



**DEFENSE LOGISTICS AGENCY
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IN REPLY
REFER TO

October 23, 2012

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC) 1034, Intra-DLA Revision to Procedures to Support DLMS 945A, Materiel Release Advice, Cancellation Reason Code and Denial Management Code for Redistribution Orders Associated with DLA Disposition Services under Reutilization Business Integration (RBI) (Supply/Logistics) (Staffed as PDC 1034)

The attached change to Defense Logistics Manual (DLM) 4000.25, Defense Logistics Management System (DLMS) and DLM 4000.25-2, MILSTRAP is approved for implementation.

Addressees may direct questions to Ms. Ellen Hilert, DOD MILSTRIP Administrator, 703-767-0676; DSN 427-0676 or email Ellen.Hilert@dla.mil or Ms. Heidi Daverede, DOD MILSTRIP Alternate, 703-767-5111; DSN 427-5111 or email Heidi.Daverede@dla.mil. Others may direct questions to their Service or Agency designated Supply PRC representative.

DONALD C. PIPP
Director
DLA Logistics Management
Standards Office

Attachment
As stated

cc:
ODASD(SCI)

ADC 1034

Intra-DLA Revision to Procedures to Support DLMS 945A, Materiel Release Advice, Cancellation Reason Code and Denial Management Code for Redistribution Orders Associated with DLA Disposition Services under Reutilization Business Integration (RBI)

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION:

- a. **Technical POC**: DLA Logistics Information Service, LAE 269.961.5748
- b. **Functional POC**: DLA Disposition Services, DB 269.961.5906

2. FUNCTIONAL AREA:

- a. **Primary/Secondary Functional Area**: Supply/Logistics
- b. **Primary/Secondary Functional Process**: Cancellations

3. REFERENCES: Approved Defense Logistics Management System (DLMS) Change (ADC) 449, Intra-DLA Revisions to the DLMS 945A, Materiel Release Advice, Cancellation Reason Code, Management Codes, and Associated Procedures under Reutilization Business Integration (RBI) (Supply) (Staffed as PDC 442), dated November 21, 2011.

4. APPROVED CHANGE(S):

a. **Brief Overview**: This change establishes a new Cancellation Reason Code YJ for use on the DLMS 945A Reply to Cancellation Request (Document Identifier Code (DIC) AG6) and a new Denial Management Code N for use on the DLMS 945A Disposal Release Denial (DIC A6J) for proper financial processing of Redistribution Orders (RDO) cancellations and denials within DLA Disposition Services systems under RBI. Note: RDOs within DLA Disposition Services are also known as Site to Site Transfers.

b. **Background**:

(1) The DLA Disposition Services 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 Disposal Automated Information System (DAISY) by integrating DLA Disposition Services business processes within the DLA enterprise suite of applications, including the Enterprise Business System (EBS) for materiel management functions and the Distribution Standard System (DSS) for warehousing/distribution functions.

(2) ADC 449 modified the DLMS 945A Reply to Cancellation Request (DIC AG6) to include capability to pass reasons for rejection in response to a Materiel Release Order (MRO) that had been sent from EBS to DSS. Depending on the issue encountered in DSS blocking delivery (or partially delivery), a reason for rejection is included in the DLMS 945A

sent back to EBS. This reason for rejection is utilized by EBS either to cancel the sales order in its entirety by sending separate transactions for each Disposal Turn In Document (DTID) or to cancel a specific line item based on the DTID Number passed in the transaction.

c. Approved Change in Detail:

(1) Add Cancellation Reason Code YJ – DLA Disposition Services Field Office cancellation of Redistribution Order due to change in disposition instructions.

(a) This reason code is authorized for use in the DLMS 945A (DIC AG6) at location 2/LQ01/100 for DLMS data element Cancellation Reason (LQ01=Z) to indicate that the Field Office is cancelling its previously transmitted DLMS 940R (DIC A2_).

(b) For RDOs originated by EBS, this reason code is authorized for use in the DLMS 945A (DIC AG6) on **AN INTERIM BASIS**, pending implementation in EBS and DSS to process these events as DLMS 945A Disposal Release Denials (DIC A6J).

(2) Add Denial Management Code N – Redistribution Order Denial. For intra-DLA Disposition Services use only to indicate that the Field Office is unable to complete the DLA Disposition Services-originated RDO due to a need to continue processing the DTID in accordance with established business rules at the current Field Office.

(a) This denial code is authorized for use in the DLMS 945A Disposal Release Denial (DIC A6J) at location 2/LQ01/100 for DLMS data element Management Code (LQ01=84) to indicate that the Field Office is executing a denial to the RDO originated by DLA Disposition Services.

(b) Use of this new denial management code by DLA's EBS and DSS is authorized as a delayed implementation, but should be completed as soon as practical after the initial RBI rollouts are completed.

d. Revisions to DLM 4000.25 Manuals:

(1) DLM 4000.25-2, MILSTRAP, Appendix 2.6. See enclosure 1 for new Denial Management Code N.

(2) DLM 4000.25, DLMS, Volume 2, Chapter 16, revise paragraph C.16.6.5.1. See enclosure 2 for specific changes.

e. Approved Transaction Flow:

(1) DSS originated DLMS 940R RDO (DIC A2_). An RDO may be created by the DLA Disposition Services Field Office for materiel meeting specific conditions with the intent of transferring the Disposal Turn-In Document (DTID) from the current Field Office where it was receipted to another Field Office (e.g., a Certified DEMIL Center [CDC] for demilitarization. This RDO is provided to DLA Disposition Services. If the DLA Disposition

Services Field Office determines that they need to cancel the RDO and process the DTID in accordance with established business rules at the current site, then a DLMS 945A (DIC AG6) will need to be created and sent to EBS to cancel the original RDO.

(2) EBS originated DLMS 940R RDO (DIC A2_). An RDO may be created by EBS to transfer a DTID from one Field Office to another for further disposition processing. If the Field Office is unable to process the RDO and determines that they need to continue processing the DTID in accordance with established business rules at the current site, then a DLMS 945A Disposal Release Denial (DIC A6J) will need to be created and sent to EBS for processing against the original RDO.

f. Alternatives: Establishment of a new denial management code to document cancellation of EBS-generated redistribution orders is the preferred method to address this requirement, since cancellation transactions are normally associated with customer requisitions, of which there are none in this scenario. While DLA Disposition Services does have denial procedures for redistribution orders, there were no official procedures identifying how to completely cancel them. Due to implementation time constraints, it was decided to leverage use/expansion of the cancellation reason codes implemented under ADC 449, as an interim solution, pending system modifications to implement a new denial management code for this situation.

5. REASON FOR CHANGE: The DLMS 945A is used to communicate a cancellation due to customer refusal at time of pick-up, as outlined in ADC 449. This change expands the functionality of the DLMS 945A (DIC AG_) to cancel a redistribution order and will be sent by the Field Office to DLA Disposition Services with a cancellation reason code that the order line item is being cancelled. The Cancellation Reason Code YJ passed on the DLMS 945A (DIC AG_) will identify a DLA Disposition Services RDO Cancellation and thereby allow DLA Disposition Services, using EBS, to cancel the associated RDO. Without the code of YJ, EBS will not be able to properly identify the appropriate transaction to cancel. Inclusion of the approved denial management code in this change will allow Disposition Services to transition to more appropriate procedures for EBS-prepared Redistribution Orders after deployment of RBI.

6. ADVANTAGES AND DISADVANTAGES:

a. Advantages: DLA Disposition Services (using EBS and DSS), will be able to comply with DLMS standards for the RBI process as well as meeting DLA Disposition Services business and financial requirements.

b. Disadvantages: Updating the DLMS 945A transaction will require minor coding changes in the RBI system suite (including DSS and EBS) to accommodate the mapping and processing of the new Cancellation Reason Code YJ. A separate coding change will be needed at a later date to separate the two scenarios for cancellation vs. denial of the RDO based upon the initiating system. Implementation of denial procedures will require coding to implement the Management Code N.

7. TIME LINE/IMPLEMENTATION TARGET: The implementation date for use of Cancellation Reason Code YJ in response to RDOs generated by either EBS or DSS was

August 27, 2012. EBS and DSS are authorized delayed implementation to complete modifications to implement the use of Management Code N for denials in response to RDOs generated by EBS.

8. ESTIMATED SAVINGS/COST AVOIDANCE ASSOCIATED WITH IMPLEMENTATION OF THIS CHANGE: N/A

9. IMPACT:

a. **New DLMS Data Elements:** None.

b. **Changes to DLMS Data Elements:** See Enclosure 3 for details.

(1) Add new Cancellation Reason Code YJ to Logistics Qualifier Z.

(2) Add new Management Code N to Logistics Qualifier 84.

c. **Automated Information Systems (AIS):** EBS and DSS will require minor coding changes to properly map and process the new Cancellation Reason Code YJ and Management Code N.

d. **DLA Transaction Services:** DLA Transaction Services mapping for the 945A must be updated to reflect the new Cancellation Reason Code YJ and Management Code N.

e. **Non-DLA Logistics Management Standards Publications:** N/A

ENCLOSURE 1

1. Update DLM 4000.25-2, MILSTRAP, Appendix 2.6, to add new definition and DIC condition for Management Code N.

“AP2.6.2. ISSUE RELATED TRANSACTIONS. Management codes are assigned for use in MILSTRAP issue related transactions (DIC D7_ Issues, DG_ Backorders, and DHA Demands) and MILSTRIP transactions (DIC Code A4_ Referral Orders, A5_ Materiel/Disposal Release Orders, A6_ Materiel/Disposal Release Denials, ACJ Disposal Release Cancellations, AE6 Supply status, AEJ Disposal Supply Status, AFJ Disposal Release Follow-ups, AGJ Reply to Disposal Release Cancellations, AKJ Disposal Release Cancellation Follow-ups, ARJ, ARK, and ARL Deposal Release Confirmations), and related release documentation (when applicable), as indicated below:

| <u>CODE</u> | <u>APPLICABLE DICS</u> | <u>EXPLANATION</u> |
|-------------|------------------------|---|
| N | DHA, D7_, A4_ | Nonrecurring demand. |
| N | All other DICS | Reserved for future DoD assignment. |
| N | A6J | <i>Denied. For intra-DLA Disposition Services use to indicate that the Field Office is unable to complete the DLA Disposition Services-originated RDO due to a need to continue processing the DTID in accordance with established business rules at the current Field Office.</i> |
| N | AE_ | Non-production Materiel. Identifies Navy-funded requirements not associated with direct support for ship/aircraft maintenance. Applicable to Navy requisitions submitted to DLA under industrial activity (IA) support agreement and may be perpetuated to supply status.” |

ENCLOSURE 2

1. Update DLM 4000.25, DLMS, Chapter 16, to add new cancellation reason code YJ and associated procedures and conditions for use in RDO cancellations and to add management code N and associated procedures for use in RDO Denials. (See changes in *red, bold, italics*)

“C16.6.5. Relocation Between DLA Disposition Services Field Offices

C16.6.5.1. Use of DLMS 940R, DLMS 856S and DLMS 945A When Relocating Materiel Between Field Offices. In all instances when relocation of materiel between DLA Disposition Services field offices is necessary, the DLA Disposition Services shall direct this action by using the DLMS 940R, Redistribution Order (**RDO**) (Transaction Type Code NI), and sending it to the shipping field office, except when the Disposal Category Code for the DTID number or DTID number and suffix is DS Disposal. ***In addition, an RDO may be created by the DLA Disposition Services Field Office for materiel meeting specific conditions with the intent of transferring the Disposal Turn-In Document (DTID) from the current Field Office where it was receipted to another Field Office (e.g., a Certified DEMIL Center [CDC] for demilitarization. The RDO transaction prepared by the Field Office is provided to DLA Disposition Services.*** The ~~shipping~~ Field Office processing the RDO shall always provide a DLMS 856S, Shipment Status (Transaction Type Code AS) ~~to the receiving field office~~ and the DLMS 945A, Redistribution Order Shipment Confirmation (Transaction Type Code NJ) to DLA Disposition Services upon shipment.

C16.6.5.1.1 RDO Denial. If the shipping Field Office is unable to fully process the DLA Disposition Services RDO and determines that they need to continue processing the DTID in accordance with established business rules at the current site, then a DLMS 945A Disposal Release Denial (Transaction Type Code NP) citing Management Code N will be created and sent to EBS for processing against the original RDO.¹

C16.6.5.1.2 RDO Cancellation. For cancellation of a self-initiated RDO previously transmitted by the Field Office to DLA Disposition Services, the Field Office will generate a DLMS 945A, Materiel Release Order Cancellation Confirmation (Transaction Type Code NR) containing the DLMS Cancellation Reason Code YJ (DLA Disposition Services Field Office cancellation of Redistribution Order due to change in disposition instructions).”

¹ ***Deferred implementation authorized. Pending implementation, Field Offices may use RDO cancellation procedures per paragraph C16.6.5.1.2. in place of an RDO denial. Refer to ADC 1034.***

ENCLOSURE 3

1. Add new Cancellation Reason Code YJ. (See changes in *red, bold, italics*).

NAME: Cancellation Reason Code (Logistics Qualifier Z)
DEFINITION: (1) Navy Usage: Documents existing Navy DLSS
(MILSTRAP) data requirement to identify Navy Issue Reversal Code in DLMS.
(2) Air Force Usage: Documents existing Air Force data requirement to identify the Air Force Excess Cause Code.
(3) DLA Disposition Services: DLA Disposition Services Field Offices use to identify the reason a DLA Disposition Services customer requisition is cancelled subsequent to the receipt of the associated release order.

REMARKS: (1) Navy uses this code when interfacing with the Distribution Standard System (DSS). NAVY/DSS cite code in a multi-use field for intra-Component use.
(2) Air Force uses this code on an intra-AF basis.
(3) DLA Disposition Services use this code on an intra-DLA basis between the Disposition Services Field Office using the DSS and DLA Disposition Services using the Enterprise Business System (EBS).

SOURCE: (1) Navy: Department of the Navy
(2) Air Force: AFMAN 23-110, Vol 2, Part 2, Chapter 19, Attachment 19E-1, Redistributable (Excess) Materiel Cause Identification Table.
(3) DLA Disposition Services: DLMS Manual.

DATA CODE CHARACTERISTICS:

TYPE: ID **MIN:** 0001 **MAX:** 0002

The following values are used by DLA Disposition Services only:

YD DLA Disposition Services Customer No-Show
YE DLA Disposition Services Sales Customer Refused – Penalty May Apply
YF DLA Disposition Services Sales Customer Refused – No Penalty
YG DLA Disposition Services Sales Reutilization/Transfer/Donation (RTD) Customer Declined with Prior Notice
YH DLA Disposition Services RTD Customer Refused Without Prior Notice
YI DLA Disposition Services Commercial Venture (CV) Rejected by Government Liquidators (GL)

YJ DLA Disposition Services Field Office Cancellation of Redistribution Order due to Change in Disposition Instructions

2. Add new Management Code N to Table 84. (See changes in *red, bold, italics*).

NAME: Management Code (Logistics Qualifier 84)
ALIAS: Management Code
DEFINITION: Provides supplemental data not indicated through the transaction coding structure. When a situation exists which is not covered by a code, the Component managing the distribution system may assign codes a through I (except i) and other codes as specified below, and may prescribe their entry in appropriate transactions.
REMARKS: This master table consists of six (6) table sub-sets as follows: table 84-1 - DLSS/DLMS requisition related transactions; table 84-2 - DLSS/DLMS receipt related transactions; table 84-3 - DLSS/DLMS issue related transactions; table 84-4 - DLSS/DLMS gain/loss related transactions; table 84-5 - DLSS/DLMS physical inventory related transactions; table 84-6 - DLSS/DLMS information transactions. (Note: all DLSS *DIC* are in parentheses).
SOURCE: Defense Logistics Management System (DLMS)
AVAILABLE FROM: Defense Logistics Management Standards Office (DLMSO)
ABSTRACT:
DATA CODE CHARACTERISTICS: TYPE: ID MIN: 0001 MAX: 0001

| CODE | NAME/DEFINITION | EXPLANATION |
|------|--|---|
| N | Nonrecurring demand | 867D - Demand (DHA) 867I - Issue (D7_ and A4_) |
| N | Reserved for future DOD assignment | (All other DICs) |
| N | <i>Denied. For intra-DLA Disposition Services use to indicate that the Field Office is unable to complete the DLA Disposition Services-originated RDO due to a need to continue processing the DTID in accordance with established business rules at the current Field Office.</i> | <i>A6J</i> |
| N | Non-production materiel. Identifies Navy-funded requirements not associated with direct support for ship/aircraft maintenance. Applicable to Navy requisitions submitted to DLA under Industrial activity support agreement may be perpetuated to supply status. | AE_ |

Enclosure 4, Comment Resolution

| | Originator | Response/Comment | Disposition |
|----|-------------------|--------------------------|--------------------|
| 1. | DLA | Concurs without comment. | Noted. |
| 2. | Army | Concurs without comment. | Noted. |
| 3. | Marine Corps | Concurs without comment. | Noted. |
| 4. | Air Force | Concurs without comment. | Noted. |
| 5. | USTRANSCOM | Concurs without comment. | Noted. |
| 6. | Navy | Concurs without comment. | Noted. |

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