



UNITED STATES MARINE CORPS
I MARINE EXPEDITIONARY FORCE
U. S. MARINE CORPS FORCES, PACIFIC
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CAMP PENDLETON, CA 92055-5300

IN REPLY REFER TO:

4400

G-4/Sup

12 OCT 2011

POLICY LETTER 13-11

From: Commanding General
To: Distribution List

Subj: I MARINE EXPEDITIONARY FORCE (I MEF) PHYSICAL INVENTORY
CONTROL PROGRAM

Ref: (a) NAVAUDSVC memo 7510 N2010-NIA000-0038.002 dtd 09
Feb2011
(b) HQMC msg dtg 171419Z Jun 11, Periodic Spot
Inventories

Encl: (1) Sample MSC Quarterly Inventory Control Report
(2) Sample MSC List of Spot inventory

1. Situation. Recent audits conducted by the Naval Audit Service and other Department of Defense agencies have identified systemic inventory control problems with United States Marine Corps ground supply equipment. Reference (a) directs I MEF to establish an inventory control program with the aim of identifying negative inventory trends. Inventory performance expectations are 98 percent accurate for Store Account Code (SAC) 1 items and 100 percent accurate for SAC 3 items. Reference (b) directs I MEF to conduct quarterly spot inventories and sets timeframes to execute inventory adjustment and property receipt transactions.

2. Mission. Beginning fourth quarter 2011, Major Subordinate Commands (MSC) will conduct a quarterly property inventory trend analysis. This analysis will include data from using unit completed annual wall-to-wall inventories and spot inventories.

3. Execution. The MSC Quarterly Inventory Control Report will be submitted to the Commanding General, I MEF (G-4) no later than 30 days after the last day of the quarter. Additionally, MSCs will also submit an annual report to I MEF G-4 indicating whether all using units completed the annual inventory requirement. This report is due no later than 1 November of the current year.

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4. Administration and Logistics. Format for the MSC Quarterly Inventory Control Report will be as follows and per enclosure (1):

a. Annual Inventory Trend Results

(1) Total value of accounts represented in the report.

(2) Property gains as a result of the inventories:

(a) Amount of administrative gains.

(b) Amount of physical gains.

(3) Property losses as a result of the inventories:

(a) Amount of administrative losses.

(b) Amount of physical losses.

(4) Account value after the recommended property Adjustments.

(5) Trends:

(a) Physical gains and/or losses. Actual on hand compared to unit records. Errors in this category could indicate problems at the using unit regarding proper receipt and transfer transactions.

(b) Administrative gains and/or losses. Instance where overages or shortages were not found, but errors in the unit's accountable records were detected. No physical gain or loss occurred. Excess administrative property adjustments can indicate procedural knowledge deficiencies.

(c) Timely updates of unit records. Report on using unit supply personnel timeliness of updating accountable records per the references. Using unit accounting records must be brought into alignment with the actual on-hand quantity upon conclusion of required inventories, and at any other time imbalances are discovered.

b. Spot Inventory Results. See reference (b) for spot inventory guidance. I MEF defines 10 percent of Type I inventory as being 10 percent of the total Type I Table of Authorized Material Control Numbers (TAMCN) held by a using

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unit. Once inventoried, TAMCN will not be repeated until all TAMCN have been inventoried. Electronic Key Management System and Small Arms are exempt from this, and will be inventoried monthly. The Spot inventory requirement is waived during the quarter a wall-to-wall inventory is conducted.

(1) Each MSC will report the percentage of using units that completed the quarterly spot inventory and also the overall inventory accuracy per enclosure (2).

(2) Inventory accuracy is defined as on hand quantity divided by property record quantity.

5. Command and Signal. The point of contact for this Policy Letter is the I MEF G-4 Supply Chief at (760) 763-0647.



R. F. CASTELLVI
Chief of Staff

Distribution: I, II