



OFFICE OF THE UNDER SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-3000

ACQUISITION AND
TECHNOLOGY

29 OCT 1997

(L/MDM)

MEMORANDUM FOR CHAIRMAN, JOINT PHYSICAL INVENTORY WORK GROUP,
DEFENSE LOGISTICS MANAGEMENT STANDARDS OFFICE,
DEFENSE LOGISTICS AGENCY

SUBJECT: Establishment of an Inventory Accuracy Standard

The Joint Physical Inventory Work Group (JPIWG) is requested to develop a standard for measuring inventory record accuracy by March 1998. The inventory record accuracy rate, as determined through random statistical sampling of physical inventories, will be compared to this standard to assess the record accuracy at the distribution depots (wholesale and below wholesale).

In addition, the JPIWG is also requested to revitalize efforts to develop one or more random statistical sampling methods that will meet the requirements of the logistics, financial (Chief Financial Officer Act (CFOA)), and audit communities. The sampling methods developed must work at the wholesale and below wholesale distribution depots. These methods must be agreed upon and in place to conduct the required random samples for the FY98 CFOA report.

A handwritten signature in black ink, appearing to read "Walter D. Atchley".

Walter D. Atchley
Acting Assistant Deputy Under Secretary
(Materiel and Distribution
Management)

