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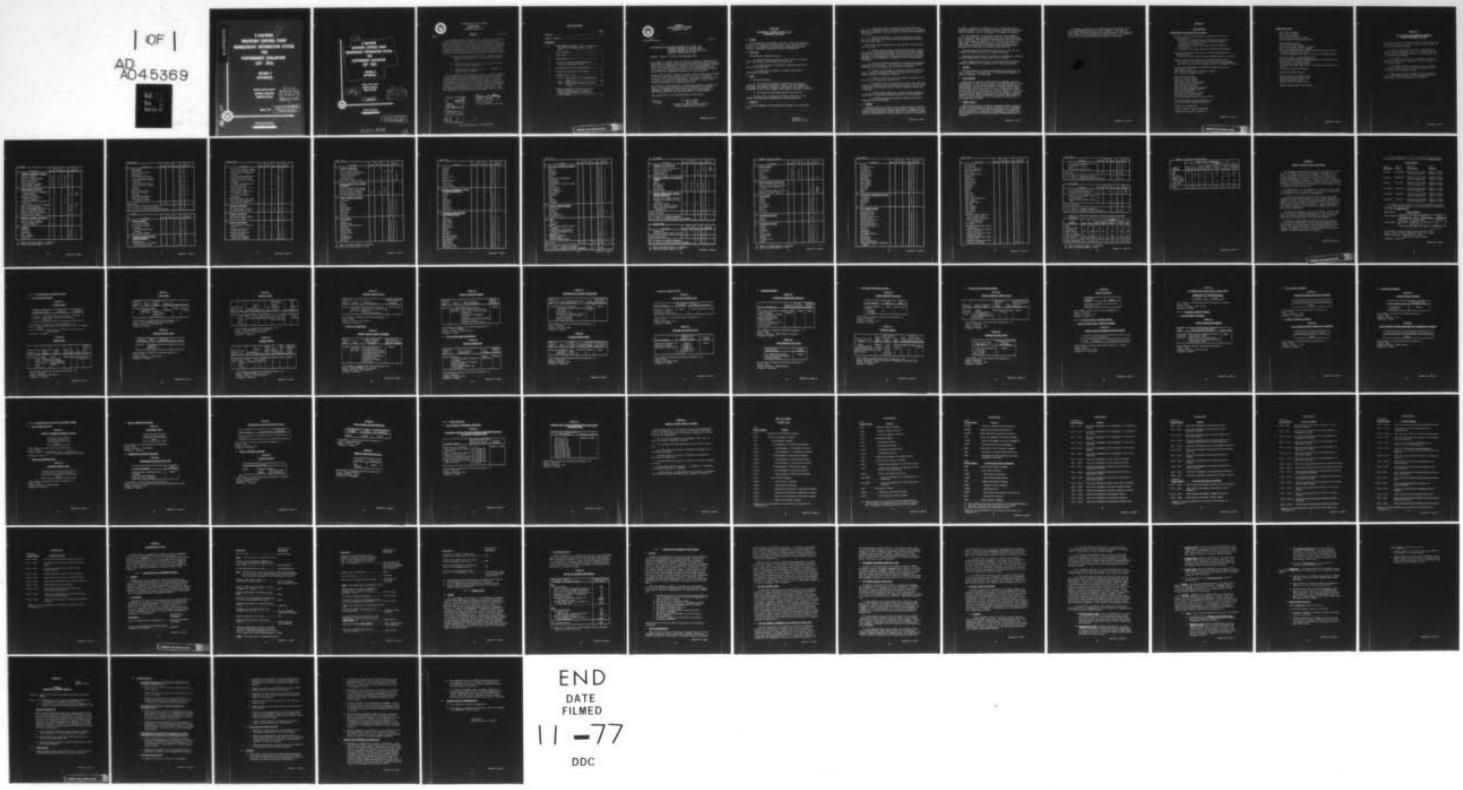

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A DoD-WIDE INVENTORY CONTROL POINT MANAGEMENT INFORMATION SYSTEM FOR PERFORMANCE EVALUATION (ICP - MIS)

VOLUME II
APPENDICES

DEFENSE LOGISTICS AGENCY
DEFENSE LOGISTICS ANALYSIS OFFICE

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DEFENSE LOGISTICS AGENCY
HEADQUARTERS
CAMERON STATION
ALEXANDRIA, VIRGINIA 22314

IN REPLY
REFER TO

FOREWORD

31 March 1977

In a memorandum dated 26 February 1975, the Assistant Secretary of Defense (Installations and Logistics) requested the Defense Logistics Analysis Office to develop selected performance indicators that could be used as comparable measures of Inventory Control Point cost and effectiveness. A Study Plan, approved and transmitted by the Deputy Assistant Secretary of Defense (Supply, Maintenance and Services) in April 1975, elaborated on the initial assignment and stated that the workload measures and performance indicators should:

*** Relate workload, operational costs, materiel investment costs, productivity, and performance effectiveness.

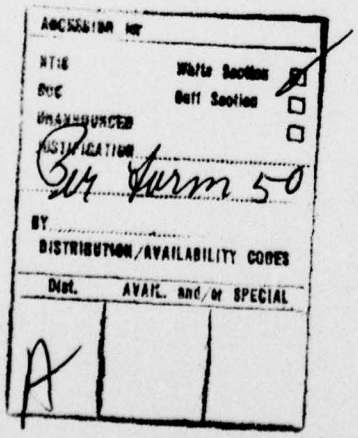
*** Provide measures of significant individual functions as well as total operations.

*** Provide uniform coverage of functio[illegible] regardless of organizational placement.

To accomplish the stated objectives it was necessary to develop a DoD-wide Inventory Control Point Management Information System for Performance Evaluation (ICP-MIS) within which (1) inventory control functions and tasks are defined and aligned, precisely; (2) workload and resource data for inventory control functions are accounted for uniformly; and (3) workload measures and performance indicators are developed and can be applied consistently. This two volume Report prescribes the rationale, specifications, and methodology for and recommends the establishment of such a System.

Eugene B. Sterling

EUGENE B. STERLING
Major General, USAF
Assistant Director
Plans, Programs and Systems



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APPENDIX A

ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

SS
INSTALLATIONS AND LOGISTICS

21 Apr 75

MEMORANDUM FOR THE ASSISTANT SECRETARY OF THE ARMY (I&L)
ASSISTANT SECRETARY OF THE NAVY (I&L)
ASSISTANT SECRETARY OF THE AIR FORCE (I&L)
DIRECTOR, DEFENSE SUPPLY AGENCY

SUBJECT: Analysis of Selected ICP Management Data

In response to a request from this office, the Director, Defense Supply Agency (DSA) conducted a study of Inventory Control Point (ICP) operations and developed a "Compendium of Inventory Control Point Management Information." The resultant value of the data in the compendium points up a continuing benefit which would accrue if selected performance indicators were available for management evaluation on a recurring basis.

We have asked the DSA to prepare a specific plan of action (copy enclosed), to develop a means which will permit periodic review of comparable measures of ICP costs and effectiveness. Accordingly, the Director, DSA is requested to instruct the DSA Analysis Division to continue their effort as delineated in the enclosed study plan.

The attention of each addressee is invited specifically to paragraphs E. and H. of the study plan which describe requirements for full-time manning and augmentation of the study team, part-time assignment of functional specialists, and the establishment of contact points.

Your cooperation in this essential effort is appreciated.

Enclosure
As stated

/s/ Paul H. Riley
PAUL H. RILEY
Deputy Assistant Secretary of Defense
(Supply, Maintenance & Services)

STUDY PLAN
for
DEVELOPMENT OF INVENTORY CONTROL POINT
PERFORMANCE INDICATORS

A. PURPOSE

To develop selected performance indicators, which are comparable measures of wholesale ICP characteristics, costs, and performance, to be used by top management in furtherance of increased efficiency, economy of operations, and improved support effectiveness.

B. OBJECTIVES

The performance indicators should:

a. Relate workload, operational costs, materiel investment costs, productivity, and performance effectiveness.

b. Provide measures of significant individual functions as well as total operations.

c. Provide uniform coverage of functions regardless of organizational placement.

C. SCOPE

1. The Study includes:

a. All functions performed in conjunction with materiel acquisition and control including for example, materiel management, cataloging, provisioning, technical, stock control, procurement, data processing, as well as the command, administrative and support functions.

b. All activities performing wholesale ICP functions.

2. The Study will not develop performance indicators for the Research and Development, Maintenance, or Storage functions.

D. APPROACH

In the development of the performance indicators, the Study Team will:

a. Avoid the creation of additional data requirements by improving or expanding the use of existing valid data; or, if existing data are not adaptable, replace them with new data meeting management requirements.

b. Develop requirements for the ICP, Component, and OSD levels on a pyramidal basis with greatest selectivity and summarization at the OSD level.

Based on the above principles the Study Team will approach their task as follows:

a. Review cost/performance measures currently used, such as the Logistics Performance Measurement and Evaluation System (LPMES), the Five Year Defense Program (FYDP), Stock Fund and other budgetary processes, Military Supply and Transportation Evaluation Procedures (MILSTEP), and the "Compendium of Inventory Control Point Management Information."

b. Discuss with OSD and Component representatives management requirements and objectives. Identify areas requiring performance indicators and obtain suggestions of potential indicators.

c. Conduct field research at activities performing ICP functions to evaluate existing performance indicators and to identify factors affecting differences in mission.

d. Develop a tentative list of performance indicators to be used at the ICP, Component, and OSD level.

e. Establish a group of specialists for each functional area, based on the tentative list of performance indicators, with the task of developing and defining unit(s) of output comparable across ICP activities.

f. Develop sample media (e.g., reports, graphs, tables) for presentation of selected performance indicators to top management.

g. Recommend selected performance indicators and specify reporting system requirements.

E. MANNING

The Study Team will consist of three fulltime Logistics Analysts from the Analysis Division, Defense Supply Agency, augmented for the duration of the Study with a member from each of the Military Departments and DSA (preferably from the logistics headquarters responsible

for ICPs). Nomination of augmentees will be coordinated with the Analysis Division to assure adequate coverage of the major functional areas of inventory control, procurement, and command and support.

For the development of comparable functional output measures, small, specialized (by function/subfunction) Functional Task Groups will be required. Each Functional Task Group will require the assignment of Service/Agency specialists, for a period of from three to eight weeks. The "specialists" should be from ICP Activities and have extensive experience in developing and/or reviewing output measures for the specified functional/subfunctional area.

The Study Team and the Functional Task Group will be under the direction of a Senior Analyst of the Analysis Division.

The Analysis Division will also provide, or arrange for, clerical, and other administrative support which may be required.

Travel expenses and per diem for each Study Team and Functional Task Group member will be provided by their parent organization.

F. SCHEDULE

The Study Team will convene approximately three weeks after the date of approval of the Study Plan. A tentative study schedule is shown in Attachment 1 to this Plan.

G. FIELD RESEARCH

Visits may be required to headquarters of component logistics organizations, at least one ICP of each of the DoD Components, a Navy Stock Point(s), and one Systems Command of the Navy and Air Force. Identification of specific activities to be visited and the timing of such visits will be the subject of direct communication between the Study Team and the DoD Components involved. Notice of activities to be visited and timing of the visits will be furnished to the DoD Component contact points (designated in accordance with Paragraph H below) as soon as available, but not less than two weeks prior to the desired date of visit.

H. CONTACT POINTS

Each Military Service and DSA will designate, within 15 days of the date of the Memorandum approving this Study Plan, an individual to serve as point of contact with the Study Team. This individual will be responsible for providing, or arranging for, required data and briefings and for furnishing assistance in arranging visits, as necessary.

In addition, contact will be established with the Defense Industrial and Management Engineering Office (DIMEO), to make maximum utilization of existing on-going effort and expertise of that organization. DIMEO will also designate an individual to serve as a point of contact and an as required participant with the Study Team.

APPENDIX B

FIELD RESEARCH

INDOCTRINATION BRIEFINGS AND DISCUSSIONS

Office of the Assistant Secretary of Defense (Installations and Logistics):
- The Director, Program Planning & International Logistics
- The Office of the Deputy Assistant Secretary (Supply, Maintenance, and Services)
- The Office of the Deputy Assistant Secretary (Materiel Acquisition)
- The Office of the Deputy Assistant Secretary (Procurement)

Office of the Assistant Secretary of Defense (Program Analysis and Evaluation):
- The Office of the Deputy Assistant Secretary (Resource Analysis)

Office of the Assistant Secretary of Defense (Comptroller):
- The Office of the Deputy Assistant Secretary (Program/Budget)
- The Office of the Deputy Assistant Secretary (Management Systems)

Army Materiel Development and Readiness Command Headquarters
Army Security Agency
Army Communications Security Logistics Agency
Army Logistics Management Center

Naval Material Command
Naval Sea Systems Command
Naval Air Systems Command
Naval Electronics Systems Command
Naval Supply Systems Command
Military Sealift Command
Naval Facilities Engineering Command
Naval Training Equipment Center
Navy Petroleum Office
Strategic Systems Project Office
Fleet Material Support Office
Navy International Logistics Control Office

Air Force Logistics Command Headquarters
Air Force Systems Command Headquarters

Marine Corps Headquarters

Defense Logistics Agency Headquarters

Defense Nuclear Agency Headquarters

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OPERATIONAL VISITS

Army Armament Command
Army Missile Command
Major Item Data Agency
International Logistics Command
General Materiel and Petroleum Agency

Aviation Supply Office
Ships Parts Control Center
Naval Supply Center, Norfolk, Virginia
Naval Air Station, Norfolk, Virginia
Naval Plant Representative, SPL60, Lockheed Missiles and Space Company, Sunnyvale, California
Naval Air Rework Facility, Naval Air Station, Norfolk, Virginia

Air Force Logistics Command Headquarters
Aviation Systems Division, Wright-Patterson Air Force Base, Ohio
Warner Robins Air Logistics Center
San Antonio Air Logistics Center
Air Force Cryptologic Depot, Kelly Air Force Base, San Antonio, Texas
Space and Missile Systems Office

Marine Corps Supply Activity

Defense Construction Supply Center
Defense Electronics Supply Center
Defense Fuels Supply Center
Defense Personnel Support Center

Defense Nuclear Agency Field Command

APPENDIX C

LIST OF ACTIVITIES PERFORMING WHOLESALE MATERIEL MANAGEMENT FUNCTIONS

The following list of activities currently perform wholesale primary and secondary inventory control functions and/or act as an Inventory Control Agent.

— An "X" in the PICA, SICA or ICA column beside the activity listed, indicates its role as a Primary Inventory Control Activity, Secondary Inventory Control Activity and/or Inventory Control Agent.

— The "Number of ICAs" column indicates the number of Inventory Control Agents supporting the PICA listed in the "Activity" column.

— The "Number of PICAs" column indicates the number of Primary Inventory Control Activities supported by the ICA listed in the "Activity" column.

— Some activities have Component and DoD Assignments, e.g., International Logistics, FIIG/Standardization, or Cataloging. They are identified by a footnote.

A. ARMY

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
1. COMMODITY COMMANDS OF DARCOM					
Armament Command	X	8	X	X	1
Aviation Systems Command	X	2	X		
Electronics Command	X	2	X		
Missile Command	X	2	X		
Tank-Automotive Command	X	2	X		
Troop Support Command	X	4	X		
2. OTHER DARCOM ACTIVITIES					
Automated Logistics Management Systems Agency				X	0 1/
Catalog Data Agency				X	0 1/
Communications Security Logistics Agency	X		X		
General Materiel & Petroleum Activity			X		
International Logistics Command				X	0 2/
Major Item Data Agency				X	6
Mobility Equipment R&D Center				X	1
Natick Development Center				X	1
Support Center, Philadelphia			X		
Training Device Agency				X	6
3. MEDICAL & SECURITY ACTIVITIES					
Medical Materiel Agency			X		
Security Agency Materiel Support Command	X		X		
4. ARSENALS					
Picatinny				X	1
Pine Bluff				X	1
Rock Island				X	1
Rocky Mountain				X	1
Watervliet				X	1

1/ Agents providing support to Component
2/ Agents providing support to DoD

(ARMY CONT.)

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
5. FUEL POINTS					
Bedesbach-Huttenheim				X	1
Donges-Metz				X	1
Fairbanks POL Term., Ft. Wainwright, Alaska				X	1
Haines POL Term., Haines, Arkansas				X	1
Italian Pipeline System				X	1
Kunsan POL Term., Kunsan, Korea				X	1
Kwajalein				X	1
NATO Central Europe				X	1
POL Depot Okinawa				X	1
Sattahip				X	1
Trans-Korean Pipeline				X	1
Whit-Anch POL Term., Anchorage, Alaska				X	1
TOTAL ARMY	8		11	25	
No. of SICAs w/o Primary Assignment			3		
No. of ICAs w/o Primary/Secondary Assignment				24	

B. NAVY

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
1. SYSTEMS COMMANDS					
Air Systems Command	X	5	X	X	1
Electronics Systems Command	X	3	X		
Facilities Engineering Command				X	1
Sea Systems Command	X	3	X		
2. STRATEGIC SYSTEMS PROJECT OFFICE ACTIVITIES					
Headquarters				X	5
Autonetics Div. of Rockwell International Corp.	X	5	X		

(NAVY CONT.)

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
Naval Plant Technical Representative-Autonetics (SPA)				X	1
General Electric Ordnance Systems	X	5	X		
Naval Plant Representative-General Electric (SPG)				X	1
Lockheed Missiles and Space Company	X	5	X		
Naval Plant Representative-Lockheed (SPL-60)				X	1
Sperry Systems Mgt. Div., Sperry Rand Corp.	X	5	X		
SSPO Technical Representative-Sperry (SPS)				X	1
Vitro Labs, Automation Industries				X	5
Westinghouse Electric Corp.	X	5	X		
Naval Plant Representative-Westinghouse (SPL-35)				X	1
3. NAVSEA's ACTIVITIES					
Mine Engineering Facility	X	3	X	X	1
Ship Engineering Center	X	3	X	X	1
4. NAVAIR's ACTIVITIES					
Engineering Center (NAEC)				X	1
Test Center (NATC)				X	1
5. NAVFAC's ACTIVITIES					
Civil Engineering Support Office	X	7	X		
Construction Battalion Center Davisville				X	2
Construction Battalion Center Gulfport				X	1
Construction Battalion Center Port Hueneme				X	2

(NAVY CONT.)

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
6. NAVSUP's ACTIVITIES					
Aviation Supply Office	X	27	X	X	1
Fleet Materiel Support Office			X	X	8
International Logistics Control Office				X	0 2/
Petroleum Office			X		
Ships Parts Control Center	X	48	X	X	11 1/
7. SEALIFT, MEDICAL AND TRAINING ACTIVITIES					
Bureau of Medicine & Surgery			X		
Medical Materiel Support Cmd			X		
Military Sealift Command	X	4	X		
Training Equipment Center	X	1	X		
8. SUPPLY CENTERS AND DEPOTS					
Charleston				X	3
Guam				X	3
Norfolk				X	9
Oakland				X	8
Pearl Harbor				X	2
Puget Sound				X	3
San Diego				X	4
Subic Bay				X	3
Yokosuka				X	1
9. AIR STATIONS					
Alameda				X	2
Barbers Point				X	1
Bermuda, Hamilton Annex				X	1
Brunswick				X	1
Cecil Field				X	1
Cherry Point				X	2
Corpus Christi				X	1
El Toro				X	1
Indianapolis				X	1
Jacksonville				X	2
Key West				X	2

1/ Agents providing support to Component
2/ Agents providing support to DoD

(NAVY CONT.)

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
Lakehurst				X	1
Lemoore				X	2
Miramar				X	1
Moffett				X	1
Norfolk				X	2
North Island				X	2
Oceana				X	1
Patuxent River				X	1
Pensacola				X	2
Point Mugu				X	1
Whidby Island				X	1
10. WEAPONS AND ORDNANCE STATIONS AND AMMUNITION DEPOTS					
Concord				X	1
Crane				X	1
Earle				X	1
Hawthorne				X	1
Louisville				X	1
McAlester				X	1
Oakland				X	1
Seal Beach				X	1
Yorktown				X	1
11. SHIPYARDS, NAVAL STATIONS AND SUBMARINE BASES					
Adak				X	1
Charleston				X	1
Guantanamo				X	1
Great Lakes				X	1
Keflavik				X	1
Mare Island				X	1
Mayport				X	1
Midway				X	1
New London				X	1
Norfolk				X	2
NSB Pearl Harbor				X	1
NSY Pearl Harbor				X	1
Philadelphia				X	2
Portsmouth				X	2
Puget Sound				X	1
Roosevelt Roads				X	1
Washington, D.C.				X	1

(NAVY CONT.)

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
12. FUEL SUPPLY POINTS AND DEPOTS					
Augusta				X	1
Cagliari				X	1
Cartagena				X	1
El Ferrol				X	1
Gaeta				X	1
Hvalfjordur, NS Keflavik				X	1
Iskenderun				X	1
Jacksonville				X	1
Jacksonville, Casco Bay Annex				X	1
Loch Ewe				X	1
Loch Striven				X	1
Machrihanish				X	1
Ponta Delgada				X	1
Port Santo				X	1
Rosneath				X	1
Rota				X	1
Sasebo				X	1
Souda Bay				X	1
Yokohama				X	1
13. REGIONAL FINANCE CENTERS					
Great Lakes				X	14
Norfolk				X	
San Diego				X	
San Francisco				X	
Washington, D.C.				X	
14. OTHER					
Long Beach				X	2
MCSLANT				X	1
Naval Surface Weapons Center Dahlgren				X	1
Navy Regional Procurement Office, Washington, D.C.				X	1
NTS Keyport				X	1
POMFLNT Charleston				X	1
POMFPAC Bangor				X	1
SUP SERV Mechanicsburg				X	1
TOTAL NAVY	15		19	109	
No. of SICAs w/o Primary Assignment			4		
No. of ICAs w/o Primary/Secondary Assignment				103	

C. AIR FORCE

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
1. COMMANDS AND ACTIVITIES					
Financial and Accounting Ctr				X	0 1/
Logistics Command HQ	X		X	X	0 1/ 2/
Services Office	X		X		
Surgeon General			X		
2. LOGISTICS COMMAND AIR LOGISTICS CENTERS					
Ogden	X	8	X	X	4
Oklahoma City	X	8	X	X	4
Sacramento	X	8	X	X	4
San Antonio	X	9	X	X	7
Warner Robins	X	8	X	X	4
3. SYSTEMS COMMANDS AND SECURITY SERVICE ACTIVITIES					
Aeronautical Systems Division				X	5
Armament Development and Test Center				X	5
Cryptologic Depot	X	1	X		
Electronic Systems Division				X	5
Space and Missile Systems Organization				X	5
TOTAL AIR FORCE	8		9	11	
No. of SICAs w/o Primary Assignment			1		
No. of ICAs w/o Primary/Secondary Assignment				5	

D. MARINE CORPS

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
Headquarters	X	1	X		
Logistics Support Base Atlantic	X		X	X	1
TOTAL MARINE CORPS	2		2	1	
No. of SICAs w/o Primary Assignment			0		
No. of ICAs w/o Primary/Secondary Assignment				0	

1/ Agents providing support to Component
2/ Agents providing support to DoD

E. DEFENSE LOGISTICS AGENCY

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
1. SUPPLY CENTERS					
Construction	X	2			
Electronics	X	2			
Fuels	X	117			
General	X	2			
Industrial	X	8	X		
Personnel	X	34		X	0 2/
2. SERVICE CENTERS AND OFFICES					
Administrative Support Center				X	1
Automatic Addressing System Office				X	0 2/
Data Systems Automation Office				X	0 1/
Logistics Services Center				X	0 2/
3. FUEL REGIONS					
Alaska				X	1
Europe				X	1
Houston				X	1
Los Angeles				X	1
Lynn Haven				X	1
McGuire				X	1
Pacific				X	1
St. Louis				X	1
4. SUBSISTENCE REGIONS					
Europe				X	1
Pacific				X	1
5. SUBSISTENCE OFFICES					
Alameda				X	1
Bayonne				X	1
Birmingham				X	1
Boston				X	1
Cadiz, Spain				X	1
Cheatham, VA				X	1
Chicago				X	1
Columbia, S.C.				X	1
Denver				X	1

1/ Agents providing support to Component
2/ Agents providing support to DoD

(DLA CONT.)

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
El Paso				X	1
Felixstow, U.K.				X	1
Fort Worth				X	1
Jacksonville				X	1
Kansas City				X	1
Landover, MD				X	1
Los Angeles				X	1
Nashville				X	1
New Orleans				X	1
Pearl Harbor				X	1
Philadelphia				X	1
San Antonio				X	1
San Diego				X	1
Seattle				X	1
Tampa				X	1
6. SUBSISTENCE PURCHASING OFFICES					
Copenhagen				X	1
Frankfurt				X	1
The Hague				X	1
Munich				X	1
Rome				X	1
7. FUEL SUPPORT POINTS					
AF Pipeline Co.				X	1
Beaufort, Texas				X	1
Blytheville, Vt				X	1
Buckeye Pipeline Co.				X	1
Burlington, Vt				X	1
Calnev Pipeline Co.				X	1
Charleston, S.C.				X	1
Chevron Pipeline Co.				X	1
Cincinnati, Ohio				X	1
Conway				X	1
Doraville				X	1
Drumwright				X	1
El Arahal-Loeches				X	1
Escanaba				X	1
Grand Forks				X	1
Harrisville				X	1
Holly Corporation				X	1
Interstate Storage & Pipeline Company				X	1

(DLA CONT.)

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
Jacksonville				X	1
Jet Line Inc.				X	1
Key West Pipeline Co.				X	1
Kipapa-Waikakalaua				X	1
Lynn Haven				X	1
McCain Pipeline Co.				X	1
Montgomery				X	1
Mukilteo				X	1
Myrtle Beach				X	1
Naples-Esso				X	1
Nebraska City				X	1
Newington				X	1
Newport				X	1
Norwalk				X	1
Ozol				X	1
Pasadena				X	1
Pensacola				X	1
Piney Point				X	1
Piney Point Industries				X	1
Port Douglas				X	1
Port Everglades				X	1
Portland				X	1
Port Mahon				X	1
Port Reading				X	1
Port Tampa				X	1
San Antonio				X	1
Searsport				X	1
Southern Pacific Pipeline Co., El Paso, Texas				X	1
Southern Pacific Pipeline Co., Norwalk City				X	1
St. George Parrish				X	1
St. Ignace				X	1
Standard Transmission Corp., Albuquerque				X	1
Standard Transmission Corp., South Macon, Ga				X	1
Standard Transmission Corp., Montgomery, Ala				X	1
Standard Transmission Corp., Olmstead, Pa				X	1
Standard Transmission Corp., Sandwich, Michigan				X	1

(DLA CONT.)

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
Texas Eastern Transmission Co.				X	1
U.K. Pipeline System				X	1
Verona				X	1
Yellowstone Pipeline Co.				X	1
TOTAL DLA	6		1	102	
No. of SICAs w/o Primary Assignment			0		
No. of ICAs w/o Primary/Secondary Assignment				101	

F. OTHER DOD

Activity	PICA	No. of ICAs	SICA	ICA	No. of PICAs
Field Command Defense Nuclear	X	3	X	X	3 2/
National Security Agency	X		X	X	0 2/
Defense General Supply Center-Civil Defense	X				
Defense General Supply Center-DIA			X		
TOTAL OTHER DOD	3		3	2	
No. of SICAs w/o Primary Assignment			1		
No. of ICAs w/o Primary/Secondary Assignment				0	

G. SUMMARY OF ACTIVITIES PERFORMING WHOLESALE MATERIEL MANAGEMENT FUNCTIONS:

TYPE ACTIVITIES	ARMY	NAVY	AIR FORCE	MARINE CORPS	DEFENSE LOGISTICS AGENCY	OTHER DOD	DOD TOTAL
PICAs	8	15	8	2	6	3	42
SICAs w/o PICA Assignments	3	4	1	0	0	1	9
SICAs (Total)	(11)	(19)	(9)	(2)	(1)	(3)	(45)
ICAs w/o PICA or SICA Assignments	24	103	5	-	101	0	233
ICAs (Total)	(25)	(109)	(11)	(1)	(102)	(2)	(250)
TOTAL ACTIVITIES	35	122	14	2	107	4	284

1/ Agents providing support to Component
2/ Agents providing support to DoD

H. SUMMARY OF AGENT/PICA RELATIONSHIPS

AGENTS' COMPONENT	NUMBER OF ICAs SUPPORTING						TOTAL PICA/AGENT RELATIONSHIPS
	ARMY PICAs	NAVY PICAs	AIR FORCE PICAs	MARINE CORPS PICAs	DEFENSE LOGISTICS AGENCY PICAs	OTHER DOD PICAs	
ARMY	19	-	-	-	12	1	32
NAVY	-	128	-	-	54	1	183
AIR FORCE	-	-	41	-	1	1	43
MARINE CORPS	-	-	-	1	-	-	1
DEFENSE LOGISTICS AGENCY	-	-	-	-	98	-	98
OTHER DOD	1	1	1	-	-	-	3
TOTAL	20	129	42	1	165	3	360

APPENDIX D

PROPOSED REPORTABLE DATA REQUIREMENTS

This Appendix contains matrices of data to be reported to the central data bank to provide the management information and to permit the analyses proposed in this Report. The matrices show the data elements in the combinations required to develop the proposed performance indicators. In some cases, there is more detail than prescribed in Chapter V. Greater detail is prescribed whenever other existing reporting requirements specify more detail or whenever greater detail is required for further analyses to firm up subsets of a type of indicator.

The reporting of cost and man-hours is required for each basic and subsidiary account as prescribed in Chapter VI and Appendix E, and therefore is not included in this Appendix.

To facilitate reference, matrices are arranged in the same groupings and functional sequence as functions and indicators in Chapters IV and V. Group 5, Functional Management (Overhead) and Group 6, Activity-wide Support (Overhead) are not shown because they require only cost and man-hour data. A given combination of data elements appears only once and is not repeated if used for more than one indicator.

This Appendix contains: (1) the data elements and data items to be reported, in required combinations; (2) the source of the data; (3) existing directives requiring the collection and/or reporting of the data; and (4) the reporting frequency.

Frequently a data element is used with other data elements in a prescribed combination. Each such unique combination of data elements is a "data chain." Each matrix represents a data chain. The columnar titles of the matrix reflect each "data element" included in the chain. The "data items" for each "data element" are listed under that data element.

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All twelve combinations of data to be reported for the data chain "Items Assigned" are shown in the following Sample Listing:

ITEMS ASSIGNED

Type of Assignment	Type of Item	Type of Stock Number	Items Assigned
Primary	Consumable	National Stock Number	Number of Items
		Locally Assigned No.	Number of Items
Primary	Reparable	National Stock Number	Number of Items
		Locally Assigned No.	Number of Items
Primary	End Item	National Stock Number	Number of Items
		Locally Assigned No.	Number of Items
Secondary	Consumable	National Stock Number	Number of Items
		Locally Assigned No.	Number of Items
Secondary	Reparable	National Stock Number	Number of Items
		Locally Assigned No.	Number of Items
Secondary	End Item	National Stock Number	Number of Items
		Locally Assigned No.	Number of Items

To condense the presentation of the data requirements, matrices are used. The same data shown in the listing above is contained in the following Sample Matrix:

(Data Chain) ITEMS ASSIGNED

(Data Elements)	Type of Assignment	Type of Item	Type of Stock Number	Item Assigned
(Data Items)	Primary Secondary	Consumable Reparable End Item	NSN Local Stock No.	Number
	2	X 3	X 2	X 1 = 12

Total Number of possible Data Entries Required - 12
Source: DLSC for NSN; PICA/SICA for Local Stock Number
Present Authority: IMSS Reports for NSN;
none for Local Stock Number
Frequency: Quarterly

Group 1--GENERAL PRIMARY INVENTORY CONTROL

B. ITEM MANAGEMENT-PRIMARY

Table B-1

ITEMS ASSIGNED

Type of Assignment	Type of Item	Type of Stock Number	Items Assigned
Primary Secondary	Consumable Reparable End Item	National Stock No. Locally Assigned No.	Number

Total Number of possible Data Entries Required - 12
Source: DLSC for NSN assignments; PICA/SICA for Locally Assigned Numbers
Present Authority: IMSS Reports for NSN; None for Locally Assigned Numbers
Frequency: Quarterly

Table B-2

DEMAND VALUES

Type of Assignment	Type of Item	Type of Stock Number	Demand Value Grouping	Items Assigned	Demands	Demands	Inventory for Items Assigned
Primary	Consumable Reparable End Item	NSN Locally Assgnd No.	Zero >0 ; $\leq$ \$5K $>$\$5K ; $\leq$\$50K $>$\$50K ; $\leq$\$500K $>$\$500K	Number	Number	Dollar Value	Dollar Value

Total Number of possible Data Entries Required - 120
Source: PICA/SICA
Present Authority: DoDI 4140.33
Frequency: Annually

Table B-3

ITEMS ISSUED

Type of Assign-ment	Type of Item	Type of Stock Number	Type of Customer	Issues	Issues
Primary	Consumable Reparable End Item	NSN Locally Assgnd No. Other (Part Numbers)	U.S. Foreign	Number	Dollar Value

Total Number if possible Data Entries Required - 36
Source: PICAs (MILSTEP Format 1A as revised)
Present Authority: DoD 4000.23M
Frequency: Monthly

Table B-4

INVENTORY HOLDING COSTS

Type of Assignment	Type of Item	Inventory Obsolescence	Other Losses
Primary	Consumable Reparable End Item	Dollar Value	Dollar Value

Total Number of possible Data Entries Required - 6
Source: PICA
Present Authority: DoDI 4140.39
Frequency: Annually

Table B-5

MATERIEL ISSUES

Type of Assignment	Type of Item	Stockage Policy	Type of Customer	IPG	Time of Issue	Age Group at Time of Issue (Delayed Issues Only)	Issues	Days to Release each Issue
Primary	Consumable Reparable End Item	Stocked Non-stocked	U.S. Foreign	IPG-1 IPG-2 IPG-3	Immediate Delayed	1 to 30 days 31 to 90 days 91 to 180 days over 180 days	Number	Cumulative Number

Total Number of possible Entries Required - 360
Source: MILSTEP FORMAT 2 (as revised)
Present Authority: *DoD 4000.23-M*
Frequency: Quarterly

Table B-6

MATERIEL DEMANDS

Type of Assignment	Type of Item	Stockage Policy	Type of Customer	IPG	Materiel Demands Received	Outgoing Passing Actions	Rejects to Customers	Materiel Obligations Established
Primary Secondary	Consumable Reparable End Item	Stocked Non-stocked	U.S. Foreign	IPG-1 IPG-2 IPG-3	Number	Number	Number	Number

Total Number of possible Data Entries Required - 288
Source: MILSTEP FORMAT 2 (as revised)
Present Authority: DoD 4000.23-M
Frequency: Quarterly

Table B-7

INVENTORY STRATIFICATION

Type of Assignment	Type of Item	Level of Stratification	Ending Inventory for Items Assigned
Primary	Consumable Reparable End Item	Protectable War Reserve Approved Force Acquisition Retention Potential DoD Excess	Dollar Value

Total Number of possible Data Entries Required - 12
Source: PICA
Present Authority: DoD 4140.18
Frequency: Annually

C. REQUISITION PROCESSING

Table C-1

MATERIEL REQUEST RELATED DOCUMENTS

Type of Assignment	Type of Item	Type of Materiel Request Related Documents	Line Items on Materiel Request Related Documents
Primary	Consumable Reparable End Item	Incoming Requisitions Incoming Modifier Incoming Passing Orders Incoming Referral Orders Incoming Follow-ups Incoming Cancellations Outgoing Status Requests for Supply Assistance	Number

Total Number of possible Data Entries Required - 24
Source: MILSTEP FORMAT 2 (as revised)
Present Authority: DoD 4000.23-M
Frequency: Monthly

Table C-2

MANUALLY PROCESSED DEMANDS

Type of Assignment	Type of Item	Type of Manual Processed Demands	Manual Demands Processed
Primary	Consumable Reparable End Item	Nonmachinable Form Part Numbered Requisitions Rejected for Correction and Reentered Rejected for Management Control Rejected for Exceeding Maximum Release Quantity Rejected for Other Reasons	Number

Total Number of possible Data Entries Required - 18
Source: MILSTEP FORMAT 2
Present Authority: DoD 4000.23-M
Frequency: Monthly

D. STOCK CONTROL OPERATIONS-PRIMARY

Table D-1

RECEIPT TRANSACTIONS

Type of Assignment	Type of Receipt Transactions	Type Process	Receipt Transactions
Primary	Receipt Discrepancy Reports related to Receipts Materiel Receipt Follow-ups Capitalization Due-in Establishment and Adjustments	Manual Mechanical	Number

Total Number of possible Data Entries Required - 10
Source: PICA/ICA
Present Authority: None
Frequency: Monthly

Table D-2

INVENTORY AND ADJUSTMENT TRANSACTIONS

Type of Assignment	Type of Inventory and Adjustment Transactions	Type Process	Inventory and Adjustment Transactions
Primary	Inventory Adjustments Discrepancy Reports other than Receipts Loaned Materiel Resolution of Materiel Condition Codes other than RFI Decapitalization Disposal Actions	Manual Mechanical	Number

Total Number of possible Data Entries Required - 12
Source: PICA/ICA
Present Authority: None
Frequency: Monthly

Table D-3

MATERIEL RELEASE ORDERS

Type of Assignment	Type of Item	Issue Priority Group	Stockage Policy	Materiel Release Orders	Materiel Release Denials Processed
Primary	Consumable Reparable End Item	IPG-1 IPG-2 IPG-3	Stocked	Number	Number

Total Number of possible Data Entries Required - 18
Source: PICA/SICA
Present Authority: None
Frequency: Quarterly

E. TECHNICAL SUPPORT-PRIMARY

Table E-1

REQUESTS FOR TECHNICAL DATA

Type of Request	Net Requests Processed	Requests Returned	Time Elapsed
Purchase of Materiel Purchase of Repair Maintenance Work Order	Number	Number	Cumulative Days

Total Number of possible Data Entries Required - 9
Source: PICA
Present Authority: None
Frequency: Monthly

Table E-2

TECHNICAL DATA PACKAGE SIZE

Type of Request	Technical Data Package Size (Aperture Cards)	Packages (Items)
Purchase of Materiel Purchase of Repair Maintenance Work Order	$>0;\leq 10$ $>10;\leq 100$ $>100;\leq 500$ $>500;\leq 1,000$ $>1,000;\leq 5,000$ $>5,000$	Number

Total Number of possible Data Entries Required - 18
Source: PICA
Present Authority: None
Frequency: Monthly

F. CATALOGING-PRIMARY

Table F-1

CATALOGING TRANSACTIONS SUBMITTED

Type of Transactions	Submission Resolution	Transactions Submitted	Package Sequence Number
Full Descriptive Method Item Identification Partial Descriptive Method Item Identification Reference Method Item Identification Other Catalog Actions (Excludes inquiries and follow-ups)	Approved Rejected	Number	Number

Total Number of possible Data Entries Required - 16
Source: DLSC
Present Authority: IMSS-18 Report (revised)
Frequency: Monthly

Table F-2

ITEM IDENTIFICATION STATUS

Type of Item Identification	Items Assigned
Full Descriptive Method Partial Descriptive Method Reference Method	Number

Total Number of possible Data Entries Required - 3
Source: DLSC
Present Authority: IMSS-6B Report
Frequency: Quarterly

G. PURCHASING--PRE-AWARD--PRIMARY

Table G-1

PURCHASE REQUESTS PROCESSED

Type of Request	All Requests	All Requests
Purchase Request MIPRs: Incoming Outgoing	Number	Dollar Value

Total Number of possible Data Entries Required - 6
Source: PICA/ICA
Present Authority: None
Frequency: Monthly

Table G-2

CONTRACTS AWARDED

Value of Contract Awarded	Procurement Method	Age of PR at Time of Award (Days)	PALT Days	Contracts Awarded	Items on Contracts Awarded	Contracts Awarded
≤ $500 > $500; ≤ $10,000 > $10,000; ≤ $100,000 > $100,000; ≤ $1,000,000 > $1,000,000	Advertised Negotiated	1-30 31-60 61-90 91-120 121-180 over 180	Cumulative Total	Number	Number	Dollar Value

Total Number of possible Data Entries Required - 240
Source: PICA/ICA (DD 350 and DD 1075 requirements with revisions)
Present Authority: ASPR
Frequency: Monthly

H. PURCHASING--POST-AWARD--PRIMARY

Table H-1

CONTRACTS/DELIVERY ORDERS CLOSED

Type of Document	Value of Contracts/ Delivery Orders	Contracts/ Delivery Orders Closed		Line Items	Contract/Delivery Orders Retained for Full Administration
		Number	Dollar Value	Number	Number
Contract Delivery Order	$\leq$ $500 > $500; $\leq$ $10,000 > $10,000; $\leq$ $100,000 > $100,000; $\leq$ $1,000,000 > $1,000,000				

Total Number of possible Data Entries Required - 40
Source: PICA/ICA
Present Authority: None
Frequency: Monthly

Table H-2

CONTRACT DELIVERY STATUS

Contract Delinquency Age Group	Contract Line Items Schedule for Delivery
	Number
0 days (not delinquent) 1 to 30 days 31 to 90 days over 90 days	

Total Number of possible Data Entries Required - 4
Source: PICA/ICA
Present Authority: None
Frequency: Monthly

Table H-3

VALUE OF DISCOUNTS

Discounts Status	Amount
Discounts Available Discounts Lost	Dollar Value

Total Number of possible Data Entries Required - 2
Source: PICA/ICA
Present Authority: None
Frequency: Monthly

Group 2--LIMITED PRIMARY INVENTORY CONTROL

I. WEAPON SYSTEMS SUPPORT OVERSIGHT--PRIMARY

Table I-1

WEAPON SYSTEMS AND SUPPORT SYSTEMS ASSIGNED

List of Systems Assigned		
Name	Designation	Inventory Dollar Value

Total Number of possible Data Entries Required - variable
Source: PICA
Present Authority: None
Frequency: 30 September

Table I-2

NOT OPERATIONALLY READY-SUPPLY (NORS) STATUS

NORS Hours	Possessed Hours
Number	Number

Total Number of possible Data Entries Required - variable
Source: PICA
Present Authority: DoDI 7730.25
Frequency: Monthly

Group 3--SECONDARY INVENTORY CONTROL

J. ITEM MANAGEMENT--SECONDARY

Table J-1

SPECIAL PROGRAM REQUIREMENTS

Type of Item	Type of Program Requirements Developed and Forwarded	Line Items
Consumable Reparable End Item	Service Special Program Materiel Requirements (SPR) Other War Reserve Requirements Prepositioned War Reserve Materiel Requirements (PWR)	Number

Total Number of possible Data Entries Required - 9
Source: SICA
Present Authority: DoD 4140.26-M
Frequency: Monthly

K. STOCK CONTROL--SECONDARY

Table K-1

ITEM STOCK RECORDS MAINTAINED--SECONDARY

Item Stock Records Mainained--Secondary
Number

Total Number of possible Data Entries Required - 1
Source: SICA
Present Authority: None
Frequency: 30 September

L. TECHNICAL SUPPORT--SECONDARY

Table L-1

SUPPLY SUPPORT REQUESTS PREPARED AND FORWARDED

Supply Support Requests Forwarded
Number

Total Number of possible Data Entries Required - 1
Source: SICA
Present Authority: None
Frequency: Monthly

M. CATALOGING--SECONDARY

Table M-1

CATALOG ACTIONS--SECONDARY

Type Catalog Action	Catalog Actions Forwarded to PICA
Collaboration Initiation	Number

Total Number of possible Data Entries Required - 2
Source: SICA
Present Authority: None
Frequency: Monthly

Table M-2

SERVICE PECULIAR CATALOG MANAGEMENT DATA SUBMISSIONS--SECONDARY

Service Peculiar Catalog Management Data Submissions
Number

Total Number of possible Data Entries Required - 1
Source: DLSC
Present Authority: IMSS-20 Report
Frequency: Monthly

Group 4--COMPONENT-WIDE AND DoD-WIDE INVENTORY CONTROL

N. STOCK CONTROL--DoD-WIDE

Table N-1

NUMBER OF DOCUMENTS PROCESSED BY DAASO

Documents Processed
Number

Total Number of possible Data Entries Required - 1
Source: DAASO
Present Authority: DD-I&L(M)1113 Sec. 1, Document Vol.
Logistics Information Data Service (LIDS)
Frequency: Monthly

O. CATALOGING--COMPONENT-WIDE

Table O-1

COMPONENT INTEREST ITEMS

Recorded User in Federal Catalog
Number

Total Number of possible Data Entries Required - 1
Source: DLSC
Present Authority: IMSS-20 Report
Frequency: Quarterly

P. CENTRAL CATALOGING--DoD-WIDE

Table P-1

DoD INTEREST ITEMS

Items with DoD Interest
Number

Total Number of possible Data Entries Required - 1
Source: DLSC
Present Authority: IMSS Report
Frequency: Quarterly

Q. INTERNATIONAL LOGISTICS--DoD-WIDE

Table Q-1

INTERNATIONAL LOGISTICS LINE ITEMS

Type of Document	Supply Line Items
Completed Price and Availability Studies Approved Cases Received Case Line Items Completed	Number

Total Number of possible Data Entries Required - 3
Source: Central International Logistics Activities (DD Form 1513)
Present Authority: None
Frequency: Monthly

Table Q-2

INTERNATIONAL LOGISTICS SALES AND ISSUES

Type of Case	Sales/Issues	Surcharges Collected
Foreign Military Sales Grant Aid	Dollar Value	Dollar Value

Total Number of possible Data Entries Required - 4
Source: DSAA
Present Authority: None
Frequency: Quarterly

R. SPECIAL ASSIGNMENT--DoD-WIDE

Table R-1

PROJECTS ASSIGNED

List of Projects Assigned		
Name	Identification Number	Type: FIIG Development Standardization

Total Number of possible Data Entries Required - variable
Source: Assigned Activity
Present Authority: None
Frequency: 1 October

Table R-2

ITEMS REVIEWED FOR ITEM REDUCTION

Item Reduction Studies	Items Reviewed	Items Scheduled for Elimination
Number	Number	Number

Total Number of possible Data Entries Required - 3
Source: Assigned Activity
Present Authority: None
Frequency: Quarterly

Table R-3

NUMBER OF NEW OR REVISED FIIGs

Type FIIG	FIIG Actions
New Revised	Number

Total Number of possible Data Entries Required - 2
Source: Assigned Activity
Present Authority: None
Frequency: 30 September

Group 7--MULTI-FUNCTIONS

V. MULTI-FUNCTION PERFORMANCE INDICATORS

Table V-1

DIFFERENCES BETWEEN ACTUAL AND PROJECTED PROCUREMENT LEADTIMES FOR STOCKED CONSUMABLE ITEMS

Leadtime Element	Difference Intervals Between Actual and Projected in Days	Purchase Requests
Award or Order date MINUS (Re-order Point Date PLUS ALT factor)	> -90	Number of NSNs
	-61 through -90	
	-31 through -60	
Date 1st Significant Receipt MINUS (Award date PLUS Production Leadtime factor)	-11 through -30	
	-10 through +10	
	+11 through +30	
Date 1st Significant Receipt MINUS (Re-order Point date PLUS PLT factor)	+31 through +60	
	+61 through +90	
	+91 through +120	
	> +120	

Total Number of possible Data Entries Required - 30
Source: PICA/ICA
Present Authority: None
Frequency: Monthly

Table V-2

ECONOMIC ORDER QUANTITY VARIANCE GROUPS FOR STOCKED CONSUMABLE ITEMS

Percent that Ordered Quantity is of EOQ Quantity	Purchase Requests
Less than 25%	Number of NSNs
25% through 49%	
50% through 74%	
75% through 84%	
85% through 94%	
95% through 105%	
106% through 115%	
116% through 125%	
126% through 150%	
151% through 200%	
Greater than 200%	

Total Number of possible Data Entries Required - 11
Source: PICA/ICA
Present Authority: None
Frequency: Monthly

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APPENDIX E

PROPOSED STANDARD CHART OF ACCOUNTS

The following list of cost accounts is the proposed Department of Defense Standard Chart of Accounts for Inventory Control functions. A detailed discussion of the account structure is contained in Chapter VI, paragraph B.

- The listing is arranged in two groupings: first, Basic Accounts, and second, Subsidiary Accounts.

- The accounts are listed numerically within these two groupings.

- The 7000 series of accounts is reserved for Inventory Control Mission Functions.

- The 8000 series of accounts is reserved for Noninventory Control Mission Functions.

- The 9000 series of accounts is reserved for Activity Overhead Functions.

- The decimal position indicates: .1, primary; .2, secondary; .3, Component-wide; and .4, DoD-wide.

- A basic account is established for each function. The definition and task list for each function are contained in Chapter IV.

CHART OF ACCOUNTS

ACCOUNT TITLE

Basic Account Number	Mission
* 7000	Inventory Control Mission--Summary
7100	Materiel Management--Summary
7110	Item Management--Summary
7111	Item Management of Consumables--Summary
7111.1	Item Management of Consumables--Primary
7111.2	Item Management of Consumables--Secondary
7112	Item Management of Reparables--Summary
7112.1	Item Management of Reparables--Primary
7112.2	Item Management of Reparables--Secondary
7113	Item Management of End Items--Summary
7113.1	Item Management of End Items--Primary
7113.2	Item Management of End Items--Secondary
7120	Stock Control--Summary
7120.2	Stock Control--Secondary
7120.4	Stock Control--DoD-wide
7121.1	Requisition Processing of Consumables--Primary
7122.1	Requisition Processing of Reparables--Primary
7123.1	Requisition Processing of End Items--Primary
7125.1	Other Stock Control--Primary

*Requires cost and expenditure reconciliation (See Chapter VI, Paragraph B 4).

Basic Account Number	Account Title Mission
7130	Technical Support--Summary
7130.1	Technical Support--Primary
7130.2	Technical Support--Secondary
7140	Cataloging--Summary
7140.1	Cataloging--Primary
7140.2	Cataloging--Secondary
7140.3	Cataloging--Component-wide
7140.4	Cataloging--DoD-wide
7150.1	Weapon System Support Oversight--Primary
7160	International Logistics--Summary
7161.4	International Logistics at the ICP--DoD-wide
7162.4	International Logistics at Component Central Control Activity--DoD-wide
7190.4	Special Assignments--DoD-wide
(7190.4A)[1/]	(Special Assignments for Standardization--DoD-wide)
(7190.4B)[1/]	(Special Assignments for FIIG Development--DoD-wide)
7200	Procurement--Summary
7210.1	Purchasing--Pre-award--Primary
7220.1	Purchasing--Post-award--Primary

1/ These accounts illustrate the authorized subdividing of standard accounts by Components or activities for internal use. Integrity of standard accounts must be maintained.

Account Title

	Basic Account Number	Mission
	(7230)[2/]	(Contract Administration Activities)
	(7300)[2/]	(Distribution Operations--Mission)
	(7400)[2/]	(Depot Maintenance Operations--Direct)
	7900	Functional Management (Overhead)--Summary
	7910[3/]	Materiel Management Functional Management
	7920[3/]	Procurement Functional Management
*	8000	Noninventory Control Missions--Summary
	8100	Noninventory Control Mission Functions
	8900	Noninventory Control Mission Functional Management (Overhead)

	Basic Account Number	Activity-Wide Support (Overhead)
	9000	Activity-Wide Support--Summary
	9100	Data Systems--Summary
	9110[3/]	Data Systems Development
	9120[3/]	Data Processing Operations
	9500	Command and Support--Summary
	9510[3/]	Command and Staff Elements
	9520[3/]	Base Operations
	9530[3/]	Real Property Maintenance and Utilities
*	9590	Nonallocated Services
	9900	Tenant Support--Summary

2/ These accounts illustrate the potential for including additional functional areas not within the scope of this Study.

3/ These Basic Accounts have Subsidiary Accounts.

*Requires cost and expenditure reconciliation (See Chapter VI, Paragraph B 4).

Subsidiary Account Number	Account Title Mission
7910 - 7111.1	Functional Management--Item Management of Consumables--Primary
7910 - 7111.2	Functional Management--Item Management of Consumables--Secondary
7910 - 7112.1	Functional Management--Item Management of Reparables--Primary
7910 - 7112.2	Functional Management--Item Management of Reparables--Secondary
7910 - 7113.1	Functional Management--Item Management of End Items--Primary
7910 - 7113.2	Functional Management--Item Management of End Items--Secondary
7910 - 7120.2	Functional Management--Stock Control--Secondary
7910 - 7120.4	Functional Management--Stock Control--DoD-wide
7910 - 7121.1	Functional Management--Requisition Processing of Consumables--Primary
7910 - 7122.1	Functional Management--Requisition Processing of Reparables--Primary
7910 - 7123.1	Functional Management--Requisition Processing of End Items--Primary
7910 - 7125.1	Functional Management--Other Stock Control--Primary
7910 - 7130.1	Functional Management--Technical Support--Primary
7910 - 7130.2	Functional Management--Technical Support--Secondary
7910 - 7140.1	Functional Management--Cataloging--Primary
7910 - 7140.2	Functional Management--Cataloging--Secondary
7910 - 7140.3	Functional Management--Cataloging--Component-wide

Account Title

Subsidiary Account Number	Mission
7910 - 7140.4	Functional Management--Cataloging--DoD-wide
7910 - 7150.1	Functional Management--Weapon System Support Oversight--Primary
7910 - 7161.4	Functional Management--International Logistics at the ICP--DoD-wide
7910 - 7162.4	Functional Management--International Logistics at Component Central Control Activity--DoD-wide
7910 - 7190.4	Functional Management--Special Assignments--DoD-wide
7910 - 8100	Functional Management--Noninventory Control Mission Functions
7920 - 7210.1	Functional Management--Purchasing Pre-award--Primary
7920 - 7220.1	Functional Management--Purchasing Post-award--Primary
7920 - 8100	Functional Management--Procurement-Noninventory Control Mission
7920 - 9520	Functional Management--Procurement-Base Operations
8910 - 8100	Functional Management--Noninventory Control Missions

Subsidiary Account Number	Activity-Wide Support (Overhead)
* 9110 - 7000	Data Systems Development--Inventory Control Missions
* 9110 - 8000	Data Systems Development--Noninventory Control Missions
* 9110 - 9500	Data Systems Development--Command and Support
* 9110 - 9900	Data Systems Development--Tenant Support

*Requires cost and expenditure reconciliation (See Chapter VI, Paragraph B 4).

	Account Title	
	Subsidiary Account Number	Activity Overhead
*	9120 - 7000	Data Processing Operations--Inventory Control Missions--Summary
	9120 - 7111.1	Data Processing Operations--Item Management of Consumables--Primary
	9120 - 7111.2	Data Processing Operations--Item Management of Consumables--Secondary
	9120 - 7112.1	Data Processing Operations--Item Management of Reparables--Primary
	9120 - 7112.2	Data Processing Operations--Item Management of Reparables--Secondary
	9120 - 7113.1	Data Processing Operations--Item Management of End Items--Primary
	9120 - 7113.2	Data Processing Operations--Item Management of End Items--Secondary
	9120 - 7120.2	Data Processing Operations--Stock Control--Secondary
	9120 - 7120.4	Data Processing Operations--Stock Control--DoD-wide
	9120 - 7121.1	Data Processing Operations--Requisition Processing of Consumables--Primary
	9120 - 7122.1	Data Processing Operations--Requisition Processing of Reparables--Primary
	9120 - 7123.1	Data Processing Operations--Requisition Processing of End Items--Primary
	9120 - 7125.1	Data Processing Operations--Other Stock Control--Primary
	9120 - 7130.1	Data Processing Operations--Technical Support--Primary
	9120 - 7130.2	Data Processing Operations--Technical Support--Secondary
	9120 - 7140.1	Data Processing Operations--Cataloging--Primary

*Requires cost and expenditure reconciliation (See Chapter VI, Paragraph B 4).

	Subsidiary Account Number	Account Title Activity Overhead
	9120 - 7140.2	Data Processing Operations--Cataloging--Secondary
	9120 - 7140.3	Data Processing Operations--Cataloging--Component-wide
	9120 - 7140.4	Data Processing Operations--Cataloging--DoD-wide
	9120 - 7150.1	Data Processing Operations--Weapon System Support Oversight--Primary
	9120 - 7161.4	Data Processing Operations--International Logistics at the ICP--DoD-wide
	9120 - 7162.4	Data Processing Operations--International Logistics at Component Central Control Activity--DoD-wide
	9120 - 7190.4	Data Processing Operations--Special Assignments--DoD-wide
	9120 - 7210.1	Data Processing Operations--Procurement Pre-award--Primary
	9120 - 7220.1	Data Processing Operations--Procurement Post-award--Primary
*	9120 - 8000	Data Processing Operations--Noninventory Control Mission Functions
	9120 - 9110	Data Processing Operations--Data Systems Development
*	9120 - 9500	Data Processing Operations--Command and Support--Summary
	9120 - 9510	Data Processing Operations--Command and Staff Elements
	9120 - 9520	Data Processing Operations--Base Operations
	9120 - 9530	Data Processing Operations--Real Property Maintenance and Utilities
	9120 - 9590	Data Processing Operations--Nonallocated Services

*Requires cost and expenditure reconciliation (See Chapter VI, Paragraph B 4).

Subsidiary Account Number	Account Title Activity Overhead
* 9120 - 9900	Data Processing Operations--Tenant Support
* 9510 - 7000	Command and Staff Elements--Inventory Control Mission
* 9510 - 8000	Command and Staff Elements--Noninventory Control Missions
* 9510 - 9900	Command and Staff Elements--Tenant Support
* 9520 - 7000	Base Operations--Inventory Control Missions
* 9520 - 8000	Base Operations--Noninventory Control Missions
* 9520 - 9900	Base Operations--Tenant Support
* 9530 - 7000	Real Property Maintenance and Utilities--Inventory Control Missions
* 9530 - 8000	Real Property Maintenance and Utilities--Non-inventory Control Missions
* 9530 - 9900	Real Property Maintenance and Utilities--Tenant Support

*Requires cost and expenditure reconciliation (See Chapter VI, Paragraph B 4).

APPENDIX F

IMPLEMENTATION FACTORS

Implementation of a management information system as comprehensive as the one recommended is a very large undertaking. It is estimated that implementation (1) can be accomplished in about thirty months and will involve a series of significant events and tasks; (2) will generate, initially at least, additional costs estimated at $0.9 million annually; and (3) can attain the goal of comparability only if certain prerequisite correlative system changes are made. These factors are discussed in the three parts of this Appendix.

Part 1 - MAJOR EVENTS IN AN IMPLEMENTATION PLAN

A. PURPOSE

Implementation of the system will require collaboration and close coordination among personnel in many organizations including the Office of the Assistant Secretary of Defense (Installations and Logistics) (OASD(I&L)), the OASD (Comptroller), the logistics and resource managers of the Military Services and Agencies, and a System Manager. The purpose here is to provide a list of important, essential events and tasks which must be accomplished prior to the production of meaningful, comparable management reports.

B. THE LISTING

Each event and task in the following listing of "Major Events" is accompanied by an indication of the individual or organization(s) responsible for its accomplishment. The first event listed - Issuance of a new LPMES Directive - is considered "Decision Day." For certain extremely critical events, a Decision Day plus a number of months (e.g., D+6) is shown to emphasize that the event must be completed by this date, if a thirty month implementation program is to be achieved.

Event/Task:	Responsibility for Action:
Issue new LPMES Directive (Appendix G). . . .	Secretary of Defense (or Deputy)
Select System Manager and establish System Management Office (SMO)	ASD(I&L)

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Event/Task:	Responsibility for Action:
Staff the SMO	System Manager
(NOTE: This event must be completed by D+2.)	
Request Service and Agency augmentation to the System Planning and Implementation Group (SPIG)	System Manager
Provide Representatives for SPIG	Services/Agencies
NOTE: The SPIG will be under the direction of the System Manager and will consist of all SMO personnel plus Military Service/ Agency personnel assigned for the implementation period.	
Commence evaluation of sites for the Central Data Bank (CDB)	SMO and Components having potential sites
Develop a PERT network showing a 27-month implementation schedule	SPIG
Commence development of System Operating Manual	SPIG
Coordinate System Implementation PERT Network with Service/Agencies and OASD	SPIG
Commence development of Component Systems Manuals	Components
Complete site selection analysis and recommend site for CDB	SMO and Component providing CDB service
Approve permanent site for CDB	OSD
Commence CDB Preliminary ADP Systems Analysis	SMO and CDB ADP System Analysts
Complete Systems Operating Manual containing Basic System Specifications (see Chapters IV, V, and VI, and Appendices D, E and F of this Report) and basic record layouts.	SPIG
(NOTE: This event must be completed by D+12.)	

Event/Task:	Responsibility for Action:
Complete Systems Design and ADP Programming for generation and transmittal of data from sources, and the receipt, edit, validity checks, and filing of data at the CDB site	SPIG and Component ADP Systems Analysts and CDB and Component ADP programmers
Request input of Test Data	SPIG
Input Test Data	Components
Run Test Data and make validity checks . . .	SPIG, CDB, and Components
(NOTE: This event must be completed by D+24.)	
Complete Design and ADP programming for the generation of routine, periodic management reports	SPIG and CDB
Test reports generation program	SPIG and CDB
Establish cut-off on system design changes and assure correctness of programs	SPIG and CDB
(NOTE: This event must be completed by D+26.)	
Receive, validate, and process set of broad based data	Components, CDB, and SPIG
Produce, review, and distribute, to the Components, a set of routine, quarterly MODEL REPORTS 1/	SPIG and CDB
Receive and review MODEL REPORTS	OSD, Components and data submitters
Make final systems checks and set a System "GO" date	SPIG and CDB

Event/Task:	Responsibility for Action:
Continue to receive, validate, and process data; continue file build-up	CDB
Produce first official set of routine periodic management reports 2/	CDB
Analyze and distribute, with analyses, first set of management reports	SMO
Receive and further analyze first official set of management reports	OSD, Component Headquarters, and Reporting Activities

1/ Programming for Special Reports can be delayed until routine, periodic reports are being produced and analyzed.

2/ As the System evolves the production of routine, periodic reports should be synchronized with the Fiscal Years and Quarters and the PPB cycles.

Part 2 - ADDITIVE COST

A. PURPOSE

The establishment and operation of any management information system requires resources — primarily personnel and equipment. Currently, each DoD Component performing logistics functions maintains and submits data for a separate set of DoD systems (e.g., MILSTEP, ASPR, and the Cost Accounting System), as well as data for the individual Component-oriented logistics management information systems. Establishment of a DoD-wide ICP MIS can be accomplished by using the significant amount of resources engaged in the day-to-day maintenance of the separate DoD system and, to some extent, the Component systems. To the extent that segments of the separate DoD systems and the corresponding Component systems are retained for a specific purpose (e.g., evaluation of functional or organizational subdivisions not provided for in the DoD-wide system), maintaining a DoD-wide ICP MIS will generate additional system operating costs. The purpose here is to display the projected annual costs which are over and above those applied to the maintenance of current systems.

B. THE ADDITIVE COSTS

Table F-1 displays the projected annual cost of a System Management Office (SMO) and associated Central Data Bank (CDB) support. These resources are essential to the establishment and maintenance of a DoD ICP MIS. Initially, these costs are in addition to resources applied to the maintenance of current systems; ultimately, most or all of these costs may be absorbed by the elimination of duplicative or parallel systems.

Table F-1

SMO AND CDB RESOURCE REQUIREMENTS

Resources: Personnel Equipment, and Miscellaneous	Estimated Annual Cost (000)
SMO:	
System Manager	$40
Logistics Systems Management Specialist	35
Cost Accounting and Budget Specialist	35
Statistical or Operations Research Spec.	35
Management (Industrial) Engineering	35
ADP Systems Analyst	30
Administrative/Clerical Support (2)	24
(SMO Personnel Cost)	($234)
SMO Equipment, Supplies, and TDY Costs	35
(Total SMO Cost)	($269)
CDB:	
ADP System Analyst	$30
Programmers (3)	60
(CDB Systems & Program Personnel)	($90)
CDB ADP Equipment Operation	520 1/
CDB Miscellaneous (Administrative)	27
(Total CDB Cost)	($637)
Total Additive Costs	$906

1/ Based on a projection of 2,080 equipment hours, including operators, at $250 per hour.

Part 3 - PREREQUISITE CORRELATIVE SYSTEM CHANGES

A. PURPOSE

A system as comprehensive as the one developed and recommended, inevitably, has relationships with other systems. Several such system interrelationships are referenced throughout the Report, especially in describing functions, measures, and indicators in Chapters IV and V and as sources of information listed in Appendices D and E. Since comparability is dependent on inter-system as well as intra-system data and processes, it is the purpose here to point out changes needed in correlative systems. These changes are prerequisite to the establishment of an MIS providing comparability. The correlative system changes proposed in the following paragraph should be effected as soon as possible, because (1) the changes are, of themselves, steps toward more consistent, comparable system management and (2) their implementation is vital to the development and application of certain performance indicators proposed by this Report.

Among the programs, systems, or processes having extensive relationships with the proposed DoD ICP MIS and, therefore, requiring attention during the implementation of proposals in this Report are:

- The DoD Instructions for Grouping of Secondary Items for Supply Management Purposes and Inventory Management Reports of Materiel Assets;
- The Current Cost Accounting System;
- The DoD Planning, Programming, and Budgeting System;
- The Armed Services Procurement Regulation (ASPR) Procurement Management Reports;
- The Federal Catalog System;
- The Military Standard Requisitioning and Issue Procedures (MILSTRIP);
- The Uniform Materiel Movement and Issue Priority System (UMMIPS);
- The Military Supply and Transportation Evaluation Procedures (MILSTEP).

Certain aspects of each of these are discussed in the following paragraphs.

B. THE DoD INSTRUCTIONS

DoD Instruction 4140.33, "Grouping of Secondary Items for Supply Management Purposes," dated 12 June 1968, currently establishes uniform "criteria for the grouping of secondary items to be accorded

varying degrees of management intensity." To facilitate the collection of complete data and the development of comparable performance indicators, two changes are required in DoD Instruction 4140.33: first, it must be extended to include principal items, because inventory control and related support functions are performed for these items; and second, it must be modified to provide the data specified in Table B-2 of Appendix D.

DoD Instruction 4140.18, "Inventory Management Reports of Materiel Assets," dated 1 February 1971, currently prescribes reporting of the value, condition, and purpose of worldwide DoD assets of principal items, and of central and local supply assets of secondary items. To facilitate the development of comparable workload measures and performance indicators, two changes are required in DoD Instruction 4140.18: first, it must be modified to provide for the separate identification of wholesale depot level assets for principal end items and reparable items; and second, secondary item data must be provided separately for consumables, reparables, and end items. Both changes are essential to the breakout of data by the item management categories: end items, reparables, and consumables.

C. THE COST ACCOUNT SYSTEM

Paragraph IV, "Cost Accounts," of DoDI 7220.17 "Cost Accounting for Central Supply Management, Industrial Preparedness and Terminal Operations," lists the minimum cost account structure for use in recording operating expenses and performance data for supply management, industrial preparedness, and terminal operations. Chapter IV of this Report provides analysis and proposes revised definitions with task lists for accounts covering Inventory Control functions including Procurement. Appendix E proposes a cost account structure for the functions defined in Chapter IV. As the proposed DoD ICP MIS is implemented DoDI 7220.17 must be modified to assure that the functional definitions, task lists, and cost account structure in DoDI 7220.17 are as prescribed in Chapter IV and Appendix E of this Report. Further, as the proposals of this Report are implemented, and the System is expanded to other logistics functions, the System Manager will be required to develop revised functional definitions, task lists, and cost account codes for areas not covered by this Study, but presently included in DoDI 7220.17.

D. THE DoD PLANNING, PROGRAMMING, AND BUDGETING SYSTEM (PPBS)

Planning, programming and budgeting documents are developed through the accumulation of workload and cost data assigned to various program and program element codes. This Report covers a predominant portion of program elements 711120, Inventory Control Point, and 711130, Procurement Operations. As such, review of programming and budgeting systems will be required to assure that definitions and assignments of codes are applied consistently. As

the System Manager expands the MIS to cover other logistics functions (e.g., depot storage operations and industrial preparedness), changes to program and budget program element definitions and code assignment may be required. Further, consideration should be given to standardizing and purifying program elements in order to permit reconciliation of workload measures and associated expenses within a functional account structure.

E. PROCUREMENT MANAGEMENT REPORTING SYSTEM

Currently, the Armed Services Procurement Regulation (ASPR) prescribes a set of procurement management data reports. Initially, the ASPR procurement management reports should continue to be submitted as currently prescribed. During this interim period there would be limited duplication between the ASPR management data reporting system and the ICP MIS. Ultimately, however, the procurement managment information should become a part of the DoD ICP MIS.

F. THE FEDERAL CATALOG SYSTEM (FCS)

The FCS has provided and continues to provide tools through which segments of the logistics world are recognized. Proficient use of these tools is dependent upon the consistent application of FCS rules. Several inconsistencies and deficiencies were observed during this review and analysis. Their reconciliation is vital to the establishment of a comparable measurement and evaluation system for inventory control functions. Among those observed are:

** Approximately four thousand Brand Name subsistence items meet the FCS criteria for mandatory National Stock Number (NSN) assignment. However, these items are managed by Brand Name. Assignment of NSNs to these items would clarify item management assignments as a workload measure, and facilitate the consistent accumulation of workload data and the mechanized processing of requisitions.

** Approximately nine thousand Navy SSPO items are managed using Activity Control Numbers rather than NSNs. Many of these items meet the FCS criteria for mandatory NSN assignment. Assignment of NSNs to these items would facilitate the accumulation of item management assignments and other workload data and mechanized data processing.

** Two major Navy ICPs, ASO and SPCC, have Secondary Inventory Control Activity (SICA) responsibility for a wide range (several hundred thousand) Navy interest items. This SICA responsibility should be reflected in the Defense Logistics Services

Center (DLSC) FCS file. This action would enhance data comparability. Similarly, retail management assignments for other offices (e.g., the Navy Retail Fuels Office) should be reflected in the DLSC file to permit proper workload allocation for PICAs and SICAs.

** The DLSC FCS file currently shows the Field Command - Defense Nuclear Agency (FC-DNA) as the Primary Inventory Control Activity (PICA) for approximately 20 thousand nuclear items. Actually, the FC-DNA is the PICA for only about six thousand items; the other items are managed by Army, Navy, or Air Force. The correct reflection of the PICA and SICA relationships in the DLSC file would enhance comparability by permitting allocation of workload to the appropriate PICAs and SICAs.

** The DLSC files currently contain information identifying end items, reparables, and consumables; however, the information is not coded or published in the FCS Item Management Statistical Series (IMSS) Report. This essential data must be provided to the agent developing comparable measures and performance indicators.

G. MILSTRIP, UMMIPS AND MILSTEP

As stated in Chapter V and Appendix D, MILSTRIP, UMMIPS, and especially, MILSTEP provide many of the data elements for the DoD ICP MIS. However, field research disclosed that there are varying interpretations and implementations of these systems among the DoD Components and that these variations have resulted in the non-comparability of data. Therefore, as indicated, several of the definitions and reporting requirements within these Systems require modification to attain the goal of data comparability and to facilitate the developmentof comparable workload measures and performance indicators. The development of meaningful and comparable performance indicators in Chapter V is predicated on the implementation of the changes outlined below.

1. MILSTRIP

Within MILSTRIP a series of terms are used to describe various transactions. These are: "Materiel Release Order," "Redistribution Order," "Passing Action," "Passing Order," and "Referral Order." On occasion certain of the terms are used interchangeably; frequently, they are used inconsistently; on the whole they should be used complementarily. The following deficiencies were observed during field research.

— The terms Materiel Release Order and Redistribution Order were both used by ICPs in reference to requests for storage sites to issue materiel to meet customer demands.

— The term Redistribution Order was used in reference to directed transfers of materiel (a) between wholesale storage sites, (b) from wholesale storage sites to customers (i.e., make wholesale issues), and (c) from activities below the wholesale level to customers (i.e., retail issues). The term was initially developed only to portray storage to storage "redistribution," not to describe "issues."

— A specific term was not in use to describe the transaction wherein assets below the wholesale level were used to satisfy a demand placed on the wholesale system. Such a term is required.

— The terms "Referral Order" and "Passing Order" are not consistently used to describe the transactions for which they have been defined. That is, the term "Referral Order" should be used, consistently, to describe a transaction whereby a materiel request is referred (passed or transferred) from one activity to another within the same wholesale distribution system (e.g., all referrals/transfers of materiel requests from stock points to ICPs without regard to whether the item requested is carried or not). On the other hand, the term "Passing Order" should be consistently applied to describe transactions whereby a materiel request is passed (transferred) from one distribution system to another (i.e., user distribution system to retail distribution system; retail distribution system to the wholesale distribution system; or from one wholesale distribution system to another wholesale distribution system when misrouted), regardless of the reason for the "passing" action.

To clarify the transactions being described, assure that the transactions are complementary, and facilitate data comparability, the following actions should be taken:

** <u>Materiel Release Order</u> should be redefined as: An order by an authorized supply system manager (usually inventory control point or stock control point) directing an activity (usually a storage site or materiel drop point) within the same supply distribution system to release and ship materiel.

** <u>Redistribution Order</u> should be redefined as: An order issued by an authorized wholesale inventory manager upon a storage activity of a supply distribution system directing release of materiel to another storage activity within the same distribution system.

** Transfer Order should be established and defined as: An order issued by an authorized wholesale inventory manager requesting an intermediate, retail or user activity (e.g., post, camp, station, or base) to release materiel to another similar activity to satisfy a specific demand.

** Referral Order should be redefined as: An order used between supply sources (e.g., a stock point and an ICP, within the same distribution system for the purpose of referring requisitions for continued supply action when the initial activity does not fill the demand.

** Passing Order should be redefined as: An order used to pass a requisition from one distribution system to another, or to pass an erroneously routed requisition to the appropriate distribution system.

** Use of the generic term, Passing Actions, should be discontinued.

2. UMMIPS. To preclude misunderstanding of the terms within UMMIPS and eliminate the possible inclusion of "Referral Order" processing time under "Passing Action" time, all UMMIPS references to the term "Passing Actions" should be eliminated and the term "Passing Orders" should be substituted.

3. MILSTEP. MILSTEP is the current source for a significant part of the data required for the ICP MIS. In several cases the present authority for reporting requirements listed in Appendix D of this Report cited "MILSTEP (as revised)." The proposed revisions are necessary to provide a basis for the calculation of measures and indicators set forth in Chapter V of the Report. To attain a more precise degree of comparability, certain MILSTEP terms require modification, MILSTEP coverage requires extension, and MILSTEP reporting formats require revisions, as outlined below.

a. Terms. The following modifications to terms are required:

— The definitions of Immediate and Delayed Issues should be expanded to include all issues; stocked, nonstocked, and direct delivery.

— Immediate Issues should be redefined as: Issues ordered shipped from stock within the UMMIPS ICP processing time (i.e., 1 day for IPG 1 and 2 and 3 days for IPG 3 from the date of receipt at the point of entry into the wholesale distribution system until the MRO is released to the wholesale storage location).

- The ICP Processing Time description should be clarified to assure that: the ICP processing time begins with the receipt of the requisition at the point of entry into the wholesale system and includes the Stock Control Point processing time for all requisitions whether stocked at the Stock Control Point or not.

- The term, "Passing Order," should replace all references to "Passing Actions."

b. Extensions. To enhance comparability, MILSTEP coverage should be extended through the elimination of the following "exclusions."

- Bulk Petroleum and Communications Security (COMSEC) equipment and supplies except COMSEC AIDS (keying materiel).

- Direct Delivery transactions (with date shipped by contractor as end of ICP processing time).

- The exclusions cited in (1)(c) and (1)(d) of paragraph 3-3 (Pages 3 and 4) of the MILSTEP Manual: Vendor shipments from commercial suppliers directly to customer and issues of DLA wholesale stocks from Specialized Support Depots (SSDs) and/or Direct Supply Support Points (DDSPs).

c. Report Format Revisions

Report Format 1A should be revised to:

- Provide separate reports for each PICA.

- Include all demands, including stocked, nonstocked, and direct delivery.

- Include a Referral Time segment to cover the time from receipt of demands at the point of entry into the distribution system until received by the ultimate supply source.

Report Format 2 should be revised to:

- Include "Requests for Supply Assistance" (number of line items) as a workload measure.

- Include "Requisitions Manually Processed" by Stock Control Points as well as ICPs as a separate entry. (This permits recognition of the fact that the same requisition may be counted twice.)

APPENDIX G

DATE:
NUMBER 5010.XX

PROPOSED
DEPARTMENT OF DEFENSE DIRECTIVE

SUBJECT: Logistics Performance Measurement and Evaluation System (LPMES)

Refs: (a) DoD Directive 7000.1, "Resource Management Systems of the Department of Defense," August 22, 1966
(b) DoD Directive 5000.19, "Policies for the Management and Control of DoD Information Requirements," March 12, 1976

I. PURPOSE AND OBJECTIVES

This Directive establishes policy and assigns responsibilities for a Logistics Performance Measurement and Evaluation System (hereinafter referred to as "the System"). The purpose of the System is to provide workload measures and performance indicators which are comparable measures of logistics costs and performance to be used by management in furtherance of increased efficiency, economy of operations, and improved support effectiveness. Within this overall purpose the measures and indicators shall be designed to:

A. Relate workload, operational costs, materiel investment costs, productivity, and performance effectiveness;

B. Provide measures of significant individual functions as well as total operations; and

C. Provide uniform coverage of functions regardless of organizational placement.

II. APPLICABILITY

The provisions of this Directive apply to all DoD activities/ organizations performing wholesale Logistics functions.

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III. RESPONSIBILITIES

A. The Assistant Secretary of Defense (Installations and Logistics) (ASD(I&L)) will:

1. Develop and disseminate policies governing operation of the System.

2. Assure the effective development, implementation, and use of the System.

3. Establish an organization to manage the System and perform required analyses, and designate an activity to establish and operate the Central Data Bank.

B. The Assistant Secretary of Defense (Comptroller) (ASD(Comp)) will:

1. Assure that existing resource management systems and other information sources of the Department of Defense established in accordance with references (a) and (b) are used to the maximum practicable extent in furnishing data needed for use in the System.

2. Collaborate with the ASD(I&L) in the development and maintenance of Logistics management reports which will be meaningful to the Office of the Secretary of Defense (OSD) and other Component logistics resource management programs.

C. The Secretaries of the Military Departments or their designees and the Directors of Defense Agencies will:

1. Assure collaboration with the ASD(I&L), ASD(Comp), and the System Manager for the development of meaningful reports which will be of value to logistics resource managers at the Component and activity/organizational level.

2. Direct their respective activities/organizations to implement and maintain their segments of the System.

D. The System Manager will:

1. Manage the System as an agent for the ASD(I&L).

2. Coordinate the development of detailed system operating methods and procedures with the DoD Components, assuring that the System is operated uniformly across the DoD.

3. Supervise preparation and maintenance of the detailed system operating instructions and manuals.

4. Prescribe the requirements for the Central Data Bank, including the data to be maintained and the data and reports to be prepared.

5. Analyze logistics data and reports for all organizational levels.

6. Develop analyses, with written and oral presentations, for the OSD.

7. Initiate action to add, delete, or modify performance indicators and management reports and recommend such changes to the OSD and/or the Military Component logistics and resource managers.

8. Conduct surveillance of the System at all levels to assure uniform implementation and operation.

E. The Central Data Bank site will:

1. Establish a Central Data Bank in accordance with the requirements prescribed by the System Manager.

2. Receive and validate data from the reporting activities, update the Central Data Bank files, and generate management reports in accordance with specifications furnished by the System Manager.

3. Perform required data systems analyses and programming and operate the data processing equipment.

IV. POLICIES

A. The System will be designed to gather information which will provide comparable workload measures and performance indicators for logistics functions regardless of where the functions and their related tasks are performed.

B. The System will depend upon a single, Central Data Bank and processing point for the preparation of management reports for logistics and resource managers at the OSD, the Military Service/Agency headquarters, and the inventory management levels.

C. Management reports flowing from the System will be based on a pyramidal concept wherein the volume of data portrayed is related to management requirements; generally, with OSD managers receiving summary data and activity/organizational reports displaying information to the greatest depth.

D. The System design, data requirements, management reports, and data analyses will be sufficiently flexible to assure the accommodation of unique and changing management needs of the OSD, Military Service/Agency headquarters, and the activities.

E. New or modified management reports and their associated logistics workload measures and performance indicators may be recommended by managers at any organizational level. The approval of new or revised reports, measures, or indicators will be based on anticipated benefits to the (1) Planning, Programming and Budgeting System, (2) policy evaluations, (3) performance evaluation, or (4) trade-off analyses.

F. Reports, measures, and indicators will be eliminated from the System whenever they are not used and it is determined that they are no longer of value in making logistics policy evaluation or resource management decisions.

V. COVERAGE AND INCREMENTAL IMPLEMENTATION

A. Ultimately, the LPMES should provide coverage for a broad spectrum of logistics areas, ranging from "item identification" to "depot maintenance." The proposed content of this Directive is based on a DoD-wide review and analysis aimed only at developing comparable workload measures and performance indicators for inventory control functions; and the Report resulting from the analysis provides a DoD Inventory Control Point Management Information System for inventory control functions. Therefore, for these functions, the initial LPMES coverage will be based on the content of the March 1977 Report entitled "A DoD-wide Inventory Control Point Management Information System."

B. Upon implementation of the LPMES for the inventory control functions covered in the March 1977 Report, the System Manager will initiate action to expand the System to other logistics functions.

C. To the extent management reports prepared under this System replaces other reports, the System Manager should identify superseded reports and initiate cancellation action. This should be a continuing process as the System expands and encompasses additional logistics functions.

VI. EFFECTIVE DATE AND IMPLEMENTATION

A. This directive is effective immediately.

B. Four copies of implementing regulations shall be forwarded to the ASD(I&L) within 30 days.

Secretary or
Deputy Secretary of Defense