

DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY MATERIEL COMMAND
5001 EISENHOWER AVENUE, ALEXANDRIA, VA 22333-0001

AMC SUPPLEMENT 1
AR 710-2

6 November 2000

Inventory Management

SUPPLY POLICY BELOW THE WHOLESALE LEVEL

AR 710-2, 31 October 1997, is supplemented as follows:

Page i, Applicability. Add the following:

This supplement applies to Headquarters (HQ), U.S. Army Materiel Command (AMC), AMC Major Subordinate Commands (MSCs), including subordinate installations and activities, and AMC Separate Reporting Activities (SRAs).

Page i, Supplementation. Add the following:

HQ AMC prohibits issue of further supplements to this publication without prior approval from the Director, USAMC Installations and Services Activity (AMC I&SA) ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 2, paragraph 1-10a. Add the following:

Units will forward all formal requests for clarification through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 2, paragraph 1-10b. Add the following:

Commanders/Directors (civilian equivalent) will sign all requests for deviations from accounting policy in AR 710-2 and forward them through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 2, paragraph 1-11. Add the following:

Commanders/Directors will sign all requests for waiver from accounting policy in AR 710-2 and forward them through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

*This supplement supersedes AMC Supplement 1 to AR 710-2, 18 August 1995.

Page 2, paragraph 1-12. Add the following:

When lower command levels cannot resolve supply constraints, report them through command channels to the Director, AMC I&SA,

ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 3, paragraph 1-14b(2)(c). Add the following:

You may use AMC Form 2468-R, Durable Usage Control Record, to control durable item issues (see appendix H).

Page 3, paragraph 1-16c. Add the following:

The AMC Installation Supply System (AMCISS) is an AMC sponsored approved system for property (stock record) accounting. Those installations/activities considering local automated property accounting systems will first forward printed draft/operating instructions through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190, for review and approval prior to implementation. Your cover memorandum should state that your local automated program includes coordination with your Director of Information Management (DOIM) to ensure proper support.

Page 3, paragraph 1-16e. Add the following:

Automated Data Systems Manual (ADSM) 18-LOA-KCN-ZZZ UM, AMCISS Users Manual, applies. When instructions are not found in the user manual, refer to this supplement or the appropriate DA Pamphlet.

Page 5, paragraph 1-20b. Add the following:

Retain records of performance measures for 1 year. There may be occasional need to report some or all data in response to inquiry from higher headquarters.

Page 10, paragraph 2-1. Add the following:

The standard automated system for Tables of Distribution Allowances (TDA) units property (property book) accountability will be the Defense Property Accountability System (DPAS) as prescribed by the DPAS Users Manual, DFAS 7900.5-M, Defense Property Accountability System. The manual procedures contained in basic regulation and this publication will supplement the

DPAS Users Manual where automated procedures do not apply.

Page 11, paragraph 2-4a. Add the following:

Submit requests for additional authorized allowances through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 11, paragraph 2-4b. Add the following:

Sign and date the annual reconciliation statement upon completion. Installations that maintain DPAS property books will retain the reconciliation statement in the file containing the statement of responsibility.

Page 12, paragraph 2-5b(2). Add the following:

Submit requests for exception through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 12, paragraph 2-5c. Add the following:

Submit requests to maintain the property book at other than the parent Unit Identification Level (UIC) level through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 12, paragraph 2-5k(2). Add the following:

Item identification/cataloging policy described at paragraph 4-4 and as supplemented applies. Purge automated property book systems of unneeded item identification records.

Page 12, paragraph 2-5l(3). Add the following:

Account for all Information Technology Equipment (ITE) and its components by serial number. Report current inventory and excess ITE to the Defense Information Technology Management System using DPAS.

Page 13, paragraph 2-5t. Add the following:

The MSCs and the U.S. Army Test, Measurement, and Diagnostic Equipment (TMDE) Activity (USATA) are responsible for verifying the accuracy of the property books of subordinate units, installations, and activities. The AMC I&SA is responsible for verifying the accuracy of the property books of AMC separate reporting units, installations, and activities.

(1) Upon notice of unit, installation, or activity discontinuation; the MSC, USATA, or AMC I&SA, as appropriate, will make arrangements to verify the accuracy and completeness of the property book and supporting documents. Initiate the verification process within 10 workdays after reducing all property book on hand balances to zero.

- (2) Include as part of the verification process that--
- (a) On hand balances are zero for each accountable record.
 - (b) Turn-in or transfer all items to another authorized accountable record.
 - (c) Cancel all open supply requests.
 - (d) Properly close all document registers.
 - (e) Cancel the assigned Department of Defense Activity Address Code (DODAAC).
 - (f) Rescind the property book officers' appointment.

(3) If not satisfied with the results of closing the accountable record, the MSC, USATA, or AMC I&SA will direct actions to correct any discrepancies. The MSC or USATA will notify the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190 of corrective action undertaken and estimated completion date.

(4) When satisfied that all required actions are complete and no formal audit; i.e., Criminal Investigation Division or AR 15-6 investigation, is necessary, the MSC or USATA will prepare a statement certifying all actions in paragraph (2) above as completed. Issue the statement to the unit, installation, or activity discontinued and furnish a copy to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 13, paragraph 2-5w. Add the following:

DPAS users will account for quarters furnishings on the installation property book maintained by the installation/activity property book officer. Establish two separate hand receipts; one for family housing furniture and equipment, and one for unaccompanied personnel housing furnishings. Forward requests for waiver to this requirement through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190. Non-DPAS users may account for quarter's furnishings either on a separate or a consolidated property book.

Page 14, paragraph 2-6d. Add the following:

Delegation authority to review requirements based on UND A will not be below the directorate chief level or its equivalent, and UND B will not be below the division chief level or its equivalent.

Page 14, paragraph 2-6f. Add the following:

This also includes supply requirements for facilities engineering and Research, Development, Test, and Evaluation (RDTE) projects.

Page 14, paragraph 2-6l(2). Add the following:

This requirement applies without regard to procedures for use of credit cards or other methods of expediting local purchase.

Page 15, paragraph 2-8b. Add the following:

This reporting requirement applies to all items, including RDTE equipment, received out of property accounting channels. Report "Prompt Payment Act" acquisitions through the PBO to the SSA within 3 workdays from date of receipt by the user.

Page 15, paragraph 2-8d. Add the following:

Within AMC the PBO may use AMC Form 1381-1A, Storage Data Request, as the supporting document for receipt transactions.

Page 15, paragraph 2-9a(1). Add the following:

Installations supporting a property book other than on DPAS will establish a Central Collection Activity (CCA) IAW AR 710-3 for the collection and reporting of CBS-X transactions.

Page 16, paragraph 2-9e. Add subparagraphs (4) and (5):

(4) AMC Installation Commanders will ensure the forwarding of all DA Form 2408-9, Equipment Control Record, transactions directly to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190, within 10 workdays following acceptance, transfer, gain, NSN re-designation, or loss of reportable equipment.

(5) The AMC I&SA will maintain an inventory of equipment reportable under this regulation by USA Registration Number to provide the capability to determine AMC materiel mobile transport capabilities and requirements.

Page 18, paragraph 2-10j. Add subparagraphs (5) through (17):

(5) The Tool Control Officer (TCO) or custodian will--

(a) Maintain an expendable/durable document register and submit requests for supplies and equipment required for maintaining an efficient tool crib operation.

(b) Maintain accurate accounting and control records for all nonexpendable property entrusted to the custody of the officer or custodian. Maintain a record of transactions and documentation (issue, turn-in, inventory adjustment, report of survey, etc.). Control of durable items costing over \$50.00 or more will be by use of AMC Form 2468-R (see appendix H) or through tool crib hand receipt/loan methods to designated individuals or by equivalent automated records.

(c) If you do not suspect negligence or willful misconduct, follow procedures in AR 735-5, paragraph 14-24, for accounting for losses of durable hand tools at the using unit level.

(6) Nonexpendable, durable, and expendable items can be found within tool cribs. Definitions for these classifications are in AR 735-5 and the glossary of AR 710-2.

(a) Nonexpendable powered and nonpowered hand tools you issue through the tool crib(s) need only be on the tool crib accounting records. Account for all TDA/MTOE/CBS-X reportable tool items on the property book in lieu of tool crib accounting records.

(b) When more than one tool crib is established, operations will be under a central management concept. Designate a TCO as the sole requester of tool crib items. The central tool crib will maintain all accounting records for all custodians. Use a DA Form 3328 and DA Form 3328-1, Serial/Registration Number Record, or their automated equivalent, as the accounting record. The accounting record will reflect the total quantity on hand. The minimum data for accounting records required to manage the issues, receipts, and inventories of pilferable manual and powered hand tools and nonexpendable items is--

1 Quantities on hand (to include quantities in tool crib locations plus those quantities of tools checked out, and/or on hand receipt/sub-hand receipt).

2 Quantities required based on computed requirements or anticipated mission needs.

3 Quantity on order.

4 Quantity dropped for turn-in to Supply Support Activity/Defense Reutilization and Marketing Office.

5 Unit cost of item.

6 National stock number, manufacturer's code model/part number, or management control number.

7 Unit of issue.

8 Nomenclature.

9 Serial number.

(c) Under the central management concept, you will need to sub-hand receipt nonexpendable items to the TCO using DA Form 2062, Hand Receipt/Annex Number, IAW DA Pamphlet 710-2-1. You may use DA Form 3161, Request for Issue or Turn-In, as a temporary hand receipt to avoid frequent posting to a DA Form 2062. Preparation of the temporary hand receipt will be IAW DA Pamphlet 710-2-1.

(7) You must control tools issued from the tool crib.

(a) The responsible officer may authorize the use of a metal or plastic tag system in lieu of log or temporary hand receipt for issues lasting 30 days or less. When used, chits will have a unique alpha or numeric marking identifying the recipient of the tool(s). Tool room/tool crib custodians will hold chits exchanged for tools until the recipient returns the tool, at which time return the chit to the recipient. When you use chits, you must have a marked location for each tool issued, allowing the tool room/crib custodian to place the chit(s) in the location of the tool(s) issued. You should control the issue of chits using a permanent hand receipt.

(b) You may locally develop a three-part, serially numbered, interleaved order form for use in mechanical accounting.

(c) Waive the above requirements when you use an approved automated system that updates both tool record and employee record at the time of tool issue/turn-in. Under the automated tool crib system, the TCO initials and the Julian date may serve as the document number for issue of expendable/durable items to the user. In such a system, employee identification perpetuated in the system by a signed, physically encoded identification card is the equivalent of the employee's signature

for responsibility for tool charge out. Maintain a record of all cardholders and their signature upon initial issue of the encoded identification card.

(8) Exercise care to ensure proper security and control procedures. These procedures will include--

(a) Prompt reporting to the responsible TCO of all tools and tooling equipment that is worn out, lost, damaged, or destroyed while in the custody of the employee.

(b) When deciding if personal fault or neglect was responsible for lost, damaged, or destroyed property, do not use exclusively the value of the property. Always include the circumstances of each case in this determination process.

(9) Use DA Form 4949, Administrative Adjustment Report, for all quantitative adjustments which affect the accounting records. Process these the same as any other property book adjustments.

(10) Complete semiannual and joint inventories IAW basic regulation, table 2-1.

(a) Complete a semiannual physical inventory of all durable and nonexpendable property controlled by a tool crib operation.

(b) Complete a joint inventory of the nonexpendable and durable property upon change of the TCO or custodian.

(11) Complete sets, kits, outfits, and assemblages managed under a single stock number, coded nonexpendable and reportable under the CBS-X program, require property book accounting. See DA Pamphlet 710-2-1, paragraph 6-3, for tool room/crib procedures.

(12) Maintain on hand assets for durables based on demand/usage rates or known mission requirements.

(13) Expendable items, to include durable items costing less than \$50.00, issued from tool cribs do not require controls other than those used in effective supply management.

(14) If you use the tool crib for equipment pool items, you must maintain utilization and maintenance records.

(15) Control and maintain records of bench stock, if maintained in the tool crib area, IAW prescribed procedures in basic regulation.

(16) Report broken or unserviceable nonexpendable items,

through Fair Wear and Tear, to the TCO. Turn in unserviceable expendable/durable hand tools to/through the installation supply support activity as scrap.

(17) You may use the tool crib program for the control and management of slings, chains, hooks, jack stands, and wire ropes. Remember to schedule inspections and load tests per TB 43-0142.

Page 18, paragraph 2-12d. Add the following:

Installation commanders, project managers, and activity directors/chiefs will establish and publish procedures for PBO/HRH inventories. Encourage Commanders to personally conduct unannounced spot check inventories of selected hand receipts at least annually. Commanders may conduct this inventory in conjunction with the equipment usage review walk-through required by AR 71-32, Force Development and Documentation - Consolidated Policies. Retain written results for possible review during other reviews/evaluations.

Page 18, paragraph 2-12d(1). Add subparagraphs (a) through (d):

(a) Physically inventory weapons and ammunition per DA Pamphlet 710-2-1, paragraph 9-10.

(b) DPAS users should extract the DPAS "Sensitive Item Inventory Report - Weapons and Ammunition" (DPTD152R) and use them to record the inventory. If you have explosives subject to this same monthly inventory, you may use local listings to show quantities on hand; i.e., grams, grains, ounces, pounds, etc.

(c) The individual(s) appointed to conduct the weapons/ ammunition inventory will--

1 Record the serial number of weapons inventoried and weapons properly checked out. Clearly distinguish between the two groupings. Notify responsible individual and PBO of any listed weapons you cannot locate, which are not properly checked out. Weapons checked out should have a DA Form 3749, Equipment Receipt, in the arms rack. Installations/activities will maintain a current listing of all weapons not on hand because of repair.

2 Record the ammunition inventoried by quantity, lot number, and NSN. Clearly highlight discrepancies noted during the inventory of both weapons and ammunition with information recorded on the DPAS "Sensitive Item Inventory Report - Weapons and Ammunition" DPTD152R.

3 Sign and date the inventory reports and forward the original copy to the PBO.

(d) The PBO will monitor and receive inventory results. As a minimum, the PBO will--

1 Establish stringent controls on conducting inventories at least monthly (every 30 days).

2 Ensure all weapons and ammunition inventoried are on the property book.

3 Ensure completion of inventories for all weapons and ammunition on the property book.

4 Reconcile ammunition expenditures with recorded property book balance.

5 Confirm someone other than the responsible HRH conducts the monthly inventory, and ensure the same individual does not conduct consecutive inventories.

6 Take immediate corrective action to resolve all discrepancies.

7 Retain copies of the monthly inventory reports on file IAW DA Pamphlet 710-2-1 paragraph 9-10b(4).

8 Furnish copies of the monthly reports to the Ammunition Surveillance Office, as applicable.

Page 18, paragraph 2-12d(2). Add the following:

NOTE: Sensitive items include precious metals (gold, silver, platinum, palladium, rhodium, iridium, osmium, and ruthenium). Inventory and report to the Precious Metal Recovery Program (PMRP) Coordinator all raw or refined precious metals held for use in production, research and development, or maintenance operations, or recovered precious metals pending turn in.

Page 19, paragraph 2-13a(1). Add the following:

For MACOM approval, forward request through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190 for approval.

Page 19, paragraph 2-13b(2). Add subparagraph (i):

(i) When you turn in items containing and/or suspected of containing precious metal (gold, silver, or the platinum family), advise the supply support activity so that

the materiel can be included in the PMRP.

Page 19, paragraph 2-13b(2)(a). Add the following:

The PBO may maintain equipment in administrative storage for up to 90 days. Equipment will not be held in administrative storage longer than 90 days without prior written approval from the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

NOTE: Authorization does not exist for placing non-tactical vehicles in administrative storage IAW AR 750-1.

Page 20, paragraph 2-13d(2). Add the following:

Document all property "Found On Installation" (FOI) and authorized for retention as FOI and post to the property book. Do not process FOI retention property with a turn-in and request for issue documents to the stock record account.

Page 21, paragraph 2-14j(1). Add subparagraphs (a) and (b):

(a) Process Organizational Clothing and Individual Equipment (OCIE) requests and issues through the installation/activity property book office. The PBO, safety shoe store manager, or responsible hand receipt holder will maintain the employee's signed copy of DA Form 3645/3645-1, Organizational Clothing and Equipment Record.

(b) Maintain backup stocks on the stock record account.

Page 23, paragraph 2-20a. Add the following:

Authorization to keep basic loads for class 1, 2, 3, 4, 5, and 8 supplies (except medical repair parts) extends only to AMC MTOE units and Technical Escort Unit. Compute stockage of basic loads using appropriate authorization documents such as CTA 50-900 and CTA 50-909, but not more than a unit can move in a single trip.

Page 23, paragraph 2-20b(3). Add subparagraphs (a) through (g):

(a) Control hand tools costing \$50.00 or more by one of the following methods--

1 Hand receipt/hand receipt annex procedures.

2 Normal tool crib/room procedures.

3 Use of AMC Form 2468-R. (See appendix H)

(b) The PBO will designate the organizational element(s) authorized to maintain durable document registers.

When the PBO designates individuals to maintain durable registers, the authority allows them to request and receive durable supplies directly from the supply support activity. Record the designation using the DA Form 1687, Notice of Delegation of Authority-Receipt for Supplies, or by informal memorandum.

(c) File the durable document register IAW AR 25-400-2.

(d) Unless items are sensitive, there is no requirement to maintain receipt and turn-in documents for expendable or durable supplies.

(e) Users will submit requests for durables through the organizational unit maintaining the durable register. This organizational unit will maintain the AMC Form 2468-R or DA Form 2062. Record all durable items on either form and obtain signature upon issue to the user.

(f) The organizational unit maintaining the durable register will review the customer's supply request with the AMC Form 2468-R or DA Form 2062 for possible abuse.

(g) Control durable items issued in the self-service supply center by use of AMC Form 2468-R or restrict issues to those individuals authorized to maintain durable registers. This is necessary to control those items on usage records at the unit/user support level.

NOTE: Users of AMC Form 2468-R may find it easier to control durable items if they use this form exclusively for short-term issues such as issues from a tool crib/room. The AMC Form 2468-R remains in the active file as long as the item remains issued to a user. File the AMC Form 2468-R in the inactive file for 2 years when all issues recorded on the form reflect turn-in or adjustments for loss.

Page 23, paragraph 2-20b(4). Add the following:

Using units will not keep an operational load of class 3 (bulk) supplies. The operational load will be kept by the supply support activity on the stock record account. Forward requests for waiver through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 23, paragraph 2-20b. Add subparagraph (6):

(6) Operational loads of precious metals. Precious metals (gold, silver, platinum, palladium, rhodium, iridium, osmium, and ruthenium) are sensitive items identified by

Controlled Inventory Item Code (CIIC) "R." Stockage levels must be kept to a minimum. Management requirements also include implementation of appropriate security measures. Consult with your security office to ensure your security measures are adequate.

Page 24, paragraph 2-21a(1)(d). Add the following:

The AMC average customer wait time is 15 days.

Page 27, paragraph 2-30c. Add subparagraphs (5) through (8):

(5) The Purchase Card Management System (PCMS) is the standard approved method of recording purchases made by DOD Purchase Cardholders, except for AMC Arsenals and Depots. Arsenals and Depots will use a manual or locally developed automated system to record their credit card purchases.

(6) Installations/Activities will maintain the data recorded to these systems for 3 years.

(7) Equipment Managers and Property Book Officers will have access to these systems for property authorization review and identifying accountability requirements. Local established procedures will ensure that no unnecessary delays occur in the acquisition process due to above reviews.

(8) Installations/Activities using credit cards will ensure all commercial acquisitions requiring special tracking; i.e., CBS-X/DODSASP, will report these items as "in lieu of authorized items" to the applicable program data base.

Page 28, paragraph 2-31b. Add the following:

Formal accountability for loaned property will be kept by the organization owning the property; i.e., national inventory control points or loaning activity, etc. The stock record officers of the issuing and borrowing installations/activities will keep signed copies of the loan agreement. The borrowing stock record officer may wash the receipt through the stock record account and issue to the PBO maintaining accountability on DPAS. However, the owning activity is responsible for special reporting requirements; i.e., Reportable Item Control Code (RICC) 2, A, B, C, or Z property for CBS-X reporting. DPAS users will post receipt of property to the property book using the loan/lease code "L," RICC exempt code "9," and hand receipt the

item to the using hand receipt holder. Inventory property IAW basic regulation.

Page 30, paragraph 2-31. Add subparagraphs q and r:

q. Accounting for air-conditioning equipment, including window air-conditioners, will be by real property procedures when using construction funds to procure them. Otherwise, accountability for the equipment will be the property book.

r. Establish local procedures to control employee-owned property; i.e., tools and/or other items similar to Government issued property to easily distinguish property ownership.

Page 31, paragraph 2-34a. Add subparagraph (3):

(3) Installations not using Fuels Automated System (FAS) will maintain bulk petroleum accountability at the stock record account level. In the event that stock record accountability is impractical, forward a request for exception to use property book accountability through channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 33, paragraph 2-36e. Add the following:

The period of time will not exceed 5 days. Forward requests for exception through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 33, paragraph 2-39b(1). Add the following:

Authorization to keep basic loads of class 5 supplies extends only to AMC MTOE units and the Technical Escort Unit. Compute stockage of basic load using ammunition initial issue quantity/basic load (AIIQ/BL), but not more than a unit can move in a single trip.

Page 34, paragraph 2-39c(2). Add subparagraphs (a) through (d):

(a) Secure, control, and account for Ammunition and Explosives (A&E) at each supply/user level (including laboratory and testing projects) until ultimately consumed or returned to inventory; i.e., Stock Record Account (SRA), property book, hand receipt, or sub-hand receipt. This includes control and accountability of A&E during prototype, testing, or Research, Development, Test and Evaluation (RDTE) project operations.

(b) Ammunition authorized for qualification/training of personnel, disposal of duds, or other similar events will be kept

on the SRA until drawn by users for immediate consumption. This also applies to A&E used in tests or RDTE projects. However, test or RDTE project officers, due to unscheduled delays, may post the A&E to the property book until expended

or the mission and/or project is complete. Any A&E identified as excess will need a turn-in action within 10 days of completion of the test or RDTE project.

(c) Class 5 for RDTE. Account for the A&E on the property book. Maintain backup stocks on the SRA.

(d) Account for ammunition, authorized by RDTE and/or engineering projects not consumed within 5 days from issue to the user, on the property book. Authorization for on hand quantities exists when used in conjunction with RDTE programs/projects. Accomplish consumption adjustments IAW guidance of DA Pamphlet 710-2-1, paragraph 4-26. Adjustments should occur every 30 days from time of issue from the SSA until completion of the test/project.

Page 34, paragraph 2-40d. Add subparagraph (6):

(6) RDTE programs/projects will turn-in all excess ammunition, components, and residue to the supply support activity.

Page 38, table 2-1, paragraph b. Add the following:

Provide each HRH with written instructions prior to an inventory to assist in identifying all accountable items in their area of responsibility. The AMC does not authorize sample inventories. The HRH will advise the PBO of the results of the inventory. Items found on hand but not on the hand receipt, and items identified on the hand receipt but not on hand, will be brought to the attention of the PBO. The PBO will annually spot check selected hand receipts to verify their accuracy. PBOs using the DPAS will ensure that HRHs sign and date, in ink, applicable certification statements on the last page of the DPAS hand receipt listing. Do not make alterations to the certification statements. You may annotate differences discovered on the hand receipt or listed on an internal memorandum.

Page 39, table 2-1, item i. Add the following:

NOTE: This includes precious metals (gold, silver, platinum, palladium, rhodium, iridium, osmium, and ruthenium) which are on hand in the using activity either as an operational load or recovered precious metals pending shipment to a refining facility.

Page 62, paragraph 4-2a. Add the following:

Each AMC installation will operate a consolidated Stock Record Account (SRA). The consolidated SRA will provide all supply class 2, 3, 4, 5, 7, and 9 materiel for base and mission support. Issue of supply class 1 and 8 materiel will not be made through the installation SRA.

Page 62, paragraph 4-4b(2). Add the following:

Use only the Commercial and Government Entity Code (CAGE) for manufacturer (type "A").

Page 62, paragraph 4-4b(3)(a). Add the following:

Retail supply cataloging activities will use the letter "X" in the seventh digit of the Management Control Number (MCN).

Page 62, paragraph 4-4b(3)(b). Add the following:

Test and evaluation facilities may use MCNs assigned by developers to prototype/experimental items. The MCN will remain with the item for its entire life cycle without regard to storage site.

Page 62, paragraph 4-4e. Add the following:

This review includes changing MCNs to CAGE and model/part number when possible.

Page 63, paragraph 4-4h. Add subparagraph (22):

(22) Vendor catalogs.

Page 63, paragraph 4-6a. Add the following:

Document application of the "two-person rule;" i.e., initialed by item manager and supervisor.

Page 63, paragraph 4-8. Add the following:

The consolidated stock record account will process all supply requests except micro-purchase, less than \$2,500, acquisitions. Record and pass on to the item manager, via AMCIS using post-post procedures, demand data for repair parts purchased commercially in lieu of normal procurement action through Integrated Materiel Management Centers.

Page 63, paragraph 4-8b(1). Add the following:

The Retail Inventory Management Stockage Policy (RIMSTOP), implemented by approved automated systems, uses variable stockage criteria.

Page 64, paragraph 4-9. Add the following:

Approved automated systems will use RIMSTOP calculations to

determine stockage levels for demand supported (SLC "Q") items.

Page 64, paragraph 4-9. Add subparagraph g:

g. The intention of inventory held in customer-owned stratification accounts is to provide a technique to administratively identify, separate, and control stocks owned and purchased by the Stock Record Account (SRA) customer for ongoing or future approved projects; i.e., wholesale maintenance, RDTE, and manufacturing.

(1) Retention is only for those stocks positively identified to approved projects scheduled to begin within a 2-year period. Purchase required quantities using economical order criteria not to exceed 2 years anticipated requirements and if possible kept to 1-year need. Maintain these stocks on the SRA as customer-owned.

(2) The Stock Record Officer (SRO) will require customer approval at the directorate level, separate Tables of Distribution and Allowances (TDA) activity chief, or equivalent level before accepting supplies for customer-owned stocks. Do not allow delegation of this approval level.

(3) Review all stocks held in customer-owned accounts at least semiannually for retention. Redistribute or dispose of as excess stocks not programmed for consumption within 2 years. The SRO and director/separate TDA activity chief will review and validate authorization for stocks held in customer-owned accounts. The SRO will maintain a record of each review and file it in the general administrative logistics files.

(4) Control project items identified for retention after project completion through formal stock record accounting.

(5) Report as excess or capitalize into a demand-supported stratification all stocks not meeting above criteria, as appropriate.

(6) Installations will develop written procedures to ensure proper management of customer-owned stocks on the SRA.

Page 65, paragraph 4-11a(5). Add the following:

Process nonstandard, nonexpendable items through the PBO.

Page 65, paragraph 4-11. Add subparagraph g:

g. Satisfy emergency and temporary requirements by use of temporary loan procedures IAW AR 700-131 or lease/rental of

equipment for
less than 180 days.

(1) Based on a request from a PBO, the Stock Record Officer (SRO) will initiate a loan request per AR 700-131 using the DODAAC of the SSA and submitting the request to the appropriate approving channels. (See paragraph 2-32 and AR 700-131.)

(2) The SSA, as the borrowing activity for items borrowed from item managers/other commands/installations/activities, will establish and maintain files for equipment held on temporary loan. These files will include the receipt, issue, and shipment (return) documents; a copy of the loan agreement, applicable extensions; and a copy of correspondence informing the owning activity of conducted inventories.

(3) Formal accountability for borrowed property will be kept by the organization owning/loaning the property. The borrowing SRO may wash the receipt through the stock record account and issue to the PBO maintaining accountability on DPAS. However, special reporting requirements; i.e., Reportable Item Control Code 2, A, B, C, or Z property for CBS-X reporting, will be the responsibility of the owning activity only. Obtain a signature of receipt for the issue. The SRO will manage the loan agreement and ensure timely return of property. Inventory property as prescribed by basic regulation and report to the owning activity.

(4) Process all requests for loan/lease through the SSA. Follow procedures in (2) for equipment loan/lease requests of less than 180 days.

NOTE: See paragraph 2-5a(10) of basic regulation for greater than 180 days.

Page 65, paragraph 4-12. Add the following:

Only the SRO will submit requisitions to the wholesale supply system.

Page 65, paragraph 4-12b. Add the following:

Within AMC, the SRO has authorization to use AMC Form 2110, Purchase Request and Commitment, for local purchase transactions.

Page 66, paragraph 4-13(a). Add the following:

Requests for authority to establish an operational readiness

float will be sent through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 67, paragraph 4-17a. Add the following:

Installations will prepare a separate DD Form 416, Purchase Request for Coal, Coke or Briquettes, IAW DA Pamphlet 710-2-2, for each kind and size of solid fuels required. Completed forms will be sent through the Director, AMC I&SA, ATTN: AMXIS-C, 1 Rock Island Arsenal, Rock Island, IL 61299-7190, to the Director, U.S. Army Petroleum Center, New Cumberland, PA 17070-5008.

Page 68, paragraph 4-19d. Add the following:

The SSSC should stock as many facilities engineering supplies as permitted by the basic regulation to enhance supply availability.

Page 69, paragraph 4-19m. Add the following:

Use a menu board to display the item and the current unit price in lieu of marking the price on each item in a location, or affix the unit price to the bin for those items which it is not practical to price individually.

Page 69, paragraph 4-21a(2). Add the following:

Requests for authority to establish COPARS will be sent through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 70, paragraph 4-22. Add subparagraph d:

d. Commanders will establish a viable system for challenging items already shipped to a Defense Reutilization and Marketing Office (DRMO) and to reutilize assets for local requirements. As a minimum--

(1) Designate personnel to challenge items already in the DRMO yard for existing requirements and promote local use of excess surplus property.

(2) Only items for an existing/authorized customer requirement or for SSA stockage level will be withdrawn from the DRMO.

(3) Ensure visits to the disposal yard by the challenge team at least once a month when location of the disposal yard is at or

within 20 miles of the installation, or not less than quarterly when located at a greater distance. Approval for requests to exemption of visits due to distance will be on a case-by-case basis by forwarding requests through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

(4) Retain records of visits to the DRMO and statistics to measure the success of the program; e.g., number of visits, number of items screened, number and dollar value of items recouped.

(5) Identify and correct errors that result in items erroneously transferred to the DRMO.

Page 70, paragraph 4-23b. Add the following:

Forward requests for authority to establish an MSSA through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 70, paragraph 4-23. Add subparagraph h:

h. An MSSA will adhere to the following:

(1) The MSSA will not requisition or stock TOE, TDA, or other table of allowance property. Request these items through the PBO to the supporting installation SRA. Obtain supplies required for housekeeping or administrative purposes through the supporting installation SRA. Restrict the MSSA to stock only minimum quantities of supplies peculiar to the mission and will not acquire items from wholesale/commercial sources stocked by the supporting installation SRA. (You may request TDA type property authorized by an RDTE project through the MSSA.)

(2) Conduct complete inventories annually and sensitive item inventories at least quarterly as prescribed in basic regulation and DA Pamphlet 710-2-2.

(3) Commanders will appoint an Accountable Property Officer (APO).

(4) A MSSA RO may not exceed an expected 1-year requirement. Review each RO at least annually to purge excess and obsolete items and justify retention of items held in the account.

(5) The APO will maintain formal accountability and records, as set forth in the basic regulation and DA Pamphlet 710-2-2. All special reporting requirements; e.g., CBS-X, SIMS-X, AIMI,

etc., will be met.

(6) An audit trail must be visible for all items processed through the MSSA. The APO is responsible for requisitioning the property and accounting for and protecting property from the time received until issued, transferred, disposed of, or otherwise dropped from accountability through authorized adjustment means.

(7) Transfer of excess mission property will be IAW the basic regulation.

(8) Under a MSSA, normal accountability responsibility transfers to an accountable PBO or project officer with the issue of property items. However, this does not preclude the loan of equipment from the mission property account under jacket file accountability procedures, as prescribed in AR 700-131. Use this procedure when the issue/sale of that property is not feasible or when loans are the most economical and efficient method of support to the customer/project.

(9) A MSSA is appropriate for maintaining accountability and control of standard and nonstandard inspection/test and measuring equipment (gage accounts) used at manufacturing arsenals and materiel development and readiness commands for testing/acceptance of manufactured/rebuilt products. Gage accounts are exempt from the restrictions of paragraph (1) above as it pertains to TDA gages.

(10) Automated MSSAs will adhere to the accountability and stock control policies for the SSA as prescribed in chapter 4, basic regulation, and DA Pamphlet 710-2-2, and obtain approval IAW this supplement, paragraph 4-23b.

Page 70, paragraph 4-26b. Add the following:

Installation commanders have authorization to implement the "full tank" policy as deemed appropriate.

Page 72, paragraph 4-30i. Add the following:

Establish stock record accountability for materiel turn-ins within 3 workdays.

Page 75, paragraph 4-34o(16). Add the following:

The commander or civilian supervisor of the Stock Record Officer will approve bulk fuel adjustments.

Page 76, paragraph 4-36a. Add the following:

When you cannot pre-post receipts because of special

circumstances, use the post-post method when adjusting the accountable record. Circumstances that may require the post-post method could include expedited local purchases, direct deliveries, and in other unique circumstances.

Page 77, paragraph 4-37b(3). Add the following:

Each installation and/or activity will develop and distribute a list of serviceable or economically repairable excess to customers. Customers will review this listing for possible excess usage prior to acquisition of new similar items. This listing development can be at either the equipment management or SSA functional office level of command.

Page 77, paragraph 4-37b(5). Add the following:

Report installation equipment IAW AMC-R 755-9.

Page 77, paragraph 4-37. Add subparagraph e:

e. Follow the provisions of AR 755-3, on the recovery and utilization of precious metals to implement a Precious Metals Recovery Program (PMRP). Precious metals include items of and scrap material containing gold, silver, platinum, palladium, rhodium, iridium, osmium, and ruthenium. Items containing precious metals are assigned a precious metals indicator code of "D" through "Z" or "2" as outlined in AR 755-3. Users of precious metals will acquire them from Federal sources as prescribed by AR 755-3.

Page 77, paragraph 4-38. Add subparagraph h:

h. Submit requests for establishing a cannibalization point through command channels to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 79, paragraph 4-44f(1). Add the following:

Within AMC the SRO may use AMC Form 1381-1A, Storage Data Request, as the authorized issue document.

Page 80, paragraph 4-44h. Add the following:

This supplement, paragraph 4-11g, cites detailed examples of loan transactions/documents.

Page 80, paragraph 4-44. Add subparagraph l:

l. The MSCs and the U.S. Army Test, Measurement, and Diagnostic Equipment (TMDE) Activity (USATA) are responsible for verifying the accuracy of stock record accounts of subordinate units, installations, and activities. The AMC I&SA is responsible for verifying the accuracy of stock record

accounts of AMC direct reporting units, installations, and activities.

(1) Upon notice of unit, installation, or activity discontinuation; the MSC, USATA, or AMC I&SA, as appropriate, will make arrangements to verify the accuracy and completeness of stock record accounts, and supporting documents. Initiate the verification process within 10 workdays after reducing all on hand balances to zero, of the stock record account.

(2) Include as part of the verification process that--

(a) On hand balances are zero for each accountable record.

(b) Turn-in or transfer all items to another authorized accountable record.

(c) Cancel all open supply requests.

(d) Properly close all voucher registers.

(e) Cancel the assigned Department of Defense Activity Address Code (DODAAC).

(f) Rescind the stock record officers' appointment.

(3) If not satisfied with the results of closing the accountable record, the MSC, USATA, or AMC I&SA will direct actions to correct any discrepancies. The MSC or USATA will notify the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190 of corrective action undertaken and estimated completion date.

(4) When satisfied that all required actions are complete and no formal audit; i.e., Criminal Investigation Division or AR 15-6 investigation is necessary, the MSC or USATA will prepare a statement certifying all actions in paragraph (2) above as completed. Issue the statement to the unit, installation, or

activity discontinued and furnish a copy to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

Page 80, paragraph 4-45e. Add the following:

With the exception of bulk fuel managed through FAS, the consolidated installation SRA will account for bulk petroleum products held awaiting further distribution.

Page 81, paragraph 4-47d(2). Add the following:

Each SSA and MSSA will acquire a derivative Unit

Identification Code (UIC) for their stock record account. Submit requests for a derivative UIC through command channels to the Commander, U.S. Army Materiel Command, ATTN: AMCRM-MT-M, 5001 Eisenhower Avenue, Alexandria, VA 22333-0001. Use the derivative UIC to report CBS-X transactions for the stock record accounts.

Page 82, paragraph 4-48. Add the following:

The consolidated stock record will perform the functions of the Ammunition Supply Point.

Page 172, table B-7, For TDA Organizations, Add the following:

The next level of supervision will evaluate primary hand receipt holders annually. Property book and supply support activity operations will be evaluated by each accountable officer's next level of supervision/or disinterested party, on an annual basis. Installation/activity commands, major subordinate commands, and UIC commands with a property book officer will be evaluated by the MACOM biennially.

Page 172, table B-7, TDA Organizations utilize table below:

FOR TDA ORGANIZATIONS
EVALUATED ORGANIZATIONS

<u>FREQUENCY</u>	PHRH	PBO/SRO	MSC & UIC
			with PBO
Annual	By Immediate Supervisor		
Annual		By Immediate Supervisor/ Disinterested Party	
Biennially		By MACOM	By MACOM

The proponent of this supplement is the U.S. Army Materiel Command Installations and Services Activity (AMC I&SA). We invite users to send comments on DA Form 2028, Recommended Changes to Publications and Blank Forms, to the Director, AMC I&SA, ATTN: AMXIS-L, 1 Rock Island Arsenal, Rock Island, IL 61299-7190.

FOR THE COMMANDER:

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AMC I&SA/AMXIS (50)
AMCIO-I-P Stockroom (20)

Appendix H - Continued

COMPLETION INSTRUCTIONS BY BLOCK OR COLUMN

<u>Block or Column</u>	<u>Instructions</u>
NSN	Enter stock number. The Consolidated Glossary of AR 710-2 defines durable items.
NOUN	Enter Item Nomenclature.
PRICE	Enter unit price of latest acquisition or from AMDF.
DOCUMENT NUMBER	Enter the document number from the expendable/durable document register.
RECEIVED	Enter the quantity received from the supporting SSA.
T/I	Enter the quantity turned in to the supporting SSA.
OH	Enter total balance on hand by all users supported by your expendable/durable document register. Maintain a running balance.
ISS	Enter quantity issued on this document number to a single customer.
RETURNED	Enter quantity returned by customer.
DATE	Enter date of transaction.
ISSUED TO/ RETURNED FROM	Enter signature and office symbol of person receiving or returning durable property.