

OFFICE OF THE SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301



3 JUN 1985

CAMERON STATION
DEFENSE LOGISTICS
STANDARD SYSTEMS OFFICE
ALEXANDRIA, VA XXXX 22304-6100
DLSSO

MEMORANDUM FOR RECORD

SUBJECT: DoD Joint Physical Inventory Working Group (JPIWG) Meeting, 23-25 Apr 85

1. The subject meeting was convened at 0900, 23 Apr 85, at Camron Station, Alexandria, VA. Attendees are listed in Enclosure 1.
2. The minutes of the 18-22 Mar 85 meeting were reviewed and approved as written. The DLA and Army representatives were again reminded that their input for update of the OSD/DoD Component Actions and Status list was due on 18 Mar but had not been recieved.
3. The Vice-Chairman made the following opening remarks:
 - a. The DLSSO reorganization has been approved effective 30 Jun 85. By the end of May, we expect to have filled the two DLSSO inventory positions and DLSSO will assume chairmanship of the DoD JPIWG.
 - b. The Services and DLA are providing information through Command channels for the OSD response to Congressman Daniel's letter to Secretary Daniel regarding inventory record accuracy for DoD wholesale supply system material of the Military Services and DLA. Input is also being provided to the Defense Council on Integrity and Management Improvement.
 - c. Once the DoDIG Report on the DoD wide audit of Physical Inventory Adjustments (Project No. 3SS-115) is signed and approved, the DASD (LBMN) will task the DoD JPIWG to include the recommendations in the current Physical Inventory Control Improvement Program Plan (PIICP) or as a supplement to the PIICP. The group agreed that the tasking would give the JPIWG a good base for developing a new plan/actions and status lists.
4. The Navy representative advised the JPIWG that the DoD Committee on Government Property Lost, Damaged, or Destroyed would meet 1-2 May 85 to discuss revision of DoD 7200.10-M and conversion of the manual to an instruction for Service/Agency implementation. DoD 7200.10-M is a financial publication and the committee has addressed primarily retail issues. Since there is a major impact in the wholesale area, the JPIWG representatives were advised to coordinate with their Component's financial committee member and ensure that wholesale concerns are addressed. We must also assure that the JPIWG's concerns addressed in DLSSO-T letter, 8 Mar 84, Subject: Request for Change and Clarification of DoD 7200.10-M Procedures, are addressed by the committee.

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5. MILSTRAP AMCL 41, which was implemented 1 Oct 84, established a new requirement to submit a separate Inventory Control Effectiveness (ICE) Report for ammunition and to exclude the figures from the general report. The OSD staff representative advised that DASD (L&MM) was concerned over apparent discrepancies and missing data in the FY85 first quarter ICE Report for ammunition and had requested that the DoD JPIWG investigate and resolve the matter. The problem was reviewed with the following results:

a. Discussion:

(1) Although the Single Manager for Conventional Ammunition (SMCA) has only custodial accountability for other than Army owned assets, ICE data for the other Service owned assets are included in the Army's report. While some lines can be reported by the owning Service, other lines cannot.

(2) The Air Force does not submit materiel denials (block 1), receipt processing performance (block 2), or location audit program (block 3) data in their ammunition report. The Air Force does submit data for physical inventory program line items (block 4), and monetary value of physical inventory program (block 5) and does include data on SMCA items.

(3) The Navy does not submit data in block 1, block 2, or block 3 of their ammunition report. The Navy does submit block 4 and block 5 data but does not include data on SMCA items.

(4) *Minutes Corrected 14 Jun 1985* Neither the Air Force nor the ~~Army~~ ^{Navy} reports location survey information on ammunition which they manage. ~~Army~~ Navy and Air Force conduct wall-to-wall inventory of ammunition which permits them to exclude the ammunition locations from the complete location survey. Only the Army has programs to accumulate and report location survey accuracy data from the inventory process.

(5) The Marine Corps does not submit a separate ammunition report; ground-side ammunition is retail managed and air-side ammunition is reported by the Navy who is the wholesale manager.

(6) The Defense Logistics Agency does not manage ammunition.

(7) The Navy has no central ICE Report data collection point for reporting blocks 1, 2, and 3 on Navy managed ammunition.

(8) The Army cannot report ammunition data by Service ownership without extensive and costly reprogramming.

b. Disposition:

(1) The Army will continue to submit a single ICE Report for ammunition reflecting consolidated data for all owning Services in each line.

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(2) The Navy agreed to change their system and report block 1, 2, 4, and 5 ICE Report data for Navy managed ammunition but could not provide an effective date.

Minutes Corrected 14 Jun 1985
(3) ~~The Air Force agreed to back out the SMCA data for the FY85 first quarter ICE Report and submit a revised report for ammunition.~~ The Air Force will assess their capability to report block 1, 2, 4, and 5 ICE Report data for Air Force managed ammunition as the Navy is.

(4) No change required by the Marine Corps and DLA.

(5) The DoD JPIWG will include ammunition as a topic in the forthcoming surveillance and will schedule visits to the SMCA and Naval Weapons Station, Charleston. As a result of the surveillance, the JPIWG will recommend additional changes for ammunition reporting if needed.

6. The majority of the meeting was devoted to preparations for the forthcoming surveillance. A poll of the representatives revealed problems/delays in implementation of the AMCL 41 interservice requirements in the DLA subsistence systems and Army location reconciliation process. The surveillance team had agreed not to address these areas at affected activities if the problems had not been resolved by the visit date. The sample surveillance questionnaires prepared by the representatives were reviewed for content, structure, and inter-relationships. Final accountable activity and storage activity questionnaires were developed for each topic. The questionnaires cover general interest areas, changes implemented by AMCL 41, and the newly developed changes for the next proposed change on inventory control. Changes/additions may be needed for ammunition. Two areas for review include daily transaction/monthly summary reporting to the owning Service and the Defense Standard Ammunition Computer System.

7. The next meeting of the DoD JPIWG will be held 4-6 Jun 85 at Camron Station, Alexandria, VA, Building 4, Room 4D327 beginning at 0900. The meeting will be devoted to preparation for the forthcoming surveillance. The agenda is at Enclosure 2.

8. The meeting was adjourned 25 Apr 85.

2 Encl


Horace E. Perdieu
DoD JPIWG, Vice-Chairman

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DoD JPIWG Meeting
4-6 Jun 85

AGENDA

- Establish Surveillance Schedule and Finalize Sites
- Approve Surveillance Questionnaires
- Review Service/Agency Publications and Functional Statements
- Complete Review of Status Listings to Ensure all Topics Covered