMS) Change (PDC) 437,
Revise DLMS Supplement (DS) 846R, Location Reconciliation Request in Support
of Reutilization Business Integration (RBI) (Supply)

We are forwarding the attached proposed change to DOD 4000.25-M, Defense Logistics Management System (DLMS), for evaluation and submission of a single coordinated DOD Component position. The interface requirement relating to this proposed change is shown to assist in your internal coordination. However, omission of such a requirement does not relieve you of the responsibility to assure full coordination of the proposal within your Component. Please assure Joint Physical Inventory Working Group (JPIWG) representative is included.

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. **DLA and DLA Transaction Services have immediate authorization to use these requirements by their mutual agreement and at their own risk given that the requirements may change depending upon staffing results.**

Addressees may direct questions to Mr. Luis Madrigal, 703-767-2011 or DSN: 427-2011 or email to: luis.madrigal@dla.mil. Others must contact their Component designated Supply PRC or JPIWG representative.

A handwritten signature in black ink, appearing to read "Donald C. Pipp", with a large, stylized flourish at the end.

DONALD C. PIPP
Director
DLA Logistics Management
Standards Office

Attachment

cc:
ODASD(SCI)
JPIWG

ATTACHMENT TO PDC 437

Revise DLMS Supplement (DS) 846R, Location Reconciliation Request in Support of Reutilization Business Integration (RBI)

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION:

- a. **Service/Agency:** Defense Logistics Agency Disposition Services
- b. **Technical POC:**
DLA Logistics Information Service (LAR) DSN 661-5929,
Commercial 269-961-5929,
- c. **Functional POC:**
DLA Logistics Information Service (LAR) DSN 661-5872, Commercial 269-961-5872
DLA Logistics Information Service (LAR) DSN 661-5723, Commercial 269-961-5723

2. FUNCTIONAL AREA:

- a. **Primary/Secondary Functional Area:** Primary: Supply/Logistics DLA Disposition Services
- b. **Primary/Secondary Functional Process:** Primary: Material Delivery Notification DLA Logistics Information Services

3. REFERENCES:

- a. DOD Supply Chain Material Management Regulation, DOD 4140.1-R, Chapter 5 (<http://www.dtic.mil/whs/directives/corres/pdf/414001r.pdf>)
- b. DOD Financial Management Regulation, DOD 7000.14-R, Volume 4, Chapter 4 (<http://www.DOD.mil/comptroller/fmr/4/4pdf>)
- c. Military Standard Transaction Reporting and Accounting Procedures (MILSTRAP), DOD 4000.25-2-M, Chapter 7 (https://www.dla.mil/j-6/dlms/elibrary/manuals/milstrap/word/012_chapt07_ch4.doc)
- d. DLMS Manual, DOD 4000.25-M, Volume 2, Chapter 6, (https://www.dla.mil/j-6/dlms/elibrary/manuals/dlms/msw/v2/v2c6_chg5/doc)

4. **BACKGROUND:** The DLA Disposition Services (formerly Defense Reutilization and Marketing Service (DRMS)) is a worldwide presence within the Department of Defense, with disposal specialists in 14 foreign countries, two U.S territories, and 39 states. DLA Disposition Services mission is the execution of disposition solutions for excess military property. The Reutilization Business Integration (RBI) project will replace the DLA Disposition Services Automated Information System (DAISY) by integrating DLA Disposition Services business processes within the DLA enterprise suite of applications, including the Distribution Standard System (DSS) and the Enterprise Business System (EBS).

- a. Intent of the Transaction:** This PDC covers modifications to the 846R Location Reconciliation Request transaction (846R beginning segment BIA02 Report Type Code 'LC' (MILSTRAP DI Code DZH functionality)) and the Location Reconciliation Notification transaction (846R beginning segment BIA02 Report Type Code 'X4' (MILSTRAP DI Code DZN functionality)). With the inclusion of the RBI functionality in DSS, this transaction needs to be updated to include passing a Disposal Turn-In Document (DTID) number, and the Demilitarization Code (DEMIL code). DLA Disposition Services use the DTID number to uniquely identify individual property, as well as performing all inventories and accounting processes. The DTID number is also used to track, control and perform all disposition of all DLA Disposition Services property. The DLA Disposition Services uses the DEMIL Code in order to control property that is turned in from the services, and is received, stored, or sold from its locations worldwide. DLA Disposition Services complies with all DOD policies and regulations to identify and apply controls, worldwide, over materiel to prevent its diversion to entities unfriendly to U.S. interests and to prevent unauthorized use.
- b. Scenarios for which the transaction is used:** The DLA Disposition Services uses the DTID number to uniquely identify individual property, as well as performing all inventories and accounting processes. The DTID can serve as the primary document number in a transaction (most cases) or it can be a secondary identification where there is an actual customer document number (requisition and receipt transactions).
- 1. 846R Inventory Inquiry/Advice (DZH, DZN)** Since there will be two separate records of inventory, one in DSS (accountable) and the other in EBS (owner record), there is a need to ensure that these two inventories are kept in sync at the DTID level. In order to comply with the DOD policy, reconciliation will be done both daily and annually. DZH and DZN transactions will be sent from DSS to EBS to provide the information needed to complete these reconciliations. DZH transactions will be sent with on-hand balances of inventory line items.
 - 2. For annual reconciliations,** the DZHs will be sent for all inventory at a DLA Disposition Service Field Offices, and for daily reconciliation, DZHs will be sent for inventory which had balance affecting transactions (receipts, issues, adjustments, etc) during that day. The inventory data sent on the DZHs will then be compared to the inventory data in EBS. For any mismatches found, email notifications will be sent to the appropriate DLA Disposition Services personnel so that they may be investigated and corrected.
- c. Procedures, transactions, data elements, processing details in use today:** Since the accountable and owner records are currently resident in one system (DAISY) there is no need to reconcile.

5. PROPOSED CHANGES(S):

a. Requested changes in detail:

- 1.** In the DLMS transaction 846R Location Reconciliation Request and Location Reconciliation Notification (MILSTRAP DZH and DZN functionality respectively), DLA Disposition Services needs to provide the DTID number.

2. In the DLMS transaction 846R Location Reconciliation Request (DZH, DZN), DLA Disposition Services requires the ability to identify grouping of DTIDs.

3. In the DLMS transaction 846R Location Reconciliation Request (DZH, DZN), DLA Disposition Services will include the DEMIL code for items demilitarized under RBI.

b. Proposed procedures: The 846R will be passed from DSS to EBS each day in order to communicate inventory counts at a particular Disposition Services Site. A list of individual Disposition Services Sites for which the 846R should be sent as well as the schedule for when they should be sent will be maintained by DSS in the DSS Ownership Compliance table. This table will specify that all the DLA Disposition Services Sites will pass daily reconciliation transactions each day as well as total reconciliation transactions on an annual basis.

DLA Disposition Services will use the DTID number to uniquely identify individual property turned into worldwide Field Offices. The DTID number will be used to track inventory from pre-receipt through sales or final disposal. The DEMIL Code will be used to ensure all military and government property will enforce proper property controls.

c. Alternatives: There are no other alternatives for these proposed processes. The DTID and the DEMIL Code need to be added to this transaction to provide DLA Disposition Services with accurate inventory reporting, and property control.

6. REASON FOR CHANGE: With the addition of DLA Disposition Services business processes into the DSS and EBS systems, data elements and transaction information needs to be introduced in a DLMS transaction to transmit information between systems.

7. ADVANTAGES AND DISADVANTAGES:

a. Advantages (tangible/intangible): Adding the DTID number to the transaction information will ensure the proper property identification and tracking capabilities. Adding the DEMIL Code will ensure that demilitarization information will be passed to prevent those who are not eligible to receive government property will be excluded.

b. Disadvantages: There are no disadvantages to adding both the DTID number and DEMIL Code to the transaction.

8. ASSUMPTIONS USED OR WILL BE USED IN THE CHANGE OR NEW DEVELOPMENT (OPTIONAL): The DTID and DEMIL Code will be passed on this transaction.

9. ESTIMATED TIME LINE/IMPLEMENTATION TARGET: Testing begins May of 2011, and full implementation in October 2011

10. IMPACT: Request Code addition for the 846R IC.

a. New Data Elements for the 846R: FD – Demilitarization Code.

b. DLMS 846R Change Table

Item #	Location	DS 846R Revision	Reason
1.	DLMS Introductory Notes	<u>Add PDC 437 to DLMS Introductory Note 6:</u> - <i>PDC 437, Revise DLMS Supplement (DS) 846R, Location Reconciliation Request in Support of Reutilization Business Integration (RBI) (Supply)</i>	Identifies DLMS Changes included in the DS.
2.	2/LQ01/270	<u>Add FD qualifier with DLMS note:</u> FD Demilitarization Code DLMS Note: <i>Authorized DLMS enhancement for use by DLA Disposition Services only. Refer to PDC 437.</i>	To Accommodate mapping product requirement.

c. Publications:

1. Requires update to DLMS 846R Location Reconciliation Request transaction as noted.
2. Requires update to DOD 4000.25-M, DLMS, to add procedures for the DLA Disposition Services RBI business process for Location Reconciliation process at DTID level as needed. The appropriate DLA office must provide procedures to DLA J627, through the DLA Supply PRC representative, for inclusion in the DLMS manual, Volume 2. RBI, DLA Disposition Services and DLA J33 must coordinate as needed to assure these procedures are written and submitted to DLA J627.