



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

14 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, 4-6 Jun 85

1. The subject meeting was convened at 0900, 4 Jun 85, at Cameron Station, Alexandria, VA. Attendees are listed in Enclosure 1.
2. The minutes of the 23-25 Apr 85 meeting were reviewed and approved with the following corrections:
  - a. Paragraph 5a(4)...rewrite..."Neither the Air Force nor the Navy reports location survey information on ammunition which they manage. 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."
  - b. Paragraph 5b(3)...delete..."The Air Force agreed to back out the SMCA data for the FY 85 first quarter ICE Report and submit a revised report for ammunition."
  - c. Enclosure 1, Attendees...add..."J.Sundberg DASD(L&MM)SD, 23 Apr 85."
3. The Vice-Chairman opened the meeting and introduced Mr. Frank St. Mark who will be the Vice-Chairman of the JPIWG under the new DLSSO reorganization. The Vice-Chairman stated that he expects the remaining DLSSO inventory position to be filled by the end of Jun and that DLSSO will assume chairmanship of the DoD JPIWG effective 30 Jun 85.
4. The Vice-Chairman, as Chief of DLSSO, stated that he intends to present an overview of the DLSSO organization (including the JPIWG) to each of the Components' headquarters in early FY 86. The purpose of the presentation is to apprise the Components of the various programs DLSSO is responsible for and its relationship to OSD. The Vice-Chairman acknowledged the group for their support over the past five years and turned control of the meeting over to Mr. St. Mark.
5. The majority of the meeting was devoted to preparations for the forthcoming follow-on surveillance. The preparations included the following:

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a. To establish the follow-on surveillance schedule and finalize the sites to be visited, the representatives were provided the list of proposed sites that were recommended in the 19-22 Mar 85 meeting. The list also highlighted the purpose of the surveillance. Prior to finalizing the schedule, the group agreed that a message should be forwarded to the representative's headquarters by DLSSO to ensure timely confirmation of the proposed scheduled visits. DLSSO message 101732Z Jun 85 is Enclosure 2. The tentative schedule for the follow-up surveillance is as follows:

<u>SITE</u>	<u>DATES</u>
OCALC, Oklahoma City, OK	22-24 Jul
DDOU, Ogden, UT	25-26 Jul
DESC, Dayton, OH	29 Jul-1 Aug
Red River Army Depot, Texarkana, TX	19-20 Aug
TROSCOM, St. Louis, MO	22-23 Aug
NSC Charleston, SC	9-11 Sep
MCLB, Albany, GA	12-13 Sep

b. The surveillance questionnaires were reviewed together with the status listings to ensure that all topics were covered for the follow-on surveillance. The approved questionnaires are contained in Enclosure 3.

c. The group agreed that instead of reviewing the Components' publications and functional statements that implemented AMCL 41 at this meeting, each Component would provide the JPIWG staff copies of their publications and statements for review and include the review as part of the follow-on surveillance. The Air Force and DLA provided the staff copies of their publications and statements.

6. The Vice-Chairman advised the representatives that the DoD Committee on Government Property Lost, Damaged, or Destroyed (GPLD) met 1-2 May 85. Due to lack of representation from the Components' wholesale community, the discussion on the DD Form 200 and Chapter 2 of the GPLD Manual was tabled as the revised DD Form 200 accommodates both gains and losses, whereas the purpose of the manual specifically pertains to losses. Chapter 2 of the manual contains the procedures to be followed when supply system stock "discrepancies" are discovered; however, the manual does not address gains. Since gains are not a major concern outside of the wholesale community, it is recommended that the JPIWG representatives ensure that wholesale inventory representation is present at the next GPLD meeting. The next meeting is scheduled for 10-12 July at Cameron Station.

7. Other items discussed are as follows:

a. The group was informed that in response to the Report on the Interservice Location Audit Reconciliation Procedures (Project No. 4SS-086), the DLSSO MILSTRAP/JPIWG will develop and staff the recommended changes to the location reconciliation process to:

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(1) Further clarify location reconciliation schedules.

(2) Establish Inventory Control Point (ICP) controls to ensure storage activities meet established schedules to include automatic generation of follow-up transactions if location reconciliation transactions are not received, and automatic generation of receipt acknowledgement of location reconciliation request transactions.

(3) Establish storage activity suspense system to ensure location reconciliation transactions are received by the ICP to include automatic follow-up to the ICP for delinquent reconciliation receipt acknowledgement transactions.

These items will be added to the base for developing a new plan/actions and status list together with the recommendations contained (when approved) in the DoDIG Report on the DoD Wide Audit of Physical Inventory Adjustments (Project No. 3SS-115).

b. The group also reviewed the "Study of Selected Supply Policies Under Mobilization (SPM)" to determine the impact of mobilization on Physical Inventory Control (DoDI 4140.35 and DoD 4140.22-M (Chapter 7)). To determine the impact, MILSTRAP Chapter 7 was separated into five separate functions and reviewed. The five functions are physical inventory, location survey, location reconciliation, quality control and reporting. The group agreed on the following:

(1) Physical Inventory (Scheduled and Unscheduled)

(a) Scheduled Inventory - The requirement to conduct scheduled inventories on controlled items and scheduled inventories as a result of a model that concentrates on those items with the greatest significance for supply support (e.g., items which are scheduled for replenishments, etc.) should remain. The option to subject items to random sampling in place of an inventory model should be suspended.

1. Research of Scheduled Inventories - Research is considered mandatory on all controlled items regardless of dollar value. Research of potential/actual adjustments (other than controlled items) as a result of scheduled inventories should begin at the \$16K threshold to include causative research.

(b) Unscheduled Inventories (Spot and Special)

1. Spot Inventory - The requirement to conduct spot (denial) inventories should be limited to pre-denial research which must be performed within the established UMMIPS timeframes. If the item is not found within the time-frame, the request will be denied. A follow-on spot inventory would not be required if the denial is less than \$16K. Spot inventory research same as 7b(1)(a)1.

2. Special Inventory - Special inventories (result of ICP request, location survey, location reconciliation, etc.) will be conducted IAW MILSTRAP Chapter 7. Special inventory research same as 7b(1)(a)1.

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(2) Location Survey - The requirement to conduct location survey annually should be retained. However, if the Components maintain separate complete warehouses for inactive (as determined by the Component) items, those warehouses should be waived from the annual location survey requirement.

(3) Location Reconciliation - The requirement to conduct location reconciliation annually should be retained.

(4) Quality Control - The requirement to perform quality control should be retained.

(5) Reporting - The requirement to submit the Inventory Control Effectiveness (ICE) report should be suspended.

(6) Staffing - The group recommended that during mobilization, the staffing levels should be no less than in pre-mobilization.

Complete rationale for the foregoing recommendations could not be developed due to the number of items on the agenda and the number of functions in the physical inventory control program that required review. The JPIWG will revisit mobilization after the Components have provided information through Command channels to OSD.

8. The next meeting of the DoD JPIWG will be held 12 Jul 85 at Cameron Station, Alexandria, VA, beginning at 0900 (Room to be announced). The meeting will be devoted to final preparation for the forthcoming surveillance. The agenda is at Enclosure 4.

9. The meeting was adjourned 6 Jun 85.



HORACE E. PERDIEU  
Chief  
Defense Logistics Standard  
Systems Office

4 Encl

Distribution:

DASD(L&MM)SD (P. Judge)  
OASD(C)MS (E. Harris)  
AMCSM-PDA (C. Strong)  
AMCRM-FPW (J. Jamison)  
SUP 06Y1  
SUP 014 (L. Lloyd)  
AFLC/DSS (F. Bible)  
AFLC/ACFMS (G. Eley)  
HQMC/LMM-2 (B. Patterson)  
HQMC/FDA (L. Dowdle)  
DLA/OSC (M. Kelley)  
DLA/CFS (R. Reese)

DoD JPIWG Meeting  
4-6 Jun 1985

ATTENDEES

	<u>Name</u>	<u>Organization</u>	<u>Telephone</u>
1	H. Perdieu (Vice-Chairman)	DLSSO	274-7971
	F. St. Mark (Vice-Chairman)	DLSSO	274-7667
2	J. Lewis	DLSSO-T	274-7932
	C. Strong (Member)	Army	274-9487
	J. Jones	Navy	697-0589
	R. Rabinowitz (Alternate)	Air Force	787-3197 (AV)
	B. Patterson (Member)	Marine Corps	694-1600
	M. Kelley (Member)	DLA	274-6193
	J. Sundberg (Staff Representative)	DASD(L&MM)SD	697-9978
3	G. Garrett	DASD(L&MM)SD	697-9971

1 Attended 4 Jun 85.

2 Attended 4-5 Jun 85.

3 Attended 5-6 Jun 85.

PAGE	DTG/RELEASER TIME			PRECEDENCE		CLASS	SPECAT	LMP	CIC	ORIG MSG IDENT
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03	101753Z	JUN	85	RR	RR	UUUU				

BOOK MESSAGE HANDLING INSTRUCTIONS

FROM: DLSSO CAMERON STA ALEXANDRIA VA//DLSSO// *S. Mark/47932*  
 TO: CMC WASH DC//LMM-2//  
 CDR AMC ALEXANDRIA VA//AMCSM//  
 NAVSUPSYSCOM WASH DC//SUP 06//  
 AFLC WRIGHT-PATTERSON AFB OH//DS-DSS//  
 DLA CAMERON STA VA//DLA-0//(Mail)  
 INFO: SECDEF WASH DC//MI&L//SD

UNCLAS DLSSO

SUBJ: DoD JOINT PHYSICAL INVENTORY WORKING GROUP (JPIWG)  
 SURVEILLANCE SCHEDULE

- A. DoDI 4140.35
- B. DoD PHYSICAL INVENTORY CONTROL IMPROVEMENT PROGRAM (PICIP)  
 PLAN DTD JUN 82.
- C. GAO/NSIAD-84-9 RPT, SUBJ: "NAVY'S PROGRESS IN IMPROVING  
 PHYSICAL INVENTORY CONTROLS AND THE MAGNITUDE, CAUSES, AND  
 IMPACT OF INVENTORY RECORD INACCURACIES IN THE ARMY, AIR  
 FORCE, AND DEFENSE LOGISTICS AGENCY," DTD 4 NOV 83.
- D. REF A PRESCRIBES THE DoD POLICY CONCERNING PHYSICAL  
 INVENTORY CONTROL AND PROVIDES THE CHARTER FOR THE DoD JPIWG.

DISTR:

DRAFTER TYPED NAME, TITLE, OFFICE SYMBOL, PHONE <i>St. Mark</i> St. Mark/47932/cp/10 Jun 85/J3		SPECIAL INSTRUCTIONS	
RELEASER	TYPED NAME, TITLE, OFFICE SYMBOL AND PHONE H.F. Perdieu/DLSSO/47971		SECURITY CLASSIFICATION
	SIGNATURE <i>H.F. Perdieu</i>		

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JOINT MESSAGEFORM					SECURITY CLASSIFICATION UNCLASSIFIED					
PAGE 01 of 03	DTG/RELEASER TIME			PRECEDENCE		CLASS	SPECAT	LMF	CIC	ORIG MSG IDENT
	DATE TIME	MONTH	YR	ACT	INFO					
BOOK		JUN	85	PR	RR	UUUU				
MESSAGE HANDLING INSTRUCTIONS										

REF B IS THE DoD PICIP PLAN WHICH WAS APPROVED BY DoD IN JUN 82. IN ACCOMPLISHING THE DoD PICIP, DoD JPIWG MEMBERS CONDUCTED ON-SITE SURVEILLANCE VISITS FEB-MAR 83. THE RESULTS OF THE SURVEILLANCE PROVIDED THE BASIS FOR SEVERAL CHANGES TO MILSTRAP CHAPTER 7, WHICH WERE RECOMMENDED BY REF C.

2. A FOLLOW-ON JPIWG ON-SITE SURVEILLANCE WILL BE CONDUCTED JUL-SEP 85 IAW REF A & B. THE PURPOSE OF THE SURVEILLANCE VISITS IS TO REVIEW IMPLEMENTATION OF APPROVED MILSTRAP CHAPTER 7 CHANGES AND TO ASSESS THE MERITS OF PROPOSED CHANGES TO CHAPTER 7. SPECIFIC AREAS OF INTEREST INCLUDE SCHEDULING INVENTORIES, RESEARCH OF INVENTORY VARIANCES, QUALITY CONTROL OF THE INVENTORY PROGRAM, INFLOAT DOCUMENT CONTROL, ACCOUNTABILITY OF LOANED MATERIEL AND CONTROL OF MATERIEL IN TEMPORARY STORAGE LOCATIONS. THE JPIWG ON-SITE SURVEILLANCE SCHEDULE IS AS FOLLOWS:

	<u>SITE</u>	<u>DATES</u>
6	OCALC, OKLAHOMA CITY, OK	22-24 JUL
5	DDOU, OGDEN, UT	25-26 JUL
4	DESC, DAYTON, OH	29 JUL-1 AUG
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JOINT MESSAGEFORM

SECURITY CLASSIFICATION

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PAGE 03 of 03	DTG/RELEASER TIME			PRECEDENCE		CLASS	SPECAT	LMF	CIC	ORIG MSG IDENT
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BOOK MESSAGE HANDLING INSTRUCTIONS

SITE

DATES

RED RIVER ARMY DEPOT,  
TEXARKANA, TX 19-20 AUG

TROSCOM, ST. LOUIS, MO 22-23 AUG

NSC CHARLESTON, SC 9-11 SEP

MCLB, ALBANY, GA 12-13 SEP

*Request for information*

3. REQUEST JPIWG MEMBERS VERIFY DATES WITH COGNIZANT ACTIVITIES

AND CONFIRM WITH DLSSO VIA MSG BY COB 19 JUN 85.

4. JPIWG MEMBER ATTENDANCE IS MANDATORY AND IS TO BE FUNDED  
BY MEMBER COMPONENT IAW REF A.

5. DLSSO POC IS MR. FRANK ST. MARK, AUTOVON 284-7667, *COM 202-274-7667*

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DRAFTER TYPED NAME, TITLE, OFFICE SYMBOL, PHONE <i>St. Mark</i> St. Mark/47932/cp/10 Jun 85/J3		SPECIAL INSTRUCTIONS	
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	SIGNATURE <i>H.P.</i>		

DoD JPIWG SURVEILLANCE QUESTIONNAIRE

DoD JPIWG SURVEILLANCE QUESTIONNAIRE  
(ACCOUNTABLE ACTIVITY)

SCHEDULING INVENTORY (ACCOUNTABLE ACTIVITY)

1. Does the ICP or depot prepare an inventory schedule? If prepared by the ICP, explain how this is accomplished.

a. Is the estimated number of unscheduled (spot and special) inventories included in the schedule? Explain the estimation procedure.

b. In developing the inventory schedule, are requirements computations and subsequent procurement actions considered?

c. Define the procedures for cancelling and/or rescheduling inventories.

2. How does the ICP ensure that inventories are accomplished on the dates scheduled?

a. Define any procedures used to followup on delinquent inventory count transaction submission.

b. What, if any, are your requirements for reporting inventory schedule accomplishments? (Include frequency, recipient, etc.).

c. Describe the method for limiting the number of inventories to be performed on the same item in a specified period.

3. Identify the organizational element(s) authorized to submit requests for special inventories to the storage activity. (Explain how this is controlled.)

4. How many special inventories were requested for FY 84/85? How many were accomplished?

a. How are special inventories prioritized? Are the type of physical inventory codes used?

5. How are controls established for special and scheduled inventories? (Include cutoff and response dates and infloat documentation control.)

6. When a classified or sensitive item is identified in logistic reassignment, how and when is an inventory requested or scheduled prior to the effective transfer date?

## Research of Inventory Variances (Accountable Activity)

1. At what point in the Physical Inventory or other adjustment process does the variance/potential variance become visible and available for research?
2. What organization is responsible for initiating research?
3. What criteria are prescribed for deciding when and to what extent research will be performed?
4. Is there a prescribed or standardized procedure to be followed in performing research on inventory variances? At what level is this prescribed (e.g. Component-wide, local activity, etc.)? Describe the procedure that is used.
5. Are there specified timeframes for completing research? Who specifies the timeframes? How do you ensure the timeframes are met? What action is taken if the timeframes are not met?
6. Are approval authorities designated for approving the final decision to permit an adjustment to become final (or an inventory count to be released)? Does the approval level change as dollar value increases and/or are other criteria used to determine approval level (e.g. controlled item, ammunition, narcotics item, etc.)?
7. Is the approval authorization scheme described above standard throughout the Component or standardized at some lower level? Where is this prescribed?

8. What procedures exist for reporting results of variance research? Please describe procedures for reporting results to:

- a. Command and staff of the local activity.
- b. Other organizations at the same activity.
- c. Higher commands.
- d. Other supply activities (e.g. depots, ICPs, etc.)
- e. Quality control organizations, local or otherwise.

9. Is there a prescribed format for reporting of research results? Describe format.

10. Is there any ADP systems application involved in recording or summarizing results of research? Describe briefly.

11. Are the DoD standard Error Classification Codes being used? If so, how are they used? If not, describe the technique for classifying error causes.

12. Is an effort made or does a system exist for attempting to identify specific errors to individuals or to discrete organizations within the activity (e.g. specific warehouse or section of warehouse, specific section within the inventory office, etc.)? What other methods are employed to preclude or lessen recurring errors? Describe briefly.

13. Does the current ADP System environment contribute to effective research? Describe the ADP System in terms of how it helps and/or hinders research. Describe any suggested ADP Systems enhancements which might make the research effort more efficient or more accurate.

14. What are the most predominant root causes for inventory variances which your research has revealed (list at least 10)? Please explain.
  
15. What single thing does your research indicate could be done to reduce the volume of inventory variances? What actions have been taken?
  
16. What are the job series and grades of the personnel involved in research of inventory variances? Is personnel turbulence a problem in this area? Please provide strength by job series and grade.
  
17. Are the personnel who perform research into inventory variances dedicated to this task full-time? If not, what other duties do they perform?
  
18. What training is available/provided to personnel in the inventory variance research jobs? Is there both formal and on-the-job training (OJT) available? Is there any existing program of regular refresher training for these personnel?
  
19. How does multiple ownership of commingled assets affect the variance process?
  
20. Describe any effort to determine the cost effectiveness of the research effort.
  
21. How are residual quantities less than a unit of issue and unit pack variations accounted for in the preadjustment/postadjustment process?
  
22. List any policy or procedural change that would improve the research process.

ACCOUNTABILITY AND INVENTORY FOR LOAN MATERIEL (ACCOUNTABLE ACTIVITY)

1. How are assets accounted for when physically removed from wholesale storage locations as materiel on loan (e.g., maintained as on hand in routing identifier code of holder, due-in, etc.)?
  
2. Does accountable activity require physical inventory of assets on loan by the holder in accordance with wholesale physical inventory policy (e.g., annual inventory of controlled items, etc.)?
  
3. When loan agreements are extended, are physical inventories of assets required by the accountable activity? Explain.
  
4. When inventories are performed on loan materiel:
  - a. Who performs the physical count?
  
  - b. How is the physical count provided to the accountable activity?
  
  - c. How are count variances reconciled?
  
5. Can/does the accountable activity request an unscheduled inventory (spot or special) by the holder of the materiel and how is the process controlled?
  
6. What accountable record transactions are processed/maintained for materiel loaned by direct vendor delivery to reflect the assets as on loan?

INVENTORY CONTROL FOR MATERIEL IN TEMPORARY LOCATIONS (ACCOUNTABLE ACTIVITY)

1. Does your Service/Agency use contractor storage facilities for storing Government owned materiel in anticipation of direct vendor deliveries?

a. If so, when are the assets and the issues recorded on the accountable record? Explain.

b. Can/does the accountable activity request physical inventories or perform a location reconciliation for such materiel? Explain.

2. Are wholesale assets sent to contractor facilities for repair recorded on the accountable record as due-in and/or as on hand?

a. How is the materiel location identified on the record?

b. Can/does the accountable activity request an inventory or perform a location reconciliation for such materiel? Explain.

c. How is the materiel movement recorded on the accountable record?

d. Does the accountable activity follow up on unreturned materiel on a periodic basis? Explain.

QUALITY CONTROL SYSTEM (ACCOUNTABLE ACTIVITY)

1. Describe the Quality Control (QC) organization and its place in the overall organization.
  
2. Is there a formally prescribed QC Program in the inventory function? At what level is this prescribed?
  
3. Does the program prescribe specific checks to be made in the inventory function? If so, please list these.
  
4. Does the program prescribe Acceptable Quality Levels (AQLs) for the specific functions to be checked? If so, what are the AQLs prescribed for each?
  
5. Explain the QC Program procedures for feedback of results of the QC checks to:
  - a. Individual employees found to be making errors.
  - b. First line supervisors.
  - c. Mid- and top-level management.
  - d. Higher headquarters.
  
6. Describe actions required when a particular functions falls below the AQL. Does the process involve counseling, training, disciplinary actions, etc.? Please explain the process.

7. Are the results of QC checks included in the performance standards and evaluation for workers/supervisors/management?

8. Is the process of research into inventory variances/potential variances included in the QC Program? If not, are there any plans to include it in the future?

9. If the process of research into inventory variances/potential variances is included in the QC Program, describe this process, to include criteria used for determining when an erroneous conclusion was reached.

10. What are the job series and grades of the personnel involved in the QC Program? Provide strength by job series and grade.

11. What training is available/provided to the QC personnel? Is there both formal and OJT? Is there a provision for regular refresher training of these personnel?

12. Does the current ADP Systems environment contribute to the QC Program? Describe how the ADP Systems help and/or hinder the QC Program. Describe any ADP System improvements which could enhance the QC Program.

13. List any policy or procedural change that would improve the quality control process.

DoD JPIWG SURVEILLANCE QUESTIONNAIRE  
(STORAGE ACTIVITY)

SCHEDULING INVENTORY (STORAGE ACTIVITY)

1. Does the storage activity or the ICP prepare an inventory schedule? If prepared by the storage activity, explain how this is accomplished.

a. Is the estimated number of unscheduled (spot and special) inventories included in the schedule? Explain the estimation procedure.

b. In developing the inventory schedule, are requirements computations and subsequent procurement actions considered?

c. Define the procedure for cancelling and/or rescheduling inventories.

d. What controls are established to ensure scheduled inventories are accomplished on the date scheduled?

e. Describe the method for limiting the number of inventories to be performed on the same item in a specified period.

2. Are special inventory requests generated by other than the ICPs? If so, identify the organizational element(s) authorized to generate these requests and explain how this is controlled.

3. Are special inventories requested by phone? If so, are there established contact points authorized to phone and receive such requests and how are these controlled?

4. How are special inventories prioritized? Are the type of physical inventory codes used?
5. Do all requests for unscheduled inventories result in a physical count? If not, explain what action is taken.
6. When are count transactions prepared for each count? What format is used for the count transaction?
7. What controls are established to ensure the input of count data? (Explain how counts from multiple locations are controlled).
8. How is the need for second and third counts determined?
9. What percent of line item inventories require second counts? Third counts? (Estimate if actual statistics are not available.)
10. Who performs second and third counts?

INFLOAT DOCUMENT CONTROL (STORAGE ACTIVITY)

1. What supply transactions are processed between the physical inventory infloat control date (PIICD) and the completion of the inventory?

a. How are the infloat transactions controlled during the inventory process? Describe the process answering the following questions:

(1) For Issues:

(a) What issues are released for processing after the PIICD?

(b) How do these issues affect the physical inventory cutoff date (PICD) and/or the count quantity?

(c) If issues are not reflected in the PICD balance or the count quantity, how are they considered?

(d) Are issues processed in storage on count day considered?

(e) How are denials considered?

(f) How are disposal release orders considered?

(g) How are issue cancellations considered?

(h) How are under shipments/over shipments considered?

(2) For Receipts:

(a) What materiel receipts are processed after the PIICD?

1. Are the receipts posted to the records?

2. Are the receipts stored?

(b) How are incomplete transactions (e.g., posted but not stored, etc.) considered in the PICD balance and/or the count quantity?

(c) How are lost receipts considered?

(d) Are receipts which are stored prior to the count date recounted during the inventory?

(3) Other:

(a) How are dual adjustment transactions (i.e., condition code transfers) processed after the PIICD considered?

(b) Are inventories cancelled due to infloat document control problems? Describe briefly.

(c) How are the inventory counts processed with regard to infloat transactions?

(d) How are counts determined for each owner when commingled assets are inventoried?

(e) What instructions (functional operating instructions, desk/user guides, etc.) have been issued with regard to infloat document control? Please have copy/copies available for review.

## Research of Inventory Variances (Storage Activity)

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  - b. Other organizations at the same activity.
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11. Are the DoD standard Error Classification Codes being used? If so, how are they used? If not, describe the technique for classifying error causes.
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QUALITY CONTROL SYSTEM (STORAGE ACTIVITY)

1. Describe the Quality Control (QC) organization and its place in the overall organization.
  
2. Is there a formally prescribed Quality Control Program in the inventory function? At what level is this prescribed?
  
3. Does the program prescribe specific checks to be made in the inventory function? If so, please list these.
  
4. Does the program prescribe Acceptable Quality Levels (AQLs) for the specific functions to be checked? If so, what are the AQLs prescribed for each?
  
5. Explain the QC Program procedures for feedback of results of the QC checks to:
  - a. Individual employees found to be making errors.
  - b. First line supervisors.
  - c. Mid- and top-level management.
  - d. Higher headquarters.
  
6. Describe actions required when a particular functions falls below the AQL. Does the process involve counseling, training, disciplinary actions, etc.? Please explain the process.

7. Are the results of QC checks included in the performance standards and evaluation for workers/supervisors/management?
  
8. Is the process of research into inventory variances/potential variances included in the QC Program? If not, are there any plans to include it in the future?
  
9. If the process of research into inventory variances/potential variances is included in the QC Program, describe this process, to include criteria used for determining when an erroneous conclusion was reached.
  
10. What are the job series and grades of the personnel involved in the QC Program? Provide strength by job series and grade.
  
11. What training is available/provided to the QC personnel? Is there both formal and OJT? Is there a provision for regular refresher training of these personnel?
  
12. Does the current ADP Systems environment contribute to the QC Program? Describe how the ADP Systems help and/or hinder the QC Program. Describe any ADP System improvements which could enhance the QC Program.
  
13. List any policy or procedural change that would improve the quality control process.

INVENTORY CONTROL FOR MATERIEL IN TEMPORARY LOCATIONS (STORAGE ACTIVITY)

1. When materiel is moved within the storage activity from the location recorded on the locator record to a temporary location (packaging and preservation, maintenance, etc.) is the locator record changed to reflect the temporary location?

a. If so, what document is used?

(1) Is the temporary location subject to physical inventory and location survey? Explain.

(2) Is there a suspense system to ensure the return of the materiel to a general storage location? Describe.

b. If not, how is the materiel controlled? Explain.

(1) Is there a followup system to ensure the return of the materiel to the recorded location? Explain.

(2) If not, when an inventory is required for the item, how is the off location materiel located and counted during inventory?

c. Is location survey performed in the packing and preservation area? Describe.

d. How is materiel tracked during internal movement (i.e., en route to or from temporary location)?

DoD JPIWG Meeting  
12 Jul 85

AGENDA

- Review proposed changes to MILSTRAP Chapter 7 and develop questions not covered in the Surveillance Questionnaires.
- Finalize Surveillance Requirements.