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REPORTING OF SUPPLY DISCREPANCIES
[This publication has been revised significantly
and must be reviewed in its entirety.]

A. REFERENCES

1. DLAR 4140.55/AR 735-11-2/SECNAVINST 4355.18/AFR 400.54, Reporting of Item and Packaging Discrepancies, 6 Dec 91, superseded.
2. DLAR 4140.60/AR 12-12/SECNAVINST 4355.17A/AFJI 16-106, Processing Discrepancy Reports Against Foreign Military Sales Shipments, 17 Dec 91, superseded.
3. DoD 4140.1, Materiel Management Policy.
4. DoD 4140.1-R, DoD Material Management Regulation.
5. DoD 5105.38-M, Security Assistance Management Manual (SAMM).
6. DoD 4000.25-M, Defense Logistics Management System (DLMS).

B. PURPOSE. This instruction:

1. Supersedes references A1 and A2.
2. Implements DoD 4140.1-R, DoD Material Management Regulation.
3. This instruction provides procedures governing the methods and conditions under which shipping (item) discrepancies and packaging discrepancies, collectively referred to as supply discrepancies, are reported and replies furnished. For shipments to Security Assistance customers these procedures also include reporting of product quality deficiencies, including services, and billing errors. The purpose of preparing supply discrepancy reports is to determine the cause of discrepancies, effect corrective action, and prevent recurrence. Such reports provide support for adjustment of property and financial inventory accounting records; information as a basis for claims against contractors; notification to shippers; visibility of preservation, packing, marking, and unitization discrepancies; required corrective actions; disposition instructions; and information for management evaluations. Guidance specific to discrepant Security Assistance articles or services is provided in Enclosure 7 and reference A5.
4. Significant Changes
 - a. This guidance introduces the terminology "Supply Discrepancy Report (SDR)" to identify all forms and formats of discrepancy reports which have evolved from the Standard Form (SF) 364, Report of Discrepancy (ROD). The term/acronym SDR is required for use under the Defense Logistics Management System (DLMS) and logistics migratory and standard system development. Full Service/Agency wide adoption of the term may be phased in over a 5-year period from the date of this document. The combined name, "SDR (ROD)," may be used for clarification.
 - b. This guidance has been revised to:
 - (1) Incorporate Security Assistance (SA) guidance within this document to enable deletion of separate guidance under DLAR 4140.60/AR 12-12/SECNAVINST 4355.17A/AFJI 16-106 (previously AFR 67-7), Processing

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Discrepancy Reports Against Foreign Military Sales Shipments. Guidance specific to SA is provided in Enclosure 7 and reference A.5. Enclosures 1-6 are provided for all users, as appropriate.

(2) Authorize submission of SDRs (RODs) via electronic/automated means and encourage paperless processing of reports. ***This implements Approved DLMS Change 13, Signature Requirements for Security Assistance SDR/SDR Reply.***

(3) Promote a quicker reply to the customer.

(4) Clarify and simplify distribution of discrepancy reports after a logistics reassignment has occurred (stock migration).

(5) Include in the publication DoD standard lists for discrepancy codes, initiator action codes, and disposition codes.

(6) Provide shipping document retention guidance for SA.

(7) Generally clarify and simplify the wording of the publication, update terminology and offices; and make other administrative changes, as needed.

c. For U.S. Government reporting only, this guidance has been further revised to:

(1) Eliminate the minimum dollar value reporting criteria for expired shelf-life items.

(2) Allow optional reporting of supply discrepancies below the minimum dollar value reporting criteria for DLA-directed shipments.

(3) Decentralize supply discrepancy processing for DoD Distribution Depot-originated shipments for other than Army and Marine Corps reporting activities.

(4) Clarify SDR submission timeframes to encourage quicker customer submission while authorizing additional time when needed.

(5) Address submission and response to supply discrepancies occurring in Government-furnished material (GFM).

(6) Provide specific guidance designed to strengthen oversight of controlled inventory items and expedite submission and processing of related discrepancy reports.

(7) Provide cautionary statements to U.S. Government activities that are responsible for material returns shipments with packaging discrepancies, material returns unaccompanied by required technical data, and unauthorized (not IMM/ICP-directed) return discrepancies. Such returns are subject to recoupment action for costs incurred for repackaging, disposal, or other costs required to correct discrepancies.

(8) Implement changes under approved DLMS Change 4, Revised Procedures for Discrepant Packaging. This change revises SDR procedures to support the DoD Care of Supplies in Storage (COSIS) Program within the DoD Stock Readiness Program. Changes include annotating the SDR to differentiate major item discrepancies from secondary item discrepancies, to provide breakouts of repackaging costs to clearly show both labor and materials costs, and to modify distribution of SDRs for vendor shipments.

(9) Implement changes under approved DLMS Change 7, Revised Threshold for Submission of Packaging Discrepancies, which raises the threshold for required reporting of packaging discrepancies from \$50 to \$100 dollars.

C. APPLICABILITY AND SCOPE

1. This publication is applicable to the ***Headquarters, Defense Logistics Agency*** (HQ DLA) and all DLA field activities, ***Defense Security Cooperation Agency*** (DSCA), other DoD agencies, and the Army, Navy, Air Force, Marine Corps, Coast Guard, and General Services Administration (GSA) activities, shipping and receiving material through the military or GSA supply and distribution systems. It applies to shipments made from Working Capital Funds (WCF) (formerly Defense Business Operations Fund (DBOF)) and non-WCF funded activities, Security Assistance shipments made under the International Logistics Program, personal property shipments, and shipments received from commercial sources. This document was developed by agreement among the Military Services, DLA, Coast Guard, and GSA. This publication will be implemented by GSA in the Discrepancies or Deficiencies in GSA or DoD Shipments, Material, or Billings Guide for the above cited purposes.

2. The reporting of the following types of discrepancies is excluded from the provisions of this publication:

a. Shipping discrepancies found while material is in storage with the exception of short shipment and wrong item discrepancies discovered upon opening a sealed vendors pack (exception applicable to U.S. Government only).

b. Discrepancies involving local base or station deliveries to or return from internal or satellite activities. However, this exclusion is not applicable to on-site Defense Distribution Depot shipments.

c. Discrepancies involving shipments of privately-owned vehicles.

- d. Discrepancies involving shipments on requisitions or purchase orders from personnel services activities which cite nonappropriated funds.
- e. Transportation discrepancies to the extent covered by DoD 4500.9-R, Defense Transportation Regulation, Part II, Cargo Movement, except as specifically permitted under Security Assistance procedures.
- f. Product quality deficiencies to the extent covered by DLAD 4155.24/AR 702-7/SECNAVINST 4855.5A/AFI 21-115, Product Quality Deficiency Report Program, and DLAR 4155.28, Reporting and Processing Medical Material Complaints, except as specifically permitted under Security Assistance procedures.
- g. Shipping discrepancies involving personal property shipments with the exception of packaging discrepancies.

D. DEFINITIONS. See Enclosure 1.

E. PROCEDURES

1. General

a. SDRs and associated responses may be reported on the SF 364, ROD; by electronic means, to include automated discrepancy reporting system and electronic data interchange (EDI); customer service help lines; e-mail; or any other manner acceptable to the submitter and recipient. All manner of reporting must meet the criteria described in this document. DoD Components are encouraged to maximize the use of electronic reporting/response with the goal of paperless processing of supply discrepancies. Refer to DoD 4000.25-M, Defense Logistics Management System (DLMS), Vol 2, for *use of EDI Transaction Set Implementation Convention 842D, Nonconformance Report (Material Discrepancies/Deficiencies)*.

b. Shipping or packaging discrepancies attributable to the responsibility of the shipper (including contractors/manufacturers or vendors) will be reported via SDR by the receiving activity. Transshipment activities noting packaging deficiencies on shipments in transit will prepare an SDR. For multistop shipments/deliveries, each consignee will report shipping discrepancies pertaining only to their receipt. When both item discrepancies and packaging discrepancies are noted on the same shipment, both types of discrepancy should be included on the same report. The report initiator will indicate on the SDR what action is requested. Typical requested actions are listed by code on the SF 364 and an expanded list is provided at Enclosure 5.

c. Multiple requisitions received under a consolidated shipment cannot be combined for reporting purposes.

d. Billing, accounting, and financial adjustments for supply discrepancies errors will be processed under DoD 4000.25-7-M, Military Standard Billing System (MILSBILLS) or DLMS, Vol 7, Finance.

e. U.S. Government activities returning material are cautioned that the returning activity may be held responsible for costs incurred by the receiving activity when discrepancies are reported and validated in accordance with this publication. This includes returns made in violation of prescribed procedures, returns exhibiting packaging discrepancies, and returns of reparable items unaccompanied by required technical data. Recoupment action by the ICP against the initiator may include all cost reimbursable actions performed by the receiving activity such as repackaging, marking, and disposal.

f. The SF 364 or the equivalent electronic SDR will be used to support inventory accounting and financial adjustments. Maintain the SDR (electronic or hard copy) including the action activity response to support formal adjustment of the DFAS-DE/I, DoD Inventory Control Point/Integrated Material Manager (ICP/IMM), GSA, distribution depot, and/or consignee accountable inventory and financial accounting records, as appropriate.

g. By agreement, contractors receiving GFM will comply with U.S. Government SDR procedures provided herein. Discrepancies related to GFM which do not meet minimum dollar value criteria below may be reported as a means of notifying the shipper/material manager of the discrepant condition.

2. U.S. Government Reporting Criteria. Guidance specific to SA is provided in Enclosure 7 and reference A.5.

a. General

(1) Dollar Value: Report shipping discrepant shipments from contractors/manufacturers or vendors regardless of dollar value according to the conditions indicated below. Recipients of DLA and GSA directed shipments may report shipping and packaging discrepancies for action regardless of dollar value at their option.

(2) SDRs are required when the conditions and dollar value criteria cited below apply. Typical discrepancies are listed by code on the SF 364 and an expanded list of discrepancies is provided at Enclosure 4.

(3) Incorrect item SDRs should not be submitted for authorized substitution. DoD Components and GSA will follow the policy of automatic shipment of an interchangeable item unless the requisition contains an appropriate

advice code, in accordance with DoD 4000.25-1-M, Military Standard Requisitioning and Issues Procedures (MILSTRIP), appendix B-15, or DLMS, Vol 2, Supply, limiting the request to a specific item. Similarly, quantities may be adjusted to the unit pack quantity, when appropriate, unless restricted by the appropriate advice code in the customer requisition. Such adjustments resulting in quantity variance are not reportable as discrepant.

(4) An SDR should not be submitted for nonreceipt of shipments made by traceable means, e.g., Government Bill of Lading (GBL), Commercial Bill of Lading (CBL), unless nonreceipt is for other than a transportation discrepancy, or for damaged items shipped via modes other than U.S. Postal Service (*USPS*). ***Such nonreceipts or damages are reportable as transportation discrepancies reportable under the Joint Regulation referenced above. Also, an SDR should not be submitted for nonreceipt of shipments made by traceable USPS registered, insured, certified mail until appropriate tracer action has been completed. If tracer action results confirm nonreceipt, then submit an SDR and include results of the tracer action in Block 12 and attach pertinent documentation. Customers without automated access to in-transit visibility information should contact the ICP/depot to determine which shipments are traceable.***

b. Shipping Discrepancies. The following categories of shipping discrepancies apply. See Enclosure 1 for definitions.

(1) Cancelled Material. An SDR is required when material received is valued in excess of \$100 per line item for canceled requisitions. Confirmation of the cancellation must be on file. Exception: An SDR must be submitted when controlled inventory items are received on previously canceled requisitions regardless of dollar value.

(2) Condition Misrepresented. Report when the condition of an item which exceeds \$100 per line item is found to be other than that shown

on the shipping document, or, in the case of subsistence, on supporting inspection/test certificates or records.

(3) Documentation. Report when supply documentation is missing, incomplete, or improperly prepared, regardless of dollar value.

(4) Duplicate Shipment. Report duplicate shipments regardless of dollar value.

(5) Expired Shelf Life. Report receipt of material for which the shelf life has expired regardless of dollar value. Prior to filing an SDR, access the DoD Quality Status Listing or Materiel Quality Control Storage Standards to determine if Type II (extendible shelf life) items may be extended. Additionally, reporting activities on GSA-managed items should contact the Shelf-Life HOTLINE at 1-209-946-6333, prior to filing an SDR to determine if the expiration date has been extended.

(6) Incorrect Item. Report incorrect or misidentified material or unacceptable substitutes regardless of dollar value. Incorrect item discrepancies discovered while opening a sealed vendor pack will be reported regardless of dollar value or shipper. These reports must contain the contract number from the packaging and, if available, the lot number and the original document number. When the original requisition number cannot be identified for discrepancies in sealed vendor packs the reporting activity must include a constructed document number as described in Enclosure 1. Where two separately managed items are involved, e.g., an electronics item was ordered and a construction item was received, the SDR initiator will forward the report to the shipping depot or manager of item ordered, in accordance with Enclosure 3. It is the responsibility of the SDR receiver to ensure full and appropriate resolution by coordinating with the other involved ICP or transferring the SDR, so that the initiator receives both financial resolution and material disposition instructions from the responsible party.)

(7) Misdirected. Report when material, regardless of value, is improperly addressed and shipped to the wrong activity.

(8) Missing Part. Report material received for repair which has been cannibalized or nonexpendable parts or components (including cannibalization of nonexpendable Basic Issue Item (BII) or a nonexpendable Supply System Responsibility Item (SSRI) without the authorization of the inventory manager when the total value of the missing item(s) exceeds \$100). Expendable BII and SSRI are not subject to these procedures.

(9) Overage/Shortage. Report overages or shortages valued in excess of \$100 per line item, except controlled inventory items which will be reported regardless of dollar value. Quantity variances on receipts from procurement which are authorized by the terms of the contract are not reportable as discrepant. Report shortage or overage due to incompatibility of unit of issue between documentation and material received. Shortages/overages discovered while opening a sealed vendor pack will be reported regardless of timeframe, dollar value, or shipper. These reports must contain the contract number from the packaging and, if available, the lot number and the original document number. When the original requisition number cannot be identified for discrepancies in sealed vendor packs the reporting activity must include a constructed document number as described in Enclosure 1. When using a constructed document number in an SDR, include the fund code and credit-to/bill-to DoDAAC, if different from that in the document number, to ensure credit or billing is handled appropriately.)

(10) Technical Data. Report missing and/or incomplete item technical data, e.g., name plate, operating handbook, logbook, precautionary markings, warranty data, engineering drawings and associated lists, specifications,

standards process sheets, manuals, technical reports, and catalog item identifications, and related information, regardless of dollar value. When reparables are returned and the appropriate historical information/ documentation, operator/maintenance log books, engine oil analysis, etc., as required by Government regulations and/or technical manuals are not included, the receiving activity will submit an SDR regardless of dollar value. Any additional costs incurred by the repairing depot/arsenal because of the missing data will be charged to the originating activity.

(11) Total Nonreceipt. Report nonreceipt of items shipped via traceable means, e.g., GBL or CBL, **registered, insured, certified USPS, or small package carrier shipments** only when determined the nonreceipt is not a transportation discrepancy. U.S. Government customers may not submit an SDR for nonreceipt prior to receipt of a Military Standard Requisitioning and Issue Procedures (MILSTRIP) Supply/Shipment Status transaction, or the equivalent under DLMS 2.0. and/or employing Military Standard Transaction and Recording Procedures (MILSTRAP)/DLMS Material Follow-up procedures.

(12) U. S. Postal Service. An SDR is required when items valued in excess of \$100 per line item, reported shipped by **nontraceable** U.S. Postal Service (*i.e., not shipped registered, insured, certified mail*) are not received or are received in a damaged condition.

(13) Unauthorized Customer Returns (Not IMM/ICP-Directed). Distribution depots will report receipt of unauthorized returns to the ICP, regardless of condition of material. The SDR should reflect receipt in condition code K when the actual condition cannot be determined. Material returned without its associated technical data will be reported as indicated under Technical Data, above. Unauthorized returns are subject to recoupment action for disposal or repackaging costs incurred by the distribution depot.

(14) No Advance Record of Shipment. Retail activities may report receipt of material for which the activity shows no record of the document number cited in the supply document.

(15) Lumber. Supply discrepancies related to the receipt of lumber may be reported according to the specific conditions listed for lumber by discrepancy code.

(16) Repetitive Shipping Discrepancies. Report shipping repetitive discrepancies regardless of dollar value.

(17) Other Discrepancies. Report other discrepant conditions not described above unless specifically excluded by this publication.

c. Packaging Discrepancies

(1) Improper Packaging. Report any unsatisfactory condition resulting from improper packaging which causes or renders the item, shipment, or package to be vulnerable to any loss, delay, or damage according to the specific conditions cited below. Unless otherwise indicated herein the following minimum dollar value reporting criteria applies when: (a) the estimated or actual cost of correction exceeds \$100 or (b) the value of the item, shipment, or package exceeds \$2500 (regardless of the cost to correct the packaging discrepancy). This may include loss or damage to the item, shipment, or package except when a report is otherwise required under DoD 4500.9-R, Defense Transportation Regulation, Part II, Cargo Movement. Where encoded information on the discrepancy report is not sufficient, the submitter should provide detailed descriptions of how the material was packaged, as well as the actual damages incurred to the material.

(2) Improper Customer Returned Material. Defense Distribution Depots will submit an SDR to the material owner for packaging discrepancies related to customer returned material or interdepot transfer of material. The material owner is responsible for funding packaging costs associated with preparing material for storage and reissue. Packaging discrepancies occurring in material returns are subject to recoupment action at the discretion of the receiving material owner. If the packaging is so bad that the item must be forwarded to DRMO, the shipper may be required to reimburse the receiver for packing required to effect the shipment and the cost of turning in to DRMO.

(3) Improper Packing. Report any type of inadequate or improper packing to include incorrect blocking or bracing, oversized or incorrect container, and inadequate closure, resulting in an unsatisfactory condition or damage. Report material shipped without a required reusable container regardless of dollar value.

(4) Improper Preservation. Report any type of inadequate or improper preservation or physical protection resulting in an unsatisfactory condition or damage. Report improper preservation of any material identified as being electrostatic/electromagnetic (ES/EM) sensitive, regardless of the dollar value.

(5) Improper Markings. Report any omitted, incomplete, illegible, or misplaced markings, packing documentation, or other identification. Report improper identification of containers or items which requires opening the container or results in improper storage of the material, regardless of cost.

(6) Improper Unitization. Improper unitization including inadequate wrapping/strapping or lack of unitization where appropriate, resulting in an unsatisfactory condition or damage. Report multiple consignees in a single consignee consolidation container as improper unitization.

(7) Mission or Life Endangering. Report packaging discrepancies regardless of dollar value resulting in damaged material which may endanger life, impair combat or deployment operations, or affect other material

immediately to the shipping activity, contracting office, or control point by the quickest communication medium to enable the shipper to take immediate corrective action. Submit a formal SDR within 24 hours of the initial report.

(8) Hazardous Material (includes ammunition and explosives). Report any packaging discrepancy, regardless of dollar value, if a potentially hazardous condition could result or if damage or an unsatisfactory condition has occurred involving any hazardous material. This includes improper identification marking of items and packaging and/or of unitized loads.

(9) Excessive Packaging. Report excessive packaging by contractors resulting in additional costs to the Government, regardless of dollar value.

(10) Personal Property. Report packaging discrepancies involving shipments of personal property not conforming to specifications. Packaging discrepancy reports on personal property shipments will be prepared at ocean and aerial terminals only.

(11) Delay or Additional Costs. Report packaging discrepancies resulting in delay or additional packaging costs at aerial or water terminals or at consolidation and containerization points (CCPs). The activity responsible for operating the terminal or port of embarkation/debarkation will be responsible for the preparation of the discrepancy report for shipments moving through the activity.

(12) Latent Packaging Discrepancies. Prepare a late SDR for material found in storage with latent preservation and packaging discrepancies. Confine these reports to stocks which constitute a problem resulting from a particular specification, preservation, or packaging method. Reports relative to packaging discrepancies found in storage will be annotated "not incident to shipment" in remarks.

(13) Repetitive Packaging Discrepancies. Report repetitive packaging discrepancies which impose a significant burden on receiving or transshipment activities. Total costs to correct packaging should be annotated in block 12 of the SF 364.

d. **Discrepancies in Material Returns.** Continental United States (CONUS) and overseas activities receiving returns (excess, redistributed, or reparable material, including returns from SA customers) will submit an SDR for discrepancies as specified above regardless of the condition when the dollar value exceeds \$100 per line item. SDRs for discrepant returns from SA customers will be submitted to the appropriate ILCO. EXCEPTIONS: Discrepancies pertaining to controlled inventory items will be reported regardless of dollar value or condition. When material return shipments between U.S. activities are classified as unserviceable and uneconomically reparable upon receipt, the receiving activity may submit an SDR. Also see specific guidance above for unauthorized returns. For packaging discrepancies associated with material returns see specific guidance provided for packaging discrepancies.

e. **Discrepancies in Reutilization and Marketing Shipments.** An SDR will be submitted for discrepancies as specified above in shipments to and from Defense Reutilization and Marketing Activities when the dollar value exceeds \$100 per line item. Exception: Defense Reutilization and Marketing Activities will submit an SDR for shortages or overages in shipments of controlled inventory items regardless of dollar value.

3. SDR Distribution and Supporting Documentation. (Not Applicable to SA.) Guidance specific to SA is provided in Enclosure 7 and reference A.5. The SDR initiator will forward the SDR to the appropriate action activity ("To" address on the SF 364) and provide distribution copies based upon the type of SDR and the origin of the shipment as directed in Enclosure 3. Include shipping/billing documents, as appropriate. Where access to the electronic SDR and associated supply information *is* available, hard-copy documents will not be mailed unless requested by the action activity. The submitter will provide a copy of the Serious Incident Report (SIR), or other component-required report, regarding controlled inventory items believed to be stolen, lost, or unaccounted for. When available, photographic/pictorial evidence of the discrepancy should also be provided. The action activity will initiate resolution of the SDR, i.e., validating and investigating the discrepancy according to this instruction. Responsibility may be transferred or action coordinated with another organization in order to complete SDR processing, e.g., request financial adjustments or determine material disposition. The action activity identified by the initiator will coordinate, as needed, with the owner/manager or other party to obtain resolution. Where available, an automated discrepancy reporting system will be used to facilitate this process. Where the initiator has misidentified the action activity, the receiving activity will forward the SDR to the appropriate action activity and notify the submitter of this action. Enclosure 3 provides in-the-clear address and communications information for many specific locations such as *the* GSA National Customer Service Center, and DLA ICPs.

4. Action Activity Response to an SDR

a. Disposition. The reverse side of the SF 364 or electronic/automated response will be used to provide informative data to the initiator and as an action reply for discrepant conditions. For Service ICP directed shipments, the ICP is responsible for providing an SDR reply to the submitter, except as such responsibility has been

specifically delegated to the shipping depot by the ICP. If acceptable to the U.S. Government submitter only, a verbal response is considered adequate when supported by an automated discrepancy reporting system. The response will indicate the appropriate disposition, e.g., acknowledgment of the report; disposition of the material for those discrepant conditions requiring disposition instructions to the reporting activity, such as, overages or receipt of an incorrect item; validation of the report with authorization to grant a financial adjustment; instructions for repair; or other types of corrective action. The action activity may cite the appropriate disposition/status code as provided in Enclosure 6 or annotate the SF 364 using the appropriate blocks. The action activity may request credit be authorized for customer-reported packaging discrepancies using the fund cite annotated on the SDR (block 13 of the SF 364) for reimbursement of corrective packaging costs incurred by the initiator. For *return of* discrepant material, the action activity will direct the submitter to use the same document number under which the material was originally shipped where possible and for SA only, provide the Service/Agency transportation account code chargeable to return the discrepant material to the appropriate U.S. Government activity or other designated location. When appropriate, the action activity may direct the submitter to retain or return an exhibit of the discrepant material. The activity requesting this action will pay for exhibit shipment costs. Action activities will furnish DD Form 1348-1A, Issue Release/Receipt Document, for material to be returned. A copy of the SDR and DD 1348-1A should be included with returned material and *annotated SDR* RETURN.

b. Corrective Action for Packaging Discrepancies. Shipping activities will, upon receipt of a packaging SDR, immediately investigate the reported discrepancies and take action to prevent their recurrence. Shipping activities will prepare statements of corrective action in all cases. Corrective action statements will be included in the SDR response. If the reverse side of the SF 364 does not provide adequate space, use continuation sheets. Statements will normally be made within the time limits specified for SDR replies and be addressed to the initiator of the report with an information copy to the appropriate control point. Also, for contractor-originated shipments, investigating activities will furnish an information copy of the results of their investigation to the responsible procurement activity or commodity command. Where access to the electronic SDR and associated investigation is available, hard-copy documents will not be mailed unless requested by the receiving activity. Reports of corrective action will not be delayed pending final determination of the contracting officer when reimbursement (from the contractor/vendor) is warranted. Final actions will be reported when completed. When a Contract Administration Office investigating activity finds corrective or preventive action is outside the scope of contract administration and requires action by the procuring activity, the SDR and the investigation report will be forwarded to the procuring activity for action, with information provided to the appropriate control point and SDR initiator.

c. For packaging discrepancies on shipments from GSA shipping activities or directed by GSA from a contractor/vendor (regardless of dollar value), GSA will investigate and, when appropriate, credit the account cited on submission of SF 1080, Voucher for Transfer Between Appropriation and/or Funds, with the corresponding SF 364 or equivalent SDR as supporting documentation.

d. Consignor (shipper) replies on Industrial Plant Equipment (IPE) packaging deficiencies which Defense Supply Center Richmond has previously funded for packing, crating, and handling (PC&H), should provide necessary documents/information to transfer or reimburse funds for any required corrective action. Handling for PC&H is based on specified requirements for IPE in MIL-HDBK 701, Military Standardization Handbook, Blocking, Bracing, and Skidding of Industrial Plant Equipment, and MIL-STD 107, Military Standard Preparation and Handling of Industrial Plant Equipment.

e. The SDR response may be employed by the action activity to provide disposition to contractors reporting GFM-related discrepancies.

5. Time Standards

a. Submission of an SDR. Guidance specific to SA is provided in Enclosure 7 and reference A5. An SDR will be submitted by receiving activities and/or transshipment activities as soon as possible but not later than the time standards listed below. Time limits for reporting of discrepancies relating to contractor warranties are prescribed in individual warranty clauses and/or contracts. These time limits override other time limits specified here. For U.S. customers, time limits do not apply to short shipment and wrong item discrepancies discovered upon opening a sealed vendor pack. SDRs which do not meet the reporting criteria or timeframes specified in this guidance and do not present sufficient justification will be denied.

(1) For shortages or overages in shipments of controlled inventory items arms, arms parts, ammunitions, and explosives: report within 24 hours of discovery.

(2) All other discrepancies

(a) CONUS destinations: 90 calendar days from date of shipment.

(b) U.S. Government overseas destinations: 150 calendar days from the date of shipment.

(3) Late Submission. When circumstances prevent compliance with the above time standards (e.g., response to a tracer action reveals a supposed transportation discrepancy to be a shipping/packaging discrepancy), the reasons for delay will be annotated or identified by discrepancy code and action activities will honor the discrepancy report. Reporting activities are required to send SDRs to report a shipping or packaging discrepancy even after the above submission time standard has elapsed. If lacking justification, action activities will normally use such SDRs in the system evaluation and correction process.

b. SDR Response Timeframes. Action activities will reply to all SDRs within the following timeframes:

(1) Thirty calendar days from date of receipt of reports by the action activity when associated with shipments of controlled inventory items.

(2) Thirty calendar days from date of receipt of reports by the action activity (distribution depot) for total nonreceipt discrepancy reports forwarded by the ILCO for SA customers.

(3) Otherwise, 55 calendar days from date of receipt of report by the action activity.

6. Followup and Unresolved SDRs

a. Followup on Delinquent SDRs. When an action activity does not reply to an SDR within the prescribed timeframe, the reporting activity or the ILCO, acting on behalf of the SA customer, will send a follow-up inquiry using hard-copy or automated means. If there is any change to the point of contact information originally provided, the new information should be included in the follow-up. If applicable, reporting activities should allow for the mailing time of the original report before following up on action activities. See Enclosure 2 for instructions on preparing a SF 364 follow-up inquiry.

b. Nonresponses to U.S. Government SDRs. After appropriate follow-up, should the reporting activity still not receive reply to an SDR as prescribed herein, it will notify and forward a copy of the SDR and supporting correspondence/information to their Service/Agency SDR processing focal point (or designated activity) for assistance. Their focal point will notify and forward, if necessary, all the information related to the SDR to the appropriate action activity for review and appropriate disposition. When the discrepancy involves another Service/Agency, the reporting activity will send the appropriate data to their focal point, who will coordinate with the focal point of the other Service/Agency to attain a response from the appropriate action activity. The action activity will provide a response to the reporting activity, with information copy(s) to all concerned, within 45 calendar days from the date of notification.

7. Contested Reports

a. When a U.S. Government reporting activity does not concur with a reply/disposition received in response to an SDR, it will notify and forward, if necessary, a copy of the report and all supporting correspondence/ documentation, identifying the points of conflict or concern, to their Service/Agency SDR processing focal point office for assistance. When the discrepancy involves another Service/Agency, the focal point will review all data/documentation and, if the appeal is valid, will forward it on to the responsible Service/Agency designated focal point office. The aforementioned activity will review all data relating to the problem and provide a response to the reporting activity with information to all concerned parties. The decision will be rendered within 45 calendar days from the date of focal point correspondence is received. This decision will be final.

b. Security Assistance Requests for Reconsideration and Contested Reconsideration Decisions. Guidance specific to SA is provided in Enclosure

c. The DoD ICP/IMM or GSA will review all correspondence/information relating to the SDR, initiate any required action, and reply to the ILCO within 60 calendar days from the date the action activity receives the ILCO correspondence.

8. Invalid/Incorrect Reports. When an SDR is later discovered to be *invalid*, it will be cancelled or corrected using hard-copy or automated means. Forward cancellations and corrections to the same distribution list as the initial SDR. See Enclosure 2 instructions for the preparing SF 364 cancellation and correction.

9. Transfers of Item Management Responsibilities. Under the Logistics Reassignment Program (LRP), item management responsibility for an item may have been transferred to another component after the date of shipment. In these instances, a single discrepancy reported on a requisition line item may require action and/or reply from two different components. For example, the component that billed the item, the losing item manager (LIM), is the activity that must provide billing adjustment,

when appropriate, and another component, the gaining item manager (GIM), would be responsible for the investigation of problem items, providing disposition instructions and directing reshipments. The SDR initiator or ILCO acting on behalf of the SA customer, will identify the action party ("To" address) based upon the origin of the shipment as indicated in Enclosure 3 without regard for the LR. It will be the responsibility of the shipping depot or LIM to coordinate with the GIM for an appropriate response/disposition to the submitter.

10. Credit Adjustments on SDRs. When an action activity has indicated that a credit adjustment has been authorized, reimbursement is normally provided to the fund code and bill-to address cited on the original requisition. When concerned about an apparent nonreceipt of credit, the SDR submitter should consult with his bill-to finance office for verification. Allow a minimum of 60 days from the date of the SDR response before initiating a follow-up action. When nonreceipt of credit is confirmed, the financial office will submit a request for billing adjustment as prescribed by MILSBILLS (Document Identifier Code FAE and billing advice code 26) or the DLMS, Vol 7, Finance.

11. Management Evaluation. The SDR data is designed to be used to evaluate and improve supply operations and reporting performance. Military Services/Agencies will require their respective action activities to record, summarize, and report to a single point within the Service or Agency sufficient data to enable attention to be directed towards conditions and organizations that are involved in resolving discrepancies. As a minimum, the report will identify the volume and dollar value of the SDRs by shipping activity (depot/contractor/manufacturer or vendor), ship-to activity, and discrepancy type. Data reported will be analyzed by the individual Service/Agency and responsibility assigned to specific activities to selectively research discrepancies for the purpose of identifying and correcting the cause of the error(s). Procedures to implement the use of the SDR for this purpose should be cleared under the provisions of the reports control regulation of the applicable Military Service or Agency.

F. RESPONSIBILITIES

1. The Director, Defense Logistics Management Standards Office (DLMSO) will:
 - a. Serve as the DoD central point of contact.
 - b. Sponsor publication of this instruction, for the centralized receipt of proposals, and for the development, maintenance, and processing of changes to the publication in coordination with the participating Military Services, DoD agencies, and GSA.
 - c. Ensure configuration control and processing of changes are consistent with the DoD 4000.25-M, Defense Logistics Management System (DLMS).
2. The *Commander, Defense Logistics Support Command* will implement this instruction for DLA.
3. The Heads of DLA Primary Level Field Activities will:
 - a. Implement this instruction.
 - b. Submit recommendations for changes or additions to this instruction to the DLA focal point.
4. Heads of participating Military Services, other DoD agencies, and GSA will designate a single office of primary responsibility for this publication to serve as focal point and identify by name to DLMSO a primary and alternate focal point representative for this instruction to:
 - a. Provide technical assistance to their field activities on matters pertinent to this instruction. This includes acting as final review authority for their respective Service/Agency on unresolved or contested reports, unless otherwise indicated by the Service/Agency.
 - b. Coordinate inquiries received from field activities, with applicable principal Service/Agency staff elements and, as required, with other Service/Agency counterparts.
 - c. Evaluate all suggested changes and additions to this instruction originating within their respective Service/Agency. Suggestions will be evaluated initially by the focal point. If suggestions are received by DLMSO directly for evaluation, they will be forwarded to the appropriate Military Service/Agency focal point for review and evaluation. If the suggestion is considered worthy of adoption, the focal point will submit an official change proposal, stipulating specific narrative changes to the publication. Such proposed changes will be coordinated in the normal manner, with awards determined by the focal points, under existing procedures.

Marine Corps COMMANDER (CODE 819)
Security Assistance: MARINE CORPS LOGISTICS BASES
 814 RADFORD BOULEVARD
 ALBANY, GA 31704-1128

Coast Guard: COMMANDANT, U.S. COAST GUARD
 ATTN: G-SL
 2100 SECOND STREET, SW
 WASHINGTON, DC 20593-0001

General Services GENERAL SERVICES ADMINISTRATION
Administration: NATIONAL CUSTOMER SERVICE CENTER
 ATTN: 6FR
 1500 EAST BANNISTER ROAD
 KANSAS CITY, MO 64131-3088

Defense Logistics DEFENSE LOGISTICS AGENCY
Agency: ATTN: *DLSC-L*
 8725 JOHN J. KINGMAN OARD
 FORT BELVOIR, VA 22060-6221

Defense Security DIRECTOR
Cooperation Agency: DEFENSE SECURITY *COOPERATION* AGENCY
 ATTN: COMPT FMD
 CRYSTAL GATEWAY NORTH, SUITE 203
 1111 JEFFERSON DAVIS HIGHWAY
 ARLINGTON, VA 22202-4306

G. EFFECTIVE DATE. This instruction is effective immediately.

H. INFORMATION REQUIREMENTS. (Reserved for future use.)

H. PUBLICATION AVAILABILITY

1. World Wide Web. This publication, or a more current version, is available without charge on the Internet World Wide Web at *DLMSO home page address*: <http://www.dlmsq.hq.dla.mil>. Proposed and Approved SDR/DLMS Changes and EDI Implementation Conventions are also available at this *location*.

2. Printed copies of this publication may be obtained as follows:

a. DoD Components obtain copies or establish requirements for this publication by contacting their Publications Supply Officer. DLA activities may obtain copies from the DLA Publications System (DLAPS) at http://www.dlaps.hq.dla.mil:80/dynaweb/dlaps/@Generic_CollectionView or by contacting Mr. Gary Moorman, DASC-VC, 703-767-5085, DSN 427-5085, FAX 703-767-5078, or E-mail: moorman, gary @hq.dla.mil.

b. Publications Offices for DoD Components or Federal Agencies may purchase copies of this publication by providing the Defense Printing Service with an open rider requisition using Standard Form 1, Printing and Binding Requisition, to cover all printed changes and reissues. The Standard Form 1 will be mailed or faxed to:

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HEAD PAD DEPARTMENT
1401 SOUTH FERN STREET
ARLINGTON, VA 22202-2889

Telephone: (703) 607-5219

Fax: (703) 607-5078

c. Foreign Governments and members of the public, including contractors, may purchase copies of this publication from the:

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Telephone: (202) 512-1800

Fax: (202) 512-2250

BY ORDER OF THE DIRECTOR, DEFENSE LOGISTICS AGENCY, AND THE SECRETARIES OF THE NAVY, AND THE AIR FORCE.

NORMAN B. HODGES III
Colonel, USA
Headquarters Complex Commandant

John H. Dalton
Secretary of the Navy

H. LEE BUCHANAN
Assistant Secretary of the Navy
(Research, Development, and Acquisition)

JOHN W. HANDY, Lt General, USAF
DCS/Installations and Logistics

COORDINATION: AMXLS-MD, HQ AFMC/LGIM,
JLSC/RS, GSA, MMLSD, HQ USAF/ILSP, LPP-2,
MMBN, DSA

Encls

1. Definitions
2. Standard Form 364, Instructions for Preparation
3. SDR (ROD) Distribution
4. Typical Shipping and Packaging Discrepancies Listed by Discrepancy Code
5. Typical Initiator Actions Requested Listed by SDR (ROD) Action Code
6. Typical Action Activity Responses Listed by Disposition/Status Code
7. Security Assistance Guidance

Encl 1
DLAI 4140.55
SECNAVINST 4355.18A
AFJMAN 23-215

DEFINITIONS

1. **Action Activity.** Any activity required to take action as a result of an SDR (ROD), e.g., distribution depot, inventory control point/integrated material manager (ICP/IMM), contract administration office, packaging control point, International Logistics Control Office (ILCO), or a shipping activity.
2. **Basic Issue Item (BII).** Those essential auxiliary items that are required to operate the equipment and to enable it to perform the mission and function for which it was designed or intended.
3. **Billing Discrepancy.** The following definition applies to Security Assistance discrepancy reporting only: A discrepancy related to duplicate or multiple billing per individual shipment or a single billing with no ship line. Such billing discrepancies are reportable to the ILCO on a SDR (ROD) by Security Assistance customers. Price verification or challenges are not reportable on an SDR. Within U.S. Government channels, the billing discrepancies will be processed under MILSBILLS. This means the ILCO will convert the discrepancy to a MILSBILLS FAE Transaction.
4. **Constructed Document Number.** A number created by a U.S. Government SDR initiator to be used as a pseudo-requisition number when the original number cannot be determined. This is used only to report incorrect item and shipment quantity discrepancies discovered upon opening a sealed vendor pack and is not applicable to Security Assistance purchasers. It is essential that the original contract number be reflected on the SDR to expedite ICP/IMM/depot research. The 14-position constructed document number will contain the reporting activity's Department of Defense Activity Address Code (DoDAAC) as the first 6 positions, followed by the current date (YDDD), and a serial number beginning with U as the last 4 positions. When using a constructed document number in a SDR, include fund code and credit-to/bill-to DoDAAC, if different from the document number DoDAAC. Under DLMS, the U in the serial number is reported separately as a Utilization Code.
5. **Controlled Inventory Items.** Those items designated as having characteristics which require that they be identified, accounted for, secured, segregated, or handled in a special manner to ensure their safeguard or integrity. Controlled inventory items in descending order of degree of control normally exercised are:
 - a. **Classified Items.** Material which requires protection in the interest of national security IAW DoD 5200.1-R, Information Security Program.
 - b. **Sensitive Items.** Material which requires a high degree of protection and control due to statutory requirements or regulations, such as narcotics and drug abuse items; precious metals; items which are of a high value, highly technical, or hazardous nature; and small arms, ammunition, explosives, and demolition Material.
 - c. **Pilferable Items.** Material having a ready resale value or application to personal possession and which is, therefore, especially subject to theft.

6. **Damage.** (Applicable to U.S. Postal Service and SA shipments only.) Partial or total marring of the appearance or usability of the material for its intended purpose. For Security Assistance a condition creating impaired item functionality.

7. **Defense Logistics Management System (DLMS).** A system governing logistics functional business management standards and practices to include management policy, responsibilities, procedures, rules, and electronic data communication standards. These standards support the DoD in the conduct of logistics operations in the areas of supply (to include discrepancy reporting), transportation, contract administration, and finance. The DLMS is not an automated information system, rather it provides an infrastructure for the participative establishment and maintenance of procedural guidance to implement the Department's logistics policy by its user community. For additional information refer to the DoD 4000.25-M, DLMS.

8. **Duplicate Shipment.** A shipment which corresponds exactly to a previous shipment.

9. **Evidence of Shipment.** Any legible movement document or receipt, duly signed by a carrier representative, which shows the shipping activity has shipped or released the material in question to a carrier for shipment. Such documents generally show the quantity, NSN, mode of shipment, date of shipment, TCN, notice of availability number/bill of lading/parcel post insured, registered, or certified number, addresses, vessel, or flight number (to the extent possible), name of shipper, carrier, to include weight and cube information and number of pieces, etc.

10. **Financial Discrepancy.** The following definition applies to Security Assistance discrepancy reporting only: A discrepancy related to administrative and/or accessorial charges. These discrepancies will be processed by the Defense Finance and Accounting Service - Denver, Deputate for Security Assistance (DFAS-DE/I).

11. **Foreign Military Sales (FMS).** That portion of U.S. Security Assistance authorized by the Arms Export Control Act, as amended, and conducted on the basis of formal contracts or agreements between the United States Government and an authorized recipient government or international organization.

12. **Grant Aid (Military Assistance Program).** That portion of Security Assistance rendered under the authority of the Foreign Assistance Act of 1968, as amended, which provides defense articles and services to recipients on a nonreimbursable (grant) basis.

13. **Hazardous Material (includes ammunition and explosives)(DOT definition).** A substance or material which has been determined by the Secretary of Transportation to be capable of posing an unreasonable risk to health, safety, and property when transported in commerce, and which has been so designated.

14. Incorrect Item. An item received in lieu of the item requisitioned. This is an erroneous item shipped due to shipper error and not an intended interchangeable/substitute item. Also referred to as wrong item.

15. Interchangeable Item. Interchangeability is a condition which exists when two or more items possess such functional and physical characteristics as to be equivalent in performance and durability and are capable of being exchanged one for the other without alteration of the items themselves or of adjoining items, except for adjustment, and without selection for fit and performance. It includes capability of two or more items or components of equipment to replace each other in a physical or functional environment with negligible modification or loss of efficiency.

16. International Logistics Control Office (ILCO). The organization in the Military Departments which administers the Security Assistance programs. The ILCOs for the Army, Navy, and Air Force, respectively, are the U.S. Army Security Assistance Command, New Cumberland, PA; the Naval Inventory Control Point, Philadelphia, PA; and the Air Force Security Assistance Center, Wright-Patterson AFB, OH.

17. **Item Deficiency.** See Product Quality Deficiency.

18. **Latent Defect.** This definition is provided for supply discrepancy reporting of product quality deficiencies against Security Assistance shipments. A latent defect is defined as a deficiency in an article which effects the operability and is not normally detected by examination or routine test, but which was present at time of

manufacture. Receipt inspection does not necessitate initial operation or extensive testing, disassembly, or other extraordinary receipt inspection.

19. Letter of Offer and Acceptance (LOA). The U.S. document by which the U.S. Government offers to sell to a foreign government or international organization defense articles and defense services. The LOA lists the items and/or services, estimated costs, the terms and conditions of sale, and provides for the foreign government's signature to indicate acceptance. May be referred to as "DD Form 1513," which is now replaced but may remain in effect for many programs.

20. Misdirected Materiel. Materiel is improperly addressed and/or shipped to the wrong destination. Properly addressed material which is incorrectly shipped to the wrong activity while under U.S. Government-controlled transportation is a transportation discrepancy reportable under DoD 4500.9-R, Defense Transportation Regulation, Part II, Cargo Movement.

21. Misidentified Item. When the label on the container is different than the item in the container, or tag attached to the item (also see Incorrect Item).

22. Overage

a. Item overage is when the quantity received is greater than shown on shipping document. This type of overage is not evident on delivery but is discovered when the article of freight, as described on the transportation document, is opened and the contents are checked. This includes overages found in a SEAVAN/container that is source loaded and moves under a shipper's load and count, and arrives at destination with original seal(s) intact. The Defense Personnel Support Center uses the average net weight lotting system when shipping perishable specification freeze and chill items. Actual weight received may differ from the supply documentation. If the number of cases/containers received agree with number shown on supply documentation, the actual weight received is within weight range variation; an SDR will not be submitted for an overage.

b. Transportation overages as described below are reportable for SA customers only under this publication and for all others under DoD 4500.9-R, Defense Transportation Regulation, Part II, Cargo Movement.

(1) Overages of boxes, packages, or loose articles of freight in a SEAVAN, MILVAN, MSCVAN, RORO trailer, or a CONEX (except as noted above).

(2) Overages of freight (packaged or loose) upon delivery by a carrier, found to be in excess of the quantity or articles recorded on the bill of lading or transportation document covering the shipment.

23. Packaging. The processes and procedures used to protect material from deterioration, damage, or both. This includes cleaning, drying, preserving, packing, marking, and unitization as defined below:

a. Marking. Application of numbers, letters, labels, tags, symbols, or colors for handling or identification during shipment and storage.

b. Packing. Assembly of items into a unit, intermediate, or exterior pack with necessary blocking, bracing, cushioning, weatherproofing, and reinforcing.

c. Preservation. Application of protective measures to prevent deterioration; includes cleaning, drying, preservation materials, barrier materials, cushioning, and container, when necessary.

d. Unitization. Assembly of packs of one or more line items of supply into a single load in such a manner that the load can be handled as a unit through the distribution system. Unitization (unitized loads/unit loads) encompasses consolidation in a container, placement on a pallet or load base, or securely binding together.

24. Packaging Control Point. An activity designated by a Military Service, DLA, or GSA to monitor packaging discrepancies for their respective Service/Agency.

25. **Packaging Discrepancy.** Any unsatisfactory condition due to improper or inadequate packaging (including preservation, packing, marking, or unitization) and which causes the item, shipment, or package to be vulnerable to loss, delay, or damage, or unnecessary expense to the U.S. Government, as in excessive packaging.

26. **Personal Property.** (Applicable to Packaging Discrepancies Only - Not Applicable to SA) Includes household goods and unaccompanied baggage defined as follows:

a. **Household Goods.** All personal property associated with the home and all personal effects belonging to a member and the member's dependents which can be legally accepted and transported as household goods by an authorized commercial carrier. (See Joint Travel Regulation, Volume 1, Appendix J, for additional guidance and restrictions.)

b. **Unaccompanied Baggage.** That portion of an individual's authorized weight allowance of personal property which is not transported free on a ticket used for personal travel and which is normally shipped separately by expedited transportation from the bulk of the individual's personal property. For specific entitlement see DoD Components regulations.

27. **Product Quality (Item) Deficiency.** A defect or nonconforming condition which limits or prohibits the product from fulfilling its intended purpose. Included are deficiencies in design, specification, material, manufacturing, and workmanship. Reportable as an item deficiency on an SDR by SA customers only.

28. **Proof of Delivery (Defense Transportation Regulation definition).** A legible date and signature of the designated receiver listed on the delivery manifest, certifying the item was received. Proof of delivery must also reflect the number of cases/containers received to agree with number shown on supply documentation and actual weight received within weight-range variation. The proof of delivery establishes transfer of custody and liability to the receiver. In the case of nonreceipt SDRs, the DoD ICP/IMM/shipping depot and GSA are required only to provide evidence of shipment.

29. **Report of Discrepancy (ROD).** See Supply Discrepancy Report (SDR).

30. **Security Assistance.** A group of programs, including Grant Aid and FMS, authorized by the Foreign Assistance Act of 1961, as amended and the Arms Export Control Act, as amended, or other related statutes by which the United States provides defense articles, military training, and other defense related services, by grant, credit, cash sale, lease, or loan, in furtherance of national policies and objectives.

31. **Shelf Life.** The total period of time beginning with the date of manufacture, cure, assembly, or pack that an item may remain in the combined wholesale (including manufacture) and retail storage system and still remain suitable for issue and/or use by the end user. Shelf life is not to be confused with service-life, which is a measurement of anticipated average or mean life of an item; a SDR cannot be submitted for service-life.

32. **Shelf-Life Item.** An item of supply having deteriorative or unstable characteristics to a degree that a storage time period must be assigned to ensure that it will perform satisfactorily in service. See DoD 4140.27-M, Shelf-Life Management Program, for details.

33. **Shipment.** The movement of material from point of origin to destination by any mode.

34. **Shipper.** Any organization/activity that furnishes/delivers material to a carrier for movement. The shipper may be a military organization or activity, other Government agency, or a manufacturer or vendor.

35. **Shipping (Item) Discrepancy.** Any variation in quantity or condition of material received from that shown on the covering authorized shipping documents, e.g., DD Form 1348-1A, Issue Release/Receipt Document, or purchase order. This includes incorrect and misdirected material, receipt of canceled requirements, improper, inadequate technical or supply documentation, or other discrepancies as enumerated in this instruction and not the result of a transportation error or product quality deficiency.

36. **Shortage**

a. Item shortage is when the quantity received is less than the quantity shown on the shipping document. Shortage is not evident on delivery but is discovered when the article of freight, as described on the transportation document, is opened and the contents are checked. This includes shortage found in a SEAVAN/container that is source loaded and moves under shipper's load and count, and arrives at destination with original seal(s) intact. The Defense Personnel Support Center uses the average net weight lotting system when shipping perishable specification freeze and chill items. Actual weight received may differ from supply documentation. If the number of cases/containers received agree with number shown on supply documentation, and actual weight received is within weight range variation, an SDR will not be submitted for a shortage.

b. Transportation shortages as described below are reportable for SA customers only under this publication and for all others under DoD 4500.9-R, Defense Transportation Regulation, Part II, Cargo Movement:

(1) Shortages of boxes, packages, or loose articles of freight in a SEAVAN, MILVAN, MSCVAN, RORO trailer, or a CONEX (except as noted above).

(2) Shortages in quantity of packages or loose freight as recorded on the applicable bill of lading and/or freight bill.

37. Substitute Item. An item authorized for issue instead of a standard item of like nature and quality.

38. Supply Discrepancy. Errors reportable under this publication or DLMS, Vol 2, Chapter 18. This includes any variation in goods received from data shown on the covering shipping documents (GSA or issue release/receipt document (DD Form 1348-1A); requisition; invoice/shipping document; authorized procurement delivery document or vendor's packing list; or other authorized shipping document) which is not the result of a transportation discrepancy or product quality deficiency. Supply discrepancies encompass variations in condition or quantity, incorrect and misdirected material, receipt of canceled requirements, improper or inadequate technical data or supply documentation, and any unsatisfactory condition due to improper packaging which causes the material to be vulnerable to loss, delay, or damage, or which imposes unnecessary expense to the U.S. Government, e.g., excessive packaging.

39. Supply Discrepancy Report (SDR). A manual form (SF 364) or its electronic equivalent used to report a supply discrepancy or other type of discrepancy specifically authorized by this guidance e.g. specific types of product quality (including quality of service) or billing discrepancies in Security Assistance shipments. Also referred to as Report of Discrepancy (ROD).

40. Supply System Responsibility Item (SSRI). These items are furnished by the supply system when the end item is issued and will be transferred with the end item during redistribution or other changes of custody unless otherwise specifically directed by the appropriate authority. This term equates to Components of the End Item (COEI).

41. Total Nonreceipt. Complete nonreceipt of item(s) shipped.

42. Transportation Discrepancies. Any variation in quantity or condition of material received from that shown in the piece count by type of pack on the bill of lading or governing transportation document and other deficiencies in transportation when discrepant material is not involved; e.g., improper or inadequate carrier handling. Definitions for overage and shortage contain exception criteria. Security Assistance astray freight shipments and transportation discrepancies in shipments to U.S. Government activities are reportable under DoD 4500.9-R, Defense Transportation Regulation, Part II, Cargo Movement, otherwise not applicable to SA.

43. Weight Range Variation. The weight variation between the lightest and heaviest container within each weight range of a lot. Weight range variations are the same within each lot. There are specified weight ranges for all chilled and frozen meat and meat products; i.e., 41-45 lbs., 46-50 lbs., etc. As long as the variation between the highest and heaviest container is within the specified range, a discrepancy does not exist.

INSTRUCTIONS FOR PREPARATION OF STANDARD FORM (SF) 364

A. ORIGINAL REPORT

1. Supply Discrepancy Reports (SDRs) (also referred to as Reports of Discrepancy (RODs)) and the associated response will be reported on the SF 364, ROD, National Stock Number 7540-00-159-4442, or by other means authorized herein. Military Services will secure the necessary supply of forms through normal channels. DLA field activities will obtain their supply of the SF 364 by ordering the item from GSA.

2. Indicate whether shipping discrepancy or packaging discrepancy by placing an "X" in appropriate box(es) at top of form.

- Item 1 Date of Preparation. Use month, day, and four-position year format.
- Item 2 Report Number. Provide the locally assigned report number. For Security Assistance shipments, this consists of one alpha character to identify the initiating office in-country, four numeric characters for number control, two alpha characters for the foreign customer country and three to six alphanumeric characters for the master and line item case designator, i.e., A0010-JA-KBD/001. For any unnumbered reports received, the ILCO will assign number x9000 to x9999 and so advise the foreign country customer on the receipted copy. Suffix code R added to the report number indicates the purchaser has asked for reconsideration of the report disposition. Suffix code C added to the report number indicates that the purchaser has contested the U.S. Government's decision on a request for reconsideration.
- Item 3 To. In-the-clear name, address, ZIP code and DoD Activity Address Code (DoDAAC) and/or Routing Identifier Code (RIC) (if assigned), and attention symbol/code of action activity. The action activity is based upon the origin of the shipment as indicated in Enclosure 3. If forwarding to the ICP, the RIC of the ICP is located in positions 67-69 of the DD Form 1348-1A. If forwarding to the Defense Distribution Depot, the RIC of the shipping depot is located in positions 4-6. When both shipping and packaging discrepancies are reported for the same item, enter "see item 15" and enter addresses/codes of both activities in item 15.
- For Security Assistance discrepancy reports, refer to Enclosure 7 for ILCO addresses.
- Item 4 From. DoDAAC and/or RIC (if assigned), name, address and ZIP code of the reporting activity or Security Assistance customer (consignee). The in-the-clear address will be entered.
- Item 5a Shipper's Name. Enter name, DoDAAC and/or RIC (for DoD activities) or Commercial and Government Entity (CAGE) Code (if available, for commercial contractor facilities), and address of shipper (consignor) when different from item 3. If applicable, the RIC of the shipping depot is located in positions 4-6 of the DD Form 1348-1A.
- Item 5b Number and Date of Invoice. Enter number and date of vendor's invoice or shipper's bill number. Attach copy of invoice to SF 364. (Not applicable to packaging discrepancies.)
- Item 6 Transportation Document. Enter the type of transportation document, GBL, CBL, manifest, waybill, insured/certified U.S. Postal Service, or transportation control and movement document (TCMD) and the identifying number assigned to such document. This is a mandatory entry when shipment received was made via traceable means, e.g., GBL, CBL. Further for U.S. SDRs, for discrepancies involving shortages, include following statement in item 12--"Shortage has been verified as not being transportation related."

- Item 7a Shipper's Number. Enter shipment number (when more than one shipment is made under a contract or requisition) and contract/contract line item number/document number (e.g., contract, purchase order). For SA, also include the shipment date to distinguish multiple shipments from a contractor source.
- Item 7b Office Administering Contract. Name, address, and ZIP code of the Contract Administration Office. (CAO activity which directed/arranged shipment.)
- Item 8 Requisitioner's Number. Enter the requisitioning activity's number, e.g., requisition, purchase request, and suffix code, if applicable. Entry of the applicable requisition document number is mandatory in all instances, even though a contract/purchase order is involved. Only one document number will be included on each SF 364. For U.S. SDRs only, when the original requisition number cannot be identified for discrepancies in sealed vendor packs, the reporting activity must include a constructed document number as defined in Enclosure 1. When using a constructed document number in an SDR, use block 13 to cite the fund code and bill-to/credit-to DoDAAC, if different from that in the document number.
- Item 9a NSN/Part Number and Nomenclature. If item received is different from item shown on shipping documents, or different from item ordered, show each item on a separate line. For serial numbered principal items, sets, kits and outfits, list the item individual serial number first, followed by the discrepancies applicable to that serial number. (**NOTE:** Sets, kits and outfits showing an assembly order number, the assembly order number should also be listed.)
- Item 9b Unit of Issue. Enter unit of issue as billed or indicated on shipping document for each item listed in item 9a. (Not applicable to packaging discrepancies.)
- Item 9c Quantity Shipped/Billed. Enter quantity of item shipped or billed. When code C1 is applicable, enter the quantity and the supply condition code (see DoD 4000.25-2-M, Military Standard Transaction Reporting and Accounting Procedures (MILSTRAP) or DLMS, Vol 2, Ch 14) of the item when shipped, e.g., 980A as shown on shipping document.
- Item 9d Quantity Received. Enter the quantity of item received.
- Item 10a Discrepancy Quantity. Enter the discrepant quantity. If code C1 is applicable, enter the quantity and the supply condition code (see DoD 4000.25-2-M or DLMS, Vol 2, Ch 14) of the item received. If total quantity received is classified under more than one condition code, enter separately each partial quantity so classified, followed by the applicable condition code, e.g., 960A, 20F.
- Item 10b Discrepancy Unit Price. Enter the unit price as billed or shown on shipping document.
- Item 10c Discrepancy Total Cost. For shipping discrepancies, enter the total value of material (10a x 10b). For U.S. SDR packaging deficiencies, enter total cost for corrective packaging of all discrepant items. For SDRs reporting both a packaging and a shipping discrepancy on the same item, enter on separate lines both the total value of the material and the total cost for corrective packaging.
- Item 10d Discrepancy Code. Nature of the discrepancy using the discrepancy codes listed in Enclosure 6 or on the face of the form. If a condition exists that is not listed, use code Z1 and describe discrepancy in item 12, remarks. When discrepancy code Q1, Product Quality (Item) Deficiency, or C2, Expired Shelf Life, is applicable, enter the following information under item 12, remarks:
1. Manufacturer's name and Commercial and Government Entity (CAGE) Code (if available).
 2. Contract/purchase order number if not shown in item 7a.

3. Date manufactured, date cured, date assembled, date packed (apply one as appropriate), and expiration date for Type I (nonextendible) shelf-life items and inspection or test date for Type II (extendible) shelf-life items. Include the date overhauled/rebuilt if pertinent.
4. Lot/batch number.
5. Location of material.
6. Name, address, and telephone number of point of contact.
7. Nature of complaint stating in detail why material is unsatisfactory.

Item 11 Action Code. Enter requested action/action taken by SDR initiator from codes listed in Enclosure 5 or on the face of the form. If action is other than that covered by listed actions codes, use code 1Z and explain action requested in item 12, remarks. Action code 1D or 1F will not be used on reports prepared to cover DoD WCF (formerly DBOF) funded shipments and shipments from GSA; materiel still required must be re-requisitioned. EXCEPTION NOTE FOR U.S. CUSTOMERS ONLY: Where DLA is ICP/IMM, replacement shipments may be requested by the customer. Action code 1E applies only to local purchase items.

Item 12 Remarks

General Conditions. Use for any supplemental information when the combination of discrepancy codes and action codes needs clarification; when discrepancies need explanation; and when a breakdown of cost to report, in terms of labor man-hours and materials, is required. Specific data such as appearance, lot/batch number manufacture/packaging date, inspector number and inspection date, probable cause of improper packaging, and suggested corrective action should be entered here. Provide photos where it would assist in determining the cause/validity of the discrepancy/deficiency.

Packaging Discrepancies Noted at Defense Distribution Depots (DD).

To ensure proper billing, indicate if the materiel is a major Item, i.e., ships, aircraft, missiles, ammunition, vehicles, etc., or secondary item, i.e., any item that supports a major item such as reparables, consumables, assemblies, etc. Annotate Projected or actual costs for labor and repackaging materials. If Actual, indicate the date corrective action was completed.

Information contact. Include name and communication numbers, e.g., DSN and commercial telephone numbers, facsimile number, and E-mail address of the person to be contacted for additional information if different from that entered in item 14a.

For Defense Distribution Depots that mail hard copies. Indicate the type of receipt involved, e.g., a receipt from procurement, a customer return, or a receipt for the retail supply account, etc. Discrepancies in sealed vendor packs. Enter, if available, the contract number and lot number from the item package and the words "concealed discrepancy found upon opening sealed vendor pack" or cite the appropriate discrepancy code from Enclosure 4.

Special conditions. For shortages or nonreceipt of GSA items shipped via U.S. Postal Service--cite whether all packages shown as shipped in item 5 of GSA or DD Form 1348-1A were received. For medical material requiring refrigeration or frozen storage--cite the information requested on the special instruction sheet which is included with shipments of such material. For classified material--cite whether indications of container tampering were or were not evident; indicate whether a security deviation inquiry may be necessary at the origin.

For Security Assistance SDRs. Cite the specific violation of specification, regulation, packaging instruction or contract.

Item 13 Funding and Accounting Data. (Not applicable to SA SDRs.)

For packaging discrepancies, the accounting/appropriation fund cite may be entered in this block by the SDR initiator if reimbursement funds/credits are expected for costs incurred to correct reported deficiencies. Use only when a billing document such as the SF 1080, Voucher for Transfer Between Appropriation and/or Funds, will not be prepared.

For shipping discrepancies, use to identify the original requisition fund code to be credited when this information is not otherwise available to the action office. When using a constructed document number, use to identify the fund code and bill-to/credit-to DoDAAC, if different from that in the document number which is cited in block 8.

Item 14a Typed or Printed Name, Title and Phone Number of Preparing Official. Self-explanatory. Include both full commercial, DSN, and facsimile communication numbers and E-mail address, if available.

Item 14b Signature. Self-explanatory.

Item 15 Distribution Addressees for Copies. Enter other addressees receiving copies of the report. Not applicable to SA SDRs.

B. SDR (ROD) REPLY

The reverse of SF 364 is to be completed by the action activity as required by this publication.

Item 16 From. The name, DoDAAC and/or RIC (if assigned) and address of the activity preparing the reply.

Item 17 Distribution Addressees for Copies. Enter addressees (including DoDAAC and/or RIC (if assigned)) receiving copies of the reply in addition to addressee listed in item 18. Not applicable to SA SDRs.

Item 18 To. Enter address (including DoDAAC and/or RIC (if assigned)) of the activity indicated in item 4 on face of the form. For SA, use the address for the appropriate ILCO in Enclosure 7.

Item 19 Enter action taken by responsible action office by placing an "X" in appropriate box(es). Do NOT check box 19f(2) for U.S. SDRs; the regulation(s) citation(s) applies only for shipments to Security Assistance customers. Also, see instructions for item 23.

Item 20 Enter disposition instructions by placing an "X" in appropriate box(es). Also, see instructions for item 23.

Item 21 Enter an "X" to indicate to the reporting activity that a new requisition is required if the materiel is still needed. Also, see instructions for item 23.

Item 22 Enter an "X" to indicate a replacement shipment will be made and the approximate shipment date. Also, see instructions for item 23.

Item 23 Remarks.

General Conditions. Enter any clarification or information necessary for a complete reply. Enter corrective action taken to preclude future packaging discrepancies and/or record the SDR (ROD) disposition/ status code as listed in Enclosure 6. This code and applicable narrative may be used rather than marking equivalent boxes for items 19, 20, and 21.

Packaging Discrepancies Noted at Defense Distribution Depots (DD). The ICP will annotate the SDR to indicate that DD repackaging is Approved or not approved. If the ICP authorizes corrective action The SDR will also reflect the appropriate funding/authorization Document, e.g., job order number, Military Interdepartmental Purchase Request (MIPR) number, or SF 1080, Voucher for Transfer Between Appropriations and/or Funds, to which the DD may charge the corrective action costs. After completing corrective action, the DD will annotate the actual cost of the work performed, note The date completed, and forward a copy to the ICP for close-out.

Item 24a Typed or Printed Name and Phone Number of Preparing Official. This is the individual authorized to provide an SDR response. Include both DSN and full commercial telephone numbers.

Item 24b Signature. Self-explanatory.

Item 24c Date. Use month, day, and four-position year.

C. SDR FOLLOWUPS, CORRECTIONS, AND CANCELLATIONS

1. At the top of the original report annotate the appropriate word ("FOLLOWUP," "CORRECTION," or "CANCELLATION") and the date the follow-up, correction, or cancellation prepared and forward to the same distribution addresses as the initial report.

2. Where there is any change to the point of contact information provided in block 14a of the original SF 364, enter the new point of contact name and telephone number(s).

3. For corrected or cancelled SDRs, the initiator will explain the clarifying data in detail in the "Remarks" block. Include the signature, date, DSN number, complete commercial telephone number, and E-mail address, if available, of the person preparing the revised report.

SDR (ROD) DISTRIBUTION

A. GENERAL

1. This enclosure addresses which organizations must be identified on the SDR as initial action recipient(s) or as interested parties to receive copies. Such determination is based upon the type or origin of the shipment involved the affected Service or Agency, and the type of discrepancy. This enclosure identifies those locations and provides in-the-clear address and communications numbers for most locations including Inventory Control Point (ICP) SDR processing focal points, the GSA National Customer Service Center, and Defense Distribution Depots. Guidance specific to SA is provided in Enclosure 7.

2. For items requiring special handling and/or reporting, such as classified material or protected items, the responsible activity must ensure additional distribution of the report as required.

B. PACKAGING DISCREPANCIES

DoD Components and GSA have designated activities to act as control points to monitor packaging discrepancies for their respective Service/Agency. SDRs for packaging discrepancies must be forwarded to the control activity. Specific distribution according to Service/Agency and type of shipment is provided below.

C. DISCREPANCY REPORTS AGAINST SECURITY ASSISTANCE SHIPMENTS

All discrepancy reports for Security Assistance (including Foreign Military Sales (FMS) and Grant Aid (Military Assistance Program)) shipments must identify the ILCO for initial action. If warranted, the ILCO will forward the report as appropriate for further action. The SDR response will be directed to the ILCO listed in Enclosure 7.

D. SDR DISTRIBUTION FOR SHIPPING (ITEM) DISCREPANCIES

1. DoD Originated Shipments. Distribution will be based on the origin of the shipment as follows. For mailing address and communications numbers of most locations see below.

a. Defense Distribution Depot Shipments:

(1) Army and Marine Corps directed shipments. Initial action to ICP/IMM SDR processing focal point.

(2) Total nonreceipt SDRs for Security Assistance shipments will be forwarded by the ILCO directly to the shipping depot regardless of implementing Service. Where the shipping depot is not known, forward to the ICP/IMM.

(3) All Others: Initial action to the shipping activity. DLA will accept SDRs at the shipping depot or the IMM based upon customer preference. Where the shipping activity is not known, forward to the ICP/IMM.

b. Material Returns

(1) Initial action to manager's ICP.

(2) Copy to shipping activity.

c. Shipments to Reutilization and Marketing

- (1) Initial action shipping activity.
- (2) Copy to shipper's ICP/IMM.
- (3) Copy to DRMS.

d. Shipments from Reutilization and Marketing

- (1) Initial action to shipping DRMO.
- (2) Copy to DMRS.

e. Inter-Service Shipments

- (1) Initial action to shipper's ICP/IMM.
- (2) Copy to shipping activity.

f. DEBRA Directed Shipments

- (1) Initial action to shipping activity.
- (2) Copy to other interested parties as identified by the DoD Component.

2. DoD Central Procurement (Including Direct Vendor Delivery). For material procured centrally by a DoD Component ICP or by a DSC, distribution will be as follows irrespective of the point of inspection and acceptance.

a. Initial action procuring contracting officer. (Appropriate addresses are provided below.)

b. Copy to office administering the contract/purchase order, if different from the purchasing office, except as otherwise prescribed for purchases made from federal supply schedules or GSA open-end contracts below.

c. Copy to other interested parties as identified by the Service or Agency.

3. GSA Originated or Directed Shipments. When shipment is directed by GSA from GSA Supply Distribution Facilities or from Defense Distribution Depots distribution will be as follows:

a. Initial action to GSA National Customer Service Center.

b. Copy to shipping activity if a DoD depot.

c. Copy to other interested parties as identified by the Service/Agency.

4. Purchases Made by DoD Activities from Federal Supply Schedules or GSA Open-End Contracts. Distribution will be the same as for DoD central procurement. Identify the GSA National Customer Service Center to receive a copy under the following conditions:

a. Repetitive discrepancies.

b. Cases of dispute which cannot be resolved between the ordering office and the supplier.

c. Product quality deficient material in Security Assistance shipments where GSA has provided inspection at source.

5. Local Purchase. Distribution will be the same as for DoD central procurement. A copy will be furnished the Government Inspector when inspection is at origin.

6. Industrial Plant Equipment Shipments. The Defense Supply Center Richmond will review all SDRs from the initiator, make further distribution as necessary, request appropriate action from the consignor, and provide the initiator with replies from the consignor and other closeout action.

E. SDR DISTRIBUTION FOR PACKAGING DISCREPANCIES

1. Contractor/Vendor Shipments

(1) Initial action to Administrative Contracting Office (ACO). When released by the ACO, any required repackaging at Defense Distribution Depots must be directed and reimbursed by the ICP.

(2) Copy to applicable Contract Administration Office (CAO) (block 10 of DD Form 250, Material Inspection and Receiving Report). When GSA is CAO send to GSA National Customer Service Center (NCSC).

(3) Copy to applicable ICP/IMM. When GSA is IMM send to GSA NCSC
marked: IM Copy.

2. Personal Property Shipments. For packaging discrepancies in personal property shipments, send original to Military Traffic Management Command and a copy to the shipping installation transportation officer.

Military Traffic Management Command
ATTN: MTOP-T-CC
5611 Columbia Pike
Falls Church, VA 22041-5050

3. DoD-Directed Shipments. Follow additional Service/Agency specific guidance in subsequent paragraphs.

G. ARMY

1. For all shipping and packaging discrepancies, other than ammunition and explosives, initiate action to the Army activity directing release of the material (i.e., the requisition routing identifier code (RIC) located in positions 4-6).

NOTE: SDRs for the former of Aviation component of Aviation and Troop Command (ATCOM) (RIC B17) and the former Missile Command (MICOM) (RIC B64) should be sent to the Aviation and Missile Command (AMCOM). SDRs for the former Troop component of U.S. Army Aviation and Troop Command (ATCOM)(RIC B12)) should be submitted to Soldier Systems Command (SSCOM).

Commander
U.S. Army Communications-Electronics Command (CECOM) (RIC B16)
ATTN: AMSEL-LC-MMD-I
Tinton Avenue
Fort Monmouth, NJ 07703-5000
Phone: (908) 532-2529 (DSN 992)
Fax: (908) 532-2929

Commander
U.S. Army Aviation and Missile Command (AMCOM) (RIC B64)
ATTN: AMSAM-MMC-LS-DC

Building 5302, Sparkman Center, Martin Road
Redstone Arsenal, AL 35898-5000
Phone: (205) 842-2522 (DSN 788)

Commander, Soldier Systems Command (SSCOM)
ATTN: AMSSC-I-SPS-SSS
Kansas Street,
Natic, MA 01760-5052
Phone: (508) 233-6027 (DSN 256)

and AKZ) U.S. Army Tank Automotive and Armaments Command (TACOM)
Armament and Chemical Acquisition and Logistics Activity (ACALA) (RIC B14)
ATTN: AMSTA-AC-NCDC/SDR(ROD) Team
Rodman Avenue, Building 110
Rock Island, IL 61299-7630
Phone: (309) 782-5532 (DSN 793)
Fax: (309) 782-7283

2. For shipments of ammunition, explosives, and other related materials initiate action to:

Commander
Industrial Operations Command (IOC) (RIC B14)
ATTN: AMSIO-SMA-I
Rodman Avenue, Building 350
Rock Island, IL 61299-6000
Phone: (309) 782-3252 (DSN 793)
Fax: (309) 782-3878

H. NAVY

1. For all material and supplies, other than ammunition and explosives, send SDR to the command directing release of the material:

Commander
Naval Air Systems Command (RI N21)
NAVAIRSYSCOM Headquarters (Code RI N21)
47123 Base Unit IPT
Patuxent River, MD 20670-1547

Commander
Naval Facilities Engineering Command (RI N25)
ATTN: FAC 0644
Alexandria, VA 22332-2300

Commander
Naval Sea Systems Command (RI N23, N24, N29)
ATTN: SEA 05M31
Washington, DC 20363-5100

Commander
Space and Naval Warfare Systems Command (N77)
4301 Pacific Highway
San Diego, CA 92110-3127

Commanding Officer
 Navy Inventory Control Point (RI N32)
 ATTN: Code P01511.10
 700 Robbins Avenue
 Philadelphia, PA 19111-5098
 Phone: (215) 697-4712 (DSN 442)

Commanding Officer
 Navy Inventory Control Point (RI N35)
 ATTN: Code 10112.05
 5450 Carlisle Pike
 Mechanicsburg, PA 17055-0788
 Phone: (717) 790-7421 (DSN 430)

2. For shipments of arms, ammunition, or explosives:

Commander
 Naval Ordnance Center ATTN: Code N422
 Farragut Hall, Building D323
 23 Strauss Avenue
 Indianhead, MD 20640-5555
 Phone: (301) 743-6055 ext. 165 (DSN 354)

I. MARINE CORPS. For all materials and supplies, to include arms, ammunition and explosives, originating from Marine Corps activities:

Commander (Code 808-1)
 Marine Corps Logistics Bases
 814 Radford Boulevard
 Albany, GA 31704-1128
 Phone: (912) 439-5291/5292 (DSN 567)
 Fax: (912) 567-5631
 Message: COMMARCORLOGBASES Albany GA//808-1//

J. AIR FORCE

1. Air Force points of contact (POC), including arms, ammunition, and explosives, will be the applicable item management are as contained in AFMAN 23-110, Vol 1, Part 2, Chap 2 or Air Force Material Command Maintenance Engineering Management Assignment (T>O>00-25115); or as identified in Standardization Directory SD-1 (FSC Class Area Assignment).

2. The following POCs apply to packaging discrepancies applicable to Air Force management items that are stored at and are issued from DLA depots located at Hill, Tinker, McClellan, Kelly, and Robins AFBs.

Packaging SDRs will be reported to the following DLA activities:	Information copies of packaging SDRs will be provided to the following Air Force activities.
DDOU-XID Building 845 7537 Wardleigh Road Hill AFB, UT 84056-5734	75ABW/LGTP 7530 11th Street Hill AFB, UT 84056-5707
DDOO-XI	72 ABW/LGTP

7401 2nd Street, Suite 108 Tinker AFB, OK 73145-9013	7516 Sentry Boulevard Suite 202B Tinker AFB, OK 73145-8912
DDMC-XA 2031 Idzorek Street McClellan AFB, CA 95652-1621	77 ABW/LGTP 4443 Dudley Blvd McClellan AFB, CA 95652-1418
DDST-XP Building 1534 280 Dover Street Kelly AFB, TX 78241-54444	76 LG/LGTP 401 Wilson Blvd Building 1572, Door 1B Kelly AFB, TX 78241-5340
DDWG/VA 450 5th Street Robins AFB, GA 31098-1887	78 ABW/LGTP 455 Byron Street, Bldg.. 376 Robins AFB, GA 31098-1860

3. For research, development, test, and evaluation (RDT&E) material for which inventory management has not been established (AFMAN 23-110):

Commander
Air Force Materiel Command
ATTN: LGT
4375 Chidlaw Road, Suite 6
Wright-Patterson AFB, OH 45433-5006

For the purposes of this chapter, RDT&E material are those items acquired under Air Force contracts whose contract number on the shipping container is prefixed with F04611, F04690, F04701, F04703, F04704, F08606, F08635, F19630, F33615, F33657, or F40600.

K. DEFENSE LOGISTICS AGENCY (DLA). DLA will accept SDRs by mail, telephone, electronic mail, facsimile, and message. Security Assistance SDRs for DLA activities will be accepted only after review by the appropriate ILCO.

1. Use the following addresses for shipments from DLA contractors (contractor shipped) and material received for which the shipping depot is not known.

Commander
Defense Supply Center Columbus (S9C and S9E)
ATTN: DSCC-NCBB Supply Discrepancy Report (ROD) Focal Point
P.O. Box 3990
Columbus, OH 43216-5697
Phone: (614) 692-2089 (DSN 850)
Fax: DSN 850-4179
E-mail: rods@dsc.dla.mil
Message: RUEDKFA/DSC COLUMBUS OH//DSCC-NCBB//

Commander
Defense Supply Center Richmond (S9G)
ATTN: DSCR-JFR Supply Discrepancy Report (ROD) Focal Point
8000 Jefferson Davis Highway
Richmond, VA 233297-5100
Phone: (804) 279-4158 (DSN 695) or 1-800-S9G-RODS
Fax: DSN 695-6638
Message: DSC RICHMOND VA//DSCR-JFR//

Commander
Defense Industrial Supply Center (S9I)
ATTN: DISC-PODM Supply Discrepancy Report (ROD) Focal Point
700 Robbins Avenue
Philadelphia, PA 19111-5096
Phone: (215) 697-4115 (DSN 442)
Fax: DSN 442-5029
E-mail: hvanderpool@disc.dla.mil
Message: DISC PHILADELPHIA PA//DISC-PODM//

Commander
Defense Personnel Support Center (S9T)
Directorate of Clothing and Textiles
ATTN: DPSC-FMR Supply Discrepancy Report (ROD) Focal Point
2800 S. 20th Street
Philadelphia, PA 19111-5096
Phone: (215) 737-5610 (DSN 444) or 1-800-647-1986

444-7849

Fax: DSN

Message: DPSC PHILADELPHIA PA//DPSC-FMR//

Commander
Defense Personnel Support Center (S9M)
Directorate of Medical Material
ATTN: DPSC-MRMC Supply Discrepancy Report (ROD) Focal Point
2800 S. 20th Street
Philadelphia, PA 19111-5096
Phone: (215) 737-5771 (DSN 444)
Fax: DSN 444-8005
Message: DPSC PHILADELPHIA PA//DPSC-MRMC//

Commander
Defense Personnel Support Center
(S9S-Perishables--S9P-Semiperishables)
Directorate of Subsistence
ATTN: DPSC-HS Supply Discrepancy Report (ROD) Focal Point
2800 S. 20th Street
Philadelphia, PA 19111-5096
Phone: (215) 737-4209 (DSN 444)
Fax: DSN 444-8462
Message: RUEOBKA//DPSC PHILADELPHIA PA//DPSC-HS//
Defense Subsistence Office (Fresh fruits and vegetables Pacific customers)
Alameda, CA 94501-1022

2. If the shipping depot is known, the SDR should be sent to one of the following Defense Distribution Depots.

Defense Distribution Depot Anniston
ATTN: DDAA-V Supply Discrepancy Report (ROD) Focal Point
7 Franklin Avenue
Anniston, AL 36201-4199
Phone: DSN 571-6185
Fax: 571-4345
Depot Commander: DSN 571-7527

Defense Distribution Depot Albany
814 Radford Boulevard, Building 1221
Marine Corps Logistic Base
Albany, GA 31704-1128
DDAG POC: Rita Carden
Phone: DSN 567-6359
Fax: 567-5926
Depot Commander: DSN 567-5801

Defense Distribution Depot Cherry Point
PCS Box 8020
Cherry Point, NC 28533-0020
DDCN POC: Diane Boyette
Phone: DSN 582-2443
Fax: 582-5964
Depot Commander: DSN 582-5351

Defense Distribution Depot Columbus
PO Box 3990
Columbus, OH 43216-5000
DDOC POC: Bill Dacons
Phone: DSN 850-4176
Fax: 850-1888
Depot Commander: 850-2251

Defense Distribution Depot Europe
Germersheim, Germany
APO, AE 09095
DDDE POC: LTC Harrison
Phone: 21-011-49-7274-1815
Fax: 21-011-49-7274-8061
Depot Commander: LTC Harrison, USA

Defense Distribution Depot Jacksonville
Box 103
Navel Air Station
Jacksonville, FL 32212-0103
DDJF-V POC: Brian Dacy
Phone: (904) 542-0151
Fax: (904) 542-0149
Depot Commander: (904) 779-3114

Defense Distribution Depot Letterkenny
Chambersburg, PA 17201-4150
DDL POC: Dana Argenbright
Phone: DSN 570-9214
Fax: 570-8760
Depot Commander: 570-5101

Defense Distribution Depot Norfolk
1968 Gilbert Street
Norfolk, VA 23512-0001
DDNV POC: Bill Sawyer
Phone: DSN 564-4856
Fax: 564-0029

Depot Commander: 564-7092

Defense Distribution Depot Richmond
8000 Jefferson Davis Highway
Richmond, VA 23292-5900
DDNV POC: David Pittman
Phone: DSN 695-7925
Fax: 695-6278
Depot Commander: 695-4716

Defense Distribution Depot Susquehanna
New Cumberland, PA 17070-5001
DDSP POC: Tina Manski (New Cumberland site)
DDSP POC: Stan Gersic (Mechanicsburg site)
Phone: DSN 977-5447
Fax: 977-8456
Depot Commander: 977-7421

Defense Distribution Depot Tobyhanna
Tobyhanna, PA 18466-5092
DDTP POC: Robert Ewer
Phone: DSN 795-6707
Fax: 795-6671
Depot Commander: 795-7600

Defense Distribution Depot Warner Robins
450 5th Street
Robins Air Force Base, GA 31098-1887
DDWG POC: Gwen Bailey
Phone: DSN 468-5909
Fax: 468-6376
Depot Commander: 468-6210

DDJC-V (SDRs)
Defense Distribution Depot San Joaquin
2560 S. Chrisman Road, Building 16B
Tracy, CA 95376
Sharpe RIC: AQ5 DoDAAC: SW3224
Tracy RIC: SB_ DoDAAC: SW3200
Phone: (209) 832-9335/9367
Fax: DSN 462-9606

DDMC-XI (SDRs)
Defense Distribution Depot McClellan
2031 Idzorek Street, Building 783K
McClellan AFB, CA 95652-1621
RIC: FF_
DoDAAC: SW3212
Phone: (916) 643-5233/2319
Fax: DSN 633-4308

DDPW-XPB (SDRs)
Defense Distribution Depot Puget Sound
467 W Street
Bremerton, WA 98314-1030

RIC: NU_
DoDAAC: SW3216
Phone: (360) 476-8611/8604
Fax: DSN 439-1454

DDBC-ESD (SDRs)
Defense Distribution Depot Barstow
Marine Corps Logistics Base, Warehouse 7
Barstow, CA 92311-5014
RIC: SG2
DoDAAC: SW3215
Phone: (760) 577-6779/6420
Fax: DSN 282-6778

DDDC-XIC (SDRs)
Defense Distribution Depot San Diego
2680 Woden Street, Building 322
San Diego, CA 92316-5491
RIC: ND_
DoDAAC: SW3218
Phone: (619) 556-6713/6714
Fax: DSN 526-6708

DDOO-XIC (SDRs)
Defense Distribution Depot Oklahoma City
3301 F Avenue, Building 506
Tinker AFB, OK 73145-8000
RIC: FH_
DoDAAC: SW3211
Phone: (405) 739-5612/7271
Fax: DSN 339-7229

DDHU-XIS (SDRs)
Defense Distribution Depot Hill Utah
7537 Wardleigh Road, Building 849
Hill AFB, UT 84056-5734
RIC: FG_
DoDAAC: SW3220
Phone: (801) 777-7712/2375
Fax: DSN 777-1187

DDRT-VA (SDRs)
Defense Distribution Depot Red River
Building 303A
Texarkana, TX 75507-5000
RIC: BR4
DoDAAC: W45G19/SW3227
Phone: (903) 334-3052/5108
Fax: DSN 829-2375

DDST-XI (SDRs)
Defense Distribution Depot San Antonio
280 Dover Street, Building 1534
Kelly AFB, TX 78241-5444
RIC: FP_
DoDAAC: SW3213
Phone: (210) 925-7478
Fax: DSN 945-3379

DDCT-VB (SDRs)
Defense Distribution Depot Corpus Christi
540 First Street SE, Building 1846
Corpus Christi, TX 78419-5255
RIC: B52
DoDAAC: SW3222
Phone: (512) 939-3182
Fax: DSN 861-3950

L. ARMY-AIR FORCE EXCHANGE SERVICE

Chief Army and Air Force Exchange Service
ATTN: CSXTX
Dallas, TX 75222-0202

M. GENERAL SERVICES ADMINISTRATION. Send all discrepancy reports (including Security Assistance product quality deficiencies) for shipments originating from GSA supply distribution facilities or directed by GSA from a contractor/vendor or from a DoD storage activity stocking GSA-owned assets NCSC.

GSA, Federal Supply Service
National Customer Service Center (NCSC)
ATTN: 6FR
1500 East Bannister Road
Kansas City, MO 64131-3088
Phone: 1-800-488-3111
Fax: 816-926-6952.
E-mail: rodsm.ncsc@gsa.gov

Message: RUELPUI for unclassified messages or RULSADP for classified messages. The Plain Label Address is GSA, FSS, National Customer Service Center, Kansas City MO.

TYPICAL SHIPPING AND PACKAGING DISCREPANCIES
LISTED BY DISCREPANCY CODE

The following codes are used to provide a description of the discrepant condition. Multiple codes may be used on a single report. Preprinted codes on the face of the SF 364 may be supplemented from this list of codes. These codes are authorized for use in all formats of SDR reporting. Use of the expanded list of codes is encouraged to clearly identify the discrepant situation and reduce the need for narrative descriptions.

CONDITION OF MATERIAL

- C1 In a condition other than shown on supply document or on the supporting inspection/test certificate.
- C2 Expired shelf life.
- C3 Damaged U.S. Postal Service shipment. (Security Assistance customers are authorized to use this code for all types of damaged shipments.)
- C4 Material received stripped of parts or components (cannibalized). Applicable to material returns or repairs only.
- C5 Incomplete item received. Do not use for incomplete sets/kits/outfits. (See S9.)

SUPPLY DOCUMENTATION

- D1 Supply documentation not received with material.
- D2 Supply documentation illegible or mutilated.
- D3 Supply documentation incomplete, improper, or without authority. (Only when receipt cannot be properly processed.)

BILLING/FINANCIAL DISCREPANCIES (SECURITY ASSISTANCE ONLY)

- B1 Requisitioned material received. No record of billing.
- B2 Duplicate billing.
- B3 Wrong amount billed.
- F1 Financial discrepancy involving Security Assistance surcharge.

LUMBER

- L1 Moisture exceeds allowable percentage.
- L2 Not treated in accordance with specification.
- L3 Product off grade.
- L4 Improper size.
- L5 Improper tally.
- L6 Improper or no grademark on product.
- L7 Rotten product.
- L8 Splits, excessive wane, scant, or not end trimmed (one or all).

MISDIRECTED

- M1 Material improperly addressed and shipped to wrong activity.

OVERAGE, DUPLICATE, OR RECEIPT OF CANCELED MATERIAL

- O1 Quantity received is more than quantity shown on the supply document.

- O2 Quantity received is more than quantity requested plus variance, if applicable (other than unit of issue or unit of pack).
- O3 Quantity duplicates shipment.
- O4 Material received after cancellation.
- O5 Concealed overage discovered in a sealed shipping container.
- O6 Overage due to unit of issue/unit of pack incompatibility (Use only when requisition specified no unit of issue/unit of pack variance).

PACKAGING DISCREPANCY

P1 Improper preservation.

- P101 Cleaning inadequate, incorrect, or omitted.
- P102 Preservative inadequate, incorrect, or omitted.
- P103 Barrier material inadequate, incorrect, or omitted.
- P104 Unit pack cushioning inadequate, incorrect, or omitted.
- P105 Unit container inadequate, incorrect, omitted or oversized.
- P106 Desiccant incorrect, improperly located, or omitted.
- P107 Tape/closure of unit container incorrect or inadequate.
- P108 Hazardous materials not removed as required.
- P109 Improper preservation of hazardous materials (includes ammunitions/ explosives).
- P110 Level of protection excessive or inadequate.
- P111 Minimum protection not applied (material returns).
- P112 Non-conformance to specified requirements for preservation (explanation required).
- P113 Electrostatic/electromagnetic device preservation inadequate or omitted.
- P114 Concealed preservation defect found in storage (retail only).

P2 Improper packing.

- P201 Container inadequate, incorrect, or oversized.
- P202 Intermediate container inadequate, incorrect, oversized, or omitted.
- P203 Exterior container inadequate, incorrect, oversized, or omitted.
- P204 Blocking and bracing inadequate, incorrect, or omitted.
- P205 Cushioning inadequate, incorrect, or omitted.
- P206 Level of protection excessive or inadequate.
- P207 Container deteriorated.
- P208 Skids incorrect or omitted.
- P209 Improper packing of hazardous materials (includes ammunitions/ explosives).
- P210 Non-conformance to specified requirements for packing (explanation required).
- P211 Improper foam-in-place.
- P212 Reusable container not used or improperly prepared.
- P213 Closure incorrect or inadequate.
- P214 Concealed packing defect found in storage (retail only).

P3 Improper markings.

- P301 Identification markings omitted, incomplete, incorrectly located, or not legible.
- P302 Improper marking of hazardous materials (includes ammunitions/ explosives).
- P303 Labels omitted or improperly affixed.
- P304 Contract data omitted, incomplete, incorrectly located, or not legible.
- P305 Precautionary or handling markings omitted, incomplete, or not legible.
- P306 Shelf-life markings omitted, incorrect, or not legible.
- P307 Bar code markings omitted, or not legible.
- P308 Incorrect lot number.
- P309 Set or assembly markings omitted.
- P310 Address incorrect or not legible.

- P311 Non-conformance to specified requirements for marking (explanation required).
- P312 Electrostatic/electromagnetic device markings inadequate or omitted.
- P313 Packing list omitted or incorrectly located.

P4 Improper unitization (includes palletization and containerization).

- P401 Cargo not unitized.
- P402 Shrink/stretch wrap inadequate or omitted.
- P403 Strapping inadequate or omitted.
- P404 Multiple consignees in single consignee consolidation container.
- P405 Protective covering/wrapping inadequate, improper, or omitted.
- P406 Contents of multipack container inadequately packaged, stuffed or missing unit packs.

PRODUCT QUALITY (ITEM) DEFICIENCY (SECURITY ASSISTANCE ONLY)

- Q1 Product quality deficiency.
- Q2 Quality deficiency, contractual noncompliance.
- Q3 Design deficiency, item requires change in design.
- Q4 Contracting deficiency, specification and/or technical data deficient.
- Q7 Safety hazard.
- Q8 Latent defect.

SHORTAGE OR NONRECEIPT

- S1 Quantity received less than quantity indicated on supply documentation.
- S2 Quantity received is less than quantity requested minus variance, if applicable (other than unit of issue or unit of pack).
- S3 Total nonreceipt of U.S. Postal Service shipment.
- S4 Total nonreceipt, not transportation related. (U.S. only)
- S5 Total nonreceipt (Security Assistance only).
- S6 Shortage due to unit of issue/unit of pack incompatibility. (Use only when requisition specified no unit of issue/unit of pack variance.)
- S7 Shortage or nonreceipt of an item in a multipack or sealed shipping container.
- S8 Concealed shortage discovered upon opening a sealed vendor's pack. (Not applicable to Security Assistance.)
- S9 Incomplete sets/kits/outfits. Do not use to report cannibalization of SSRI, COEI, or BII. (See C4.)

TECHNICAL DATA MARKINGS (NAME PLATES, LOG BOOKS, OPERATING HANDBOOKS, SPECIAL INSTRUCTIONS)

- T1 Technical data markings missing.
- T2 Technical data markings illegible or mutilated.
- T3 Precautionary operational markings missing.
- T4 Inspection data missing or incomplete.
- T5 Serviceability operating data missing or incomplete.
- T6 Warranty data missing.
- T7 Missing part number on bare item.
- T8 Incorrect part number.
- T9 Operating handbooks, log books, and/or special instructions missing.

INCORRECT ITEM

- W1 Incorrect item received.
- W2 Unacceptable substitute received.
- W3 Incorrect item received, but not identifiable to an NSN or part number.
- W4 Misidentified item received.

- W5 Mixed stock received.
- W6 Incorrect item discovered upon opening a sealed vendor's pack. (Not applicable to Security Assistance.)

OTHER DISCREPANCIES

- Z1 Other discrepancy - see remarks.
- Z2 Repetitive discrepancy. (Must use in combination with other codes or describe in remarks. Not applicable to Security Assistance.)
- Z3 Receipt not due-in (distribution depot only for unauthorized returns).
- Z4 No record exists for document number cited on supply document. (Not used by distribution depot/not applicable to Security Assistance.)

TYPICAL INITIATOR ACTIONS REQUESTED
LISTED BY SDR (ROD) ACTION CODE

The following codes are used to provide a description of the action requested by the initiator of the SDR. Multiple codes may be used on a single report. Preprinted codes on the face of the SF 364 may be supplemented from this list of codes. These codes are authorized for use in all reporting formats.

CODE EXPLANATION

- 1A Disposition instructions requested.
- 2A Disposition of material and financial adjustment (credit) requested.
- 1B Material being retained.
- 2B Material being retained. Financial adjustment (debit) requested.
- 1C Supporting supply documentation requested.
- 2C Technical documentation/data requested.
- 1D Material still required; expedite shipment. (Not applicable to Security Assistance.)
- 1E Local purchase material to be returned at supplier's expense unless disposition instructions to the contrary are received within 15 days. (Not applicable to Security Assistance or DLA.)
- 1F Replacement shipment requested. (Not applicable to Security Assistance.)
- 2F Material being held for disposition instructions, request funds citation. (Not applicable to Security Assistance.)
- 1G Reshipment not required. Item to be re-requisitioned.
- 1H No action required. Information only.
- 2J Financial adjustment requested.
- 2K Evidence of shipment requested (Security Assistance only).
- 2L Request billing status (Security Assistance only).
- 1Z Other action requested (see remarks).
- 2Z Additional information is being submitted off-line. (Applicable for use with electronic SDR submission only.)

TYPICAL ACTION ACTIVITY RESPONSES
LISTED BY DISPOSITION/STATUS CODE

Action activities use the following list of codes to provide a response to an SDR (ROD) initiator. Multiple codes are used on a single report to provide complete financial and material disposition instructions and provide additional information as needed. Codes may be used to replace or supplement preprinted information on the reverse side of the SF 364. These codes are authorized for use in all reporting formats. Where possible, system design should accommodate in-the-clear text for ease of use.

The 100-series codes provide status of financial resolution, material disposition instructions, or other appropriate information.

- 101 Credit authorized.
- 102 Credit not authorized.
- 103 Discrepancy report receipt acknowledgment.
- 104 Additional clarification required from customer. See remarks.
- 105 Forward material received to address shown. Must use traceable and most economical means available.

- 106 Forward material received to contractor address shown. Must use traceable and most economical means available.
- 107 Forward material address shown for inspection/exhibit analysis. Must use traceable and most economical means available.
- 108 Forward material to contractor address shown for inspection/exhibit analysis. Must use traceable and most economical means available.
- 110 Disposal authorized in accordance with local procedures.
- 111 Disposal authorized, monetary reimbursement from contractor.
- 112 Disposal authorized, contractor will provide replacement.
- 113 Provide disposal documentation to address shown.
- 114 Provide disposal documentation by date indicated to address shown. Credit will be authorized upon receipt.
- 115 Turn in material received to Defense Reutilization and Marketing Office (DRMO).
- 116 Turn in hazardous material received to Defense Reutilization and Marketing Office (DRMO). MIPR provided to cover disposal costs.
- 117 Material will be billed if not returned by date indicated.
- 118 Debit authorized for material retained.
- 119 Retain material received at no charge.
- 120 Retain material with consideration from contractor.
- 121 Retain material without consideration from contractor.
- 122 Retain material for future supply decision.
- 123 Material will be reissued at no charge.
- 124 Material is no longer procurable.
- 125 Incomplete part/missing component being forwarded.
- 126 Stock not available for reshipment. Your requisition has been reinstated and will be placed on backorder.
- 127 Contractor to reship.
- 128 Balance of contract material will not be shipped.
- 129 Reimbursement for repackaging discrepancy cannot be authorized until submitter provides cost for repackaging.
- 130 Place material in stock as is.
- 131 Remark/repackage material and place in stock.
- 132 Inspect and place in depot stock.
- 133 Upgrade material to Condition Code A, correction made by government with reimbursement from contractor.
- 134 Upgrade material to Condition Code A, correction made by government without reimbursement from contractor.
- 135 Documentation/technical data is being forwarded.
- 136 Confirmed canceled requisition shipped.
- 137 Additional comments provided. See remarks.
- 138 Shipment shortage based on pieces, weight, and cube.
- 139 Warehouse denial total shipment.
- 140 Warehouse denial partial shipment.
- 141 Duplicate shipment from stock or procurement.
- 142 Proof of Delivery/Evidence of Shipment not available.
- 143 SDR canceled by submitter.
- 144 Recorded for information only. No action taken.
- 145 No contractor liability found.
- 146 Material return acknowledged.
- 147 Corrected shipment document (DD Form 250) provided.

The 200-series codes provide additional information relevant to Security Assistance SDRs.

- 201 Incorrect information provided by U.S. Government contract.
- 202 MAPAD information not current by U.S. Government error.
- 203 Material erroneously returned to U.S. Government stock.

- 204 Overage of Repair and Replace material.
- 205 Shortage of Repair and Replace material.
- 206 Administrative write-off recommended.
- 207 No financial adjustment required. Excess Defense Articles (EDA). Overage not billed.
- 208 Repaired in-country by contractor or U.S. Government personnel.

The 400-series codes indicate the SDR has been closed for the reason provided.

- 400 SDR closed. Non-compliance with disposition instructions.
- 401 SDR closed. Non-response to additional information request.
- 402 SDR closed. Wrong material returned.

The 500-series codes indicate an interim reply.

- 501 SDR assigned to Defense Contract Management Command (DCMC) for investigation.
- 502 SDR resolution deferred pending receipt of exhibit.
- 503 SDR currently under investigation.
- 504 SDR submitted to incorrect action activity. SDR forwarded as shown.
- 505 SDR under investigation. SDR has been forwarded to activity identified for additional action.
- 506 Item has been transferred to new item manager. Referred to gaining item manager (GIM) for disposition.
- 507 SDR forwarded to shipping depot for Proof of Delivery.
- 508 SDR forwarded to shipping depot for Evidence of Shipment.
- 509 SDR forwarded to local procurement office for action.
- 510 SDR forwarded to Item Manager for research and/or disposition instructions.
- 511 SDR forwarded to Industrial Operations Command for action.
- 512 SDR forwarded to Simplified Nonstandard Acquisition Program (SNAP) Project Office for action.
- 513 SDR forwarded to IL Directorate or Repair and Return Office for research of R&R case.
- 514 SDR forwarded to the packaging specialist for research.
- 515 Procurement/Defense Contract Management Command awaiting response from contractor. SDR suspended.
- 516 Receipt of material returned by customer has not posted to date. Under investigation.
- 517 Defense Finance and Accounting Service (DFAS) billing information requested.
- 518 Your SDR identifies a transportation discrepancy and is being processed as a Transportation Discrepancy Report (TDR).
- 519 Your SDR identifies a quality deficiency and is being processed as a Product Quality Deficiency Report (PQDR).

The 700-series codes indicate SDR rejection:

- 701 SDR rejected. See remarks.
- 702 SDR rejected. Material shipped as requisitioned.
- 703 SDR rejected. Overage/shortage is within contract variation clause.
- 704 SDR rejected. Evidence of shipment/proof of delivery forwarded.
- 705 SDR rejected. Records indicate the inspection or test date or this shelf-life item has been extended to date indicated.
- 706 SDR rejected. Shelf-life not applicable for this item.
- 707 SDR rejected. Acceptable substitute issued for material requisitioned.
- 708 SDR rejected. Material shipped prior to cancellation request.
- 709 SDR rejected. Discrepant quantity shipped after SDR submission.
- 710 SDR rejected. Discrepant quantity on backorder.
- 711 SDR rejected. Material shipped via insured/certified/registered mail. Request you contact local postal authority to verify delivery of material.
- 712 SDR rejected. Submit offer of material under material returns program.
- 713 SDR rejected. Discrepancy does not meet required minimum dollar value.

- 714 SDR rejected. Billing adjustments for other than Security Assistance may not be requested on a SDR. Contact local finance office.
- 715 SDR rejected. Discrepancy not reported within required timeframe.
- 716 SDR recorded for information and possible corrective action.
- 717 SDR identifies a carrier discrepancy. Resubmit as a Transportation Discrepancy Report (TDR).¹
- 718 SDR identifies a quality deficiency. Resubmit as a Product Quality Deficiency Report (PQDR).¹
- 719 SDR rejected. Duplicate of previously submitted SDR.

¹ Use of this code is discouraged. Every effort should be made to process the discrepancy report and resolve the situation without requiring the initiator to resubmit. See preferred codes 518 and 519.

The 800-series codes provide additional rejection notices relevant to Security Assistance SDRs:

- 800 SDR rejected. No U.S. Government liability.
- 801 SDR rejected. No billing discrepancy exists.
- 802 SDR rejected. Bill reflects repositioning costs/nonrecurring costs.
- 803 SDR rejected. Bill reflects contract termination charge.
- 804 SDR rejected. Item proven serviceable when shipped (R&R, exhibits).
- 805 SDR rejected. Freight forwarder tracking system indicates material received. Customer should challenge freight forwarder.
- 806 SDR rejected. Repair/adjustment procedures provided by source.
- 807 SDR rejected. Material shipped to address specified on LOA in lieu of country.
- 808 SDR rejected. SDR does not meet latent defect criteria and is, therefore, beyond the allotted timeframe for submission
- 809 SDR returned without action. Credit cannot be granted since debit billing has not processed. (ILCO use only.)
- 810 Freight forwarder notification not submitted for total nonreceipt.

The 900-series codes are intended for system/application use in processing transactions:

- 901 Transaction rejected. Item shipped/billed by another supply source.
- 902 Transaction rejected. Invalid action code for type of discrepancy submitted.
- 903 Transaction rejected. Invalid SDR for combination of requisitioned quantity and canceled quantity.
- 904 Transaction rejected. Open suffix must be closed before SDR can be reopened.
- 905 Transaction rejected. Simplified Nonstandard Acquisition Program (SNAP) requisitions can only be processed by TACOM and transaction Routing Identifier Code (RIC) indicates another source of supply.
- 906 Transaction rejected. Record already closed.
- 907 Transaction rejected. Record closed, canceled, or a final reply has been provided.
- 908 Transaction rejected. Record is currently open and cannot be reopened until current suffix is closed.
- 909 Transaction rejected. SDR must be reopened with suffix R as a reconsideration before it can be contested using suffix C.
- 910 Transaction rejected. Invalid document number.
- 911 Transaction rejected. Invalid case designator.
- 912 Transaction rejected. Invalid SDR number.
- 913 Transaction rejected. Invalid SDR suffix.
- 914 Transaction rejected. Invalid preparation/submission date.
- 915 Transaction rejected. Invalid type of discrepancy code.
- 916 Transaction rejected. Invalid action desired code.
- 917 Transaction rejected. Invalid discrepant quantity.
- 918 Transaction rejected. Invalid quantity received.
- 919 Transaction rejected. Invalid interim statement number.
- 920 Transaction rejected. Invalid point of contact name.
- 921 Transaction rejected. Invalid point of contact phone number.
- 922 Transaction rejected. Invalid document to follow indicator.

- 923 Transaction rejected. Invalid transaction date.
- 924 Transaction rejected. Narrative missing.
- 925 Transaction rejected. Invalid narrative attached indicator.

Security Assistance Guidance

A. PURPOSE

1. The purpose of this enclosure is to provide specific procedural guidance relevant to the processing of Security Assistance (SA) Supply Discrepancy Reports (SDRs) (formerly referred to as Reports of Discrepancy (RODs)). Based upon United States of America Letter of Offer and Acceptance (LOA) agreements, SA customers will use SDRs to report all supply, billing, and product quality discrepancies associated with SA shipments. International Logistics Control Offices (ILCOs) should also refer to reference A.5 of the basic instruction for overall policy related to SA.

2. This enclosure provides information previously contained in DLAR 4140.60/AR 12-12/SECNAVINST 4355.17A/AFR 67-7, Processing Discrepancy Reports Against Foreign Military Sales Shipments.

B. PROCEDURES

1. Typical discrepancies are listed by code on the SF 364 and an expanded list of discrepancies is provided at Enclosure 4. Enclosure 1 provides definitions. Additional guidance for SA-unique discrepancies follows.

a. Product Quality (Item) Deficiencies. The SA customer must provide evidence that a receipt inspection was performed and the defect could not be detected at that time and that the defect is present for reasons other than deterioration or damage incurred during storage or handling. Quality deficiencies include deficiencies in design, specification material, manufacture, and workmanship. The submitter may identify latent defects and quality deficiencies which result in a safety hazard. A detailed description of the complaint may be provided if needed to supplement discrepancy codes. In addition provide photographs, test data, and related documentation, if available.

b. Billing Discrepancies. In accordance with DoD 4000.25-7-M, Military Standard Billing System (MILSBILLS) or the DLMS, Vol 7, Finance, billing discrepancies will be converted to MILSBILLS Document Identifier FAE Transactions and submitted to the billing office.

c. Financial Discrepancies (Administrative and Accessorial). These discrepancies will be forwarded to the Defense Finance and Accounting Service - Denver, Deputate for Security Assistance (DFAS-DE/I) (formerly SAAC) for processing.

2. All SA SDRs will be submitted directly to the ILCO identified below for initial screening and processing in accordance with this publication and reference A.5. SDRs may be forwarded via SF 364, Report of Discrepancy, or authorized *electronic*/automated formats.

a. Army

Commander, U.S. Army Security Assistance Command
54 M Avenue, Suite 1
New Cumberland, PA 17070-5096

b. Navy

Commanding Officer, Naval Inventory Control Point (NAVICP)
ATTN: Code P753112
700 Robbins Avenue, Building 4B
Philadelphia, PA 19111-5095

c. Air Force

Air Force Security Assistance Center
5490 Pearson Road
Wright-Patterson AFB, OH 45433-5332

3. As appropriate, SDRs will be forwarded for further processing to DoD ICP/IMM, shipping depot, or GSA. Total nonreceipt SDRs will normally be forwarded directly to the shipping depot. All responses to discrepancy reports will be returned to the ILCO.

4. ICP/IMM or depot action activities will ensure the reverse side of the original SF 364 is fully completed and the original copy of the report returned to the ILCO bearing the original signature of the individual responsible for preparation of the reply. **Authorized electronic**/automated format equivalent to the SF 364 may also be used to include, at a minimum, the requisition document number, the report number (item 2 of the SF 364), ~~signature (not as point of contact)~~ **point of contact**, and pertinent information from the data blocks on the reverse side of the SF 364 or the expanded code lists found in Enclosures 4, 5, and 6 of this instruction.

5. Whenever materiel is directed for return to U.S. custody, the purchasing country will be instructed to reshipe the materiel using the same document number under which the materiel was originally shipped. The country will be advised that they must return the material to U.S. Government custody within 180 days from date of approval/ instructions. In those instances when materiel is to be returned to the United States at U.S. Government expense, every effort will be made to utilize the Defense Transportation System (DTS) for the return movement. Provide the Service/Agency transportation account code chargeable to return the discrepant material to the appropriate U.S. Government activity or other designated location. When appropriate the action activity may direct the submitter to return an exhibit of the discrepant material. The activity requesting this action will pay for exhibit shipment costs. Action activities will furnish DD Form 1348-1A for material to be returned. A copy of the SDR and DD Form 1348-1A should be included with returned material and annotated as an SDR RETURN. Upon evidence of material being returned, a credit adjustment will be processed for the return of the discrepant material if previously authorized. This evidence releases the SA **customer** of liability for the material.

6. SA materiel not returned to the stocks of DoD or GSA, or retained or disposed of by the foreign government at the direction of the applicable ILCO, will be turned in to the nearest U.S. accountable military activity (regardless of Military Service responsible for the materiel). This publication will be authority for a turn-in and the material will be processed in accordance with U.S. procedures.

7. The shipping activity will retain paper copy of the SA shipping documentation (signed carrier's receipt and shipping document) at the shipping site for a period of 2 years following the shipping date. After this point, the paper records will be retired to the appropriate Federal Records Center for a period of 28 years. The stored records must be segregated by country and the container marked accordingly. Billing documentation will be retained by the Military Departments and DoD agencies as specified in MILSBILLS and DoD 7000.14-R, Vol. 15, Department of Defense Financial Management Regulation (Security Assistance Policy and Procedures).

8. Incorrect item SDRs are not permitted for authorized substitution, unless the substitute item does not meet fit, form, or function standards. DoD Components and GSA follow the policy of automatic shipment

of an interchangeable item unless the requisition contains an appropriate advice code, in accordance with DoD 4000.25-1-M, Military Standard Requisitioning and Issues Procedures (MILSTRIP), appendix B-15, or DoD 4000.25-M, Defense Logistics Management System (DLMS), Vol 2, Supply, limiting the request to a specific item. Similarly, quantities may be adjusted to the unit pack quantity, when appropriate, unless restricted by the appropriate advice code in the customer requisition. Such adjustments resulting in quantity variance are not reportable as discrepant.

9. When an SDR is initiated for nonreceipt, the SA customer is required to provide documentation from the freight forwarder indicating that no material has been received on the requisition and transportation control numbers that apply. The ILCO will deny any nonreceipt SDRs received that do not have this documentation attached. The ILCO will return these SDRs to the customer as incomplete.

10. The report initiator will indicate on the SDR what action is requested. Typical requested actions are listed by code on the SF 364 and an expanded list is provided at Enclosure 5 of this instruction.

11. Time Standards

a. SDR preparation and submission time by the SA customer will be limited to the provisions of the LOA as explained in reference A.5.

b. ILCOs are permitted 15 calendar days from the time of receipt for processing discrepancy reports prior to forwarding to the appropriate ICP/IMM, shipping depot, or GSA action activity and again upon return from the action activity.

c. Response time frames for the action activity are as specified in the basic instruction.

12. Followup and Unresolved SDRs. See basic instruction.

13. Invalid/Incorrect SDRs. See basic instruction.

14. Requests for Reconsideration. The SA customer may ask the U.S. Government to reconsider the final status for an SDR. Customers must send written requests, to reach the ILCO within 90 calendar days from the SDR reply date. When the customer asks for reconsideration, the ILCO will add a suffix code R to the SDR number (item 2, SF 364). The ILCO will add its comments and send the SDR, together with all applicable correspondence/ information, to the appropriate DoD ICP/IMM or GSA action activity for reconsideration. The action activity will review to determine if the request should be honored, initiate any required action, and reply to the ILCO within 60 calendar days from the date of the ILCO correspondence.

15. Contested Reconsideration Decisions. SA customers may contest the DoD ICP/IMM or GSA decision on a request for reconsideration. To do so, the customer must send written request to reach the ILCO within 90 calendar days from the date of the ILCO reply to the request for reconsideration. The customer must explain why the DoD ICP/IMM or GSA decision is not satisfactory. When the customer contests a DoD ICP/IMM or GSA decision, the ILCO will add a suffix code C to the SDR report number. The suffix code will be used in all references to the SDR. The SDR and all supporting documentation will be forwarded by letter to the ILCO's Military Service/Agency focal point who will review all the information relating to the problem, see that any needed action is taken, and send the ILCO the final decision within 60 calendar days from the date of the ILCO correspondence. Copies of all information/ documentation relating to the request shall be included with all correspondence exchanged between the parties involved.

16. Transfer of Item Management Responsibilities. See basic instruction.

17. Credit Adjustments on SDRs. See basic instruction.

18. Management Evaluation. See basic instruction.

C. RESPONSIBILITIES

1. The ILCO will:

- a. Complete initial SDR screening in accordance with this instruction and reference A5.
- b. Reject discrepancy reports which do not contain required data, unless such data is readily available, at the ILCO.
- c. Reject duplicate SDRs, except those which are resubmitted to contest a previous decision.
- d. Review all requests for reconsideration which contest the decision on such requests. Reject those requests which lack sufficient justification or which were not received within the established time standards in this enclosure.
- e. Review all SDRs received for processing and determine proper course of action based on available case history data.
- f. Process to the SA customer initial acknowledgment of receipt of SDR replies and/or denials.
- g. Forward SDRs to the appropriate ICP/IMM, shipping depot, or GSA action activity.
- h. Report the disposition of SDRs applicable to materiel and services to the DFAS-DE/I as required in the DoD 7000.14-R, Vol 15.

2. The DoD ICP/IMM, shipping depot, or GSA will:

- a. Review all SDRs received for processing and determine proper course of action based on available supply records and the results of investigation.
- b. Furnish properly completed SDRs to the ILCO for further processing to the SA customer. The action activity may cite the appropriate disposition/status code as provided in Enclosure 6 or annotate the SF 364 using the appropriate blocks.
- c. Based upon validated SDR, request that DFAS authorize adjustment/credit in accordance with MILSBILLS.
- d. Provide disposition instructions to the ILCO as required.
- e. Provide signed evidence of shipment (see definition at Enclosure 1) to the ILCO when nonreceipt of materiel is involved. If this documentation cannot be provided, appropriate credit is required.
- f. Provide documentation which is matched to the quantity shipped for concealed shortages. Examples of such documentation are those which contain size, total weight, and cube accepted by the carrier. Credit is denied if the documentation, in conjunction with the unit weight, supports shipment of the total quantity billed. Otherwise, appropriate credit for the difference is required.