

# **GO LIVE!**

## **AUTOMATED COMPLIANCE PROGRAM**

### ***WHEN DOES THE AUTOMATED COMPLIANCE CLAIM PROGRAM BEGIN?***

Starting 1 July 2012, the Exchange will implement automated compliance to monitor all orders valued at \$300 or greater for Early/Late shipments to CONUS DC's and Facilities.

### ***WHY IS IT IMPORTANT TO AUTOMATE COMPLIANCE CLAIMS FOR EARLY / LATE SHIPMENTS?***

The Exchange Vision is "To be our Customers' First Choice!"...the Exchange must provide the products our Customers expect when shopping our stores. Automating compliance claims will increase supply chain visibility and should result in improved in-stock position for our customers, timely product shipments and optimal inventory levels. The Exchange must optimize supply chain efficiencies that are essential with the continued expansion of automated replenishment. Suppliers benefit as well...automated compliance claims are generated in a 'real-time' environment where buyers /suppliers can resolve issues as they occur and also reduce 3<sup>rd</sup> party audit claims.

### ***WHERE TO FIND DETAILS ON THE EXCHANGE AUTOMATED COMPLIANCE CLAIM PROGRAM?***

Information concerning the Exchange Compliance program is posted to the 'Doing Business with the Exchange' website. Orders shipped or received outside of the specified timeframes are deemed either early or late and subject to recovery charges as stated in the Exchange Compliance Claim Program. For complete program details select: [EXCHANGE VENDOR COMPLIANCE](#)

### ***Early/Late details of the AUTOMATED EXCHANGE COMPLIANCE CLAIM PROGRAM include:***

*All claims will generate systematically using the following criteria:*

*For FOB origin orders, the claim is calculated by comparing the Scheduled Ship Date listed on the purchase order to the ship date transmitted on the Advanced Ship Notice(ASN).*

*A claim will automatically generate once it is determined that the ship date occurred outside of the supplier window of 72 hours before/after the scheduled ship date:*

**FOB Origin PO:**

- ▶ *Shipped >72 hours before/after Scheduled Ship Date – SSD (Scheduled Ship Date)*
- ▶ *Supplier window is 7 days...3 days either side of SSD*

*For FOB destination orders, the claim is calculated by comparing the initial receipt date with the Requested Delivery Date listed on the purchase order. A claim automatically generates once it is determined that the receipt date occurred outside of the supplier window of 72 hours before/after the received delivery date:*

**FOB Destination PO:**

- ▶ *Rec'd >72 hours before/after Required Delivery Date – RDD (Required Delivery Date)*
- ▶ *Supplier window is 7 days...3 days either side of RDD*

**WHAT CAN SUPPLIERS DO TO PREVENT EARLY/LATE CHARGES?**

Suppliers should ensure that shipping locations, order preparation times and shipping times are accurate and that Exchange Buyers are aware of any updates/changes.

**WHO SHOULD SUPPLIERS CONTACT FOR QUESTIONS OR UPDATES?**

Suppliers can work with the buyer directly to ensure that accurate information is entered into Exchange Systems. Questions regarding compliance claims received may be directed to [coop@aafes.com](mailto:coop@aafes.com).