

Encl 3
DLAI 4145.4
AR 740-3
AFJMAN 23-231
NAVSUPINST 4400.100
MCO 4450.15

CHARTER FOR THE DEFENSE STOCK READINESS GROUP (DSRG)

1. OBJECTIVES. The DSRG is a permanent forum established to develop and recommend changes to policy and guidance on Stock Readiness (SR), including the Care of Supplies in Storage (COSIS) throughout the Military Services and Defense Logistics Agency (DLA). Special areas of interest include the following:

1.1 The inspection and reporting of condition and serviceability of materiel.

1.2 The scheduling, controlling, and reporting of packaging and other cost reimbursable actions in support of depot receiving operations.

1.3 Uniform COSIS procedures.

1.4 Uniform procedures for minor repairs, testing, exercising of materiel, and associated packaging aspects of these efforts.

2. RESPONSIBILITIES. The DSRG is responsible for operating under sections 3 and 4 below, and for initiating issues, and resolving differences. Specific membership is recommended by the chair, using the selection criteria developed by the DSRG. The DSRG is composed of the following:

2.1 DLA - (HQ DLA J-373) designee who is the permanent chair of the DSRG.

2.2 DLA – Defense Distribution Center (DDC) designee.

2.3 Army Materiel Command designee.

2.4 Naval Supply Systems Command (NAVSUPSYSCOM) designee.

2.5 Air Force Materiel Command (AFMC) designee.

2.6 United States Marine Corps, Deputy Chief of Staff for Installation and Logistics designee.

3. FUNCTIONS

3.1 DSRG members shall provide and/or exchange information and develop, coordinate, and recommend SR policy, work together to detect and recommend solutions to SR policy problems, and promote the standardization of SR procedures within DoD. Consideration shall be given to individual Military Service or Agency unique requirements.

3.2 The DSRG shall establish working groups as required to improve operational SR techniques and processes, study and resolve specific SR issues common to the Military Services and DLA to avoid duplication of effort and promote standardization.

4. PROCEDURES

4.1 Organization. The DLA J-373 member shall chair the DSRG, and will designate a member to serve as the Executive Secretary (ES).

4.2 Meetings. The DSRG shall meet annually or at the call of the chair, who shall designate the dates and location of the meeting, and notify the ES. The ES shall notify DSRG membership and invited activities and request proposed agenda topics at least 60 days before the meeting date.

4.3 Agenda. Members shall provide proposed agenda topics, with talking papers, to the ES and other members 30 days before the meeting. The ES shall develop and distribute the final agenda at least 15 days prior to the meeting.

4.4 Minutes. The ES shall prepare the meeting minutes and submit them to the chair within 30 days after each meeting.

4.5 Travel Funds. The participating organizations shall provide travel funds for their members to participate in the DSRG meetings.

4.6 Decision-Making Process. DSRG is a decision-making group that recommends SR policy to DLA J-373. Policy recommendations shall be determined as follows:

4.6.1 Discuss the issue, provide input, request more information, if necessary.

4.6.2 Discuss alternatives.

4.6.3 Determine by collective voice vote if consensus, i.e., general agreement, has been reached.

4.6.4 If consensus has not been reached, identify points of conflict and agreement, and attempt to negotiate a solution.

4.6.5 If consensus still has not been reached, a motion on the issue must be made and passed by a majority vote. If the vote results in a tie, the chair has the right to cast the deciding vote. The chair may also choose not to vote, in which case the tie fails for lack of a majority vote.

4.6.6 Detailed rebuttals concerning majority approved issues may be made in writing to the chair not later than 45 days after publication of the meeting minutes, for timely review and decision. Rebuttals must be fully substantiated to support opposing positions.

4.7 Guests. Members shall be responsible for the invitation of their respective Service and/or Agency guests. To maintain the effectiveness of the DSRG, guests should be limited to those who may contribute significantly to the established agenda. Guest attendance is subject to approval by the chair, or the ES in the absence of the chair.

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ACRONYMS

AF	Air Force
AFJMAN	Air Force Joint Manual
AR	Army Regulation
ASAM	Aviation Safety Action Message
CC	Supply Condition Code
COSIS	Care of Supplies in Storage
DD	Defense Distribution Depot (also known as Defense Distribution Center)
DDC	Defense Distribution Center
DLA	Defense Logistics Agency
DLAD	Defense Logistics Agency Directive
DLAI	Defense Logistics Agency Instruction
DLAM	Defense Logistics Agency Manual
DLAR	Defense Logistics Agency Regulation
DLR	Depot Level Repair
DoD	U. S. Department of Defense
DRO	Disposal Release Order
DSC	Defense Supply Center
DSRG	Defense Stock Readiness Group
FLIS TIR	Federal Logistics Information System, Total Item Record
FRA	Field Return Activity
ICP	Inventory Control Point
ITSC	Item Type Storage Code
JON	Job Order Number
MCO	Marine Corps Order
MIPR	Military Interdepartmental Purchase Request
MRO	Materiel Release Order
N/A	Not Applicable
NAVSUP	Navy Supply System Command
NAVSUPINST	Navy Supply System Command Instruction
NSN	National Stock Number
PMRD	Pre-positioned Materiel Receipt Document
POC	Point of Contact
PWD	Procurement Work Directive
SDR	Supply Discrepancy Report
SOF	Safety of Flight
SOU	Safety of Use
SPI	Special Packaging Instruction
SR	Stock Readiness
USMC	United States Marine Corps

Appendix A
U.S. Army Specific Procedures for Stock Readiness
(Including Single Stock Fund)

A-1 Purpose and Scope. This appendix provides supplemental, Army-unique requirements for the execution of the Army SR/COSIS program for all levels of supply.

A-2 Packaging. Unless otherwise directed by the inventory control point (ICP) or the Defense Supply Center (DSC) materiel manager, materiel will be stored in the packaging prescribed by the ICP/DSC Packaging Office. New/overhauled materiel will be stored in the unopened vendor pack. Commanders will ensure that materiel is stored consistent with the item type storage code (ITSC) in Federal Logistics (FEDLOG) or Federal Logistics Information System (FLIS), Total Item Record (TIR), unless deviation is approved in writing by the ICP/DSC.

a. Materiel will not be stored or shipped in unserviceable containers. Containers shall be refurbished whenever deterioration is detected. Refurbishment of containers includes, but is not limited to, those actions such as replacement of seals, hardware, humidity indicators, desiccant, skids, minor corrosion removal, and spot painting to include stenciling. Reusable containers requiring repair beyond minor refurbishment shall be replaced. Replacement containers will be requisitioned, as necessary.

b. Each installation will operate an active container reclamation program. This will allow the maximum availability and reuse of Special Packaging Instruction (SPI) containers and other reusable containers and packaging materials used to package reparable and recoverable items (see paragraph A-9c).

c. Repairs to Packaging. All packaging deterioration detected will be promptly repaired prior to storage or shipment.

d. All costs for packaging related to maintenance programs, to include packaging of unserviceable returns and refurbishment, and/or replacement of containers, will be included in the costs of the maintenance program.

A-3 Receiving Operations. Installation receiving operations will be conducted in accordance with the SR receiving procedures contained herein. Materiel will not be processed for storage or shipment prior to confirmation that the materiel is properly identified, properly classified, properly packaged, and includes all required historical documentation. Materiel suspended in supply condition code (CC) "L" for a shipping or packaging discrepancy shall be provided at least minimal protection to prevent further deterioration until disposition is received from the ICP/DSC.

a. Receipt of materiel shipped from commercial and organic vendors (acceptance at origin).

(1) Inspect Packaging. Do not open the unit pack unless there is a reason to suspect that the packaging is substandard or damaged.

(a) Check the applicable contract (if available) or ICP/DSC Packaging Data File for packaging requirements to see if a reusable container is required. If required, verify that the materiel is packed in the specified container or an authorized/approved alternate pack.

(b) Ensure that the unit pack is appropriate to the level of packing specified.

(2) If the materiel is packaged correctly, place the materiel in storage in the appropriate CC. If a discrepancy is noted, prepare a packaging Supply Discrepancy Report (SDR), formerly known as a Report of Discrepancy (ROD), in accordance with paragraph A-4, and place in CC "L," awaiting disposition by the Administrative Contracting Office (ACO) or ICP/DSC.

b. Receipt of below depot level repair customer returned materiel.

(1) If the materiel is packaged in an unopened vendor pack, inspect the packaging for deterioration. Inspect for appropriate markings. If no discrepancies are noted, place the materiel in storage in the appropriate CC.

(2) If the package shows evidence of being opened, proceed as follows:

(a) Identify the item by comparing the NSN in the Federal Logistics File (FEDLOG) for the part number marked on the item with the NSN on the supply documentation. If the item is incorrectly identified, prepare a shipping SDR in accordance with paragraph A-4.

(b) Determine the materiel condition and completeness to the extent possible by visual inspection. If the materiel condition classification cannot be determined, receipt the materiel in CC "K" and prepare a shipping SDR requesting ICP/DSC assistance.

[1] If the materiel is determined to be incorrectly classified, prepare a shipping SDR in accordance with paragraph A-4. Place the materiel in storage in the appropriate CC pending disposition instructions from the ICP/DSC.

[2] If the materiel is determined to be correctly classified, and is in the appropriate package, place the materiel in storage in the appropriate CC.

[3] If the materiel has a packaging discrepancy, but no shipping discrepancies were noted, prepare a packaging SDR in accordance with paragraph A-4. Repackage the materiel and place in storage.

[4] If the materiel requires repackaging and shipping discrepancies were noted, prepare a dual SDR in accordance with paragraph A-4. Hold the materiel in CC "K" pending disposition instructions from the ICP/DSC.

c. Receipt of depot level repairable customer returned materiel

(1) Check the FEDLOG packaging data file for a long life reusable container (LLRC) requirement. The required container NSN and/or part number is included in the item's FEDLOG Packaging File in the Container NSN block for items for which a Special Packaging Instruction (SPI) is published, and in the supplemental data field when the item does not have a SPI. When a LLRC is required, process the materiel in accordance with paragraph A-3c(2). When there is no requirement for an LLRC, open the package and inspect as follows:

(a) Identify the item by comparing the NSN in FEDLOG for the part number marked on the item with the NSN on the supply documentation. If the item is incorrectly identified, prepare a shipping SDR in accordance with paragraph A-4.

(b) Determine availability of required historical documentation, and the materiel condition and completeness to the extent possible by visual inspection. If required historical documentation is missing or the materiel CC cannot be determined, receipt the materiel in CC "K" and prepare a shipping SDR requesting ICP/DSC assistance.

[1] If the materiel is determined to be classified or identified incorrectly, prepare a shipping SDR in accordance with paragraph A-4. Place the materiel in storage in the appropriate CC pending disposition instructions from the ICP/DSC.

[2] If the materiel is determined to be identified and classified correctly, and is in the appropriate package, place the materiel in storage in the appropriate CC.

[3] If the materiel has a packaging discrepancy and no shipping discrepancies were noted, prepare a packaging SDR in accordance with paragraph A-4. Repackage the materiel and place in storage in the true CC.

[4] If the materiel requires repackaging and has a shipping discrepancy, prepare a dual SDR in accordance with paragraph A-4. Hold the materiel in CC "K" pending disposition instructions from the ICP/DSC.

(2) If the ICP/DSC packaging data file requires the use of an LLRC, proceed as follows:

(a) Inspect the container to determine that it is the right container and that it is serviceable. If the container is different from that required by the ICP/DSC, or if the container is unserviceable, prepare a packaging SDR in accordance with paragraph A-4, and requisition the required container.

(b) Open the container and identify the item by comparing the NSN in FEDLOG for the part number marked on the item with the NSN on the supply documentation. If the item is incorrectly identified, prepare a shipping SDR in accordance with paragraph A-4.

(c) Determine availability of required historical documentation, and the materiel condition and completeness to the extent possible by visual inspection. If required historical documentation is missing or the materiel condition classification cannot be determined, receipt the materiel in CC "K" and prepare a shipping SDR requesting ICP assistance.

[1] If the materiel is determined to be classified or identified incorrectly, prepare a shipping SDR in accordance with paragraph A-4. Place the materiel in storage in the appropriate CC pending disposition instructions from the ICP/DSC.

[2] If the materiel is determined to be identified and classified correctly, and is in the appropriate package, place the materiel in storage in the appropriate CC.

[3] If the materiel has a packaging discrepancy, but no shipping discrepancies were noted, prepare a packaging SDR in accordance with paragraph A-4. Repackage the materiel and place in storage in the true CC.

[4] If the materiel requires repackaging and has a shipping discrepancy, prepare a dual SDR in accordance with paragraph A-4. Hold the materiel in CC "K" pending disposition instructions from the ICP/DSC.

d. Receipt of below DLR materiel through inter-depot transfer (IDT). Process in accordance with paragraph A-3b.

e. Receipt of DLR Materiel on IDT

(1) If the materiel is packaged in an unopened vendor pack, inspect the packaging for deterioration. Inspect for appropriate markings. If no discrepancies are noted, place the materiel in storage in the true CC.

(2) If the packaging appears to have been opened or if discrepancies are noted, complete inspection in accordance with paragraph A-3c.

A-4. Discrepancy reporting

a. Discrepancies incident to shipment will be noted on the Government bill of lading. An SF 361, Transportation Discrepancy Report (TDR), will be prepared by the receiving organization and the materiel received in CC "L" pending resolution of the TDR.

b. Packaging and shipping SDRs will be prepared in accordance with reference A3 of the basic instruction. In all cases, a copy of the SDR will be provided to the ICP/DSC SDR control point.

(1) The report shall include the quantity and condition of the materiel, cost of labor and materials to resolve the discrepancy, and any relevant remarks.

(2) Ensure that each packaging SDR is either accompanied by a legible copy of the DD Form 1348-1A, Issue Release/Receipt Document, or that the condition of the materiel shipped and the DoDAAC of the shipper are clearly identified on the SF 364.

(3) To ensure proper processing of the SDR, indicate in the remarks block of the SF 364 whether materiel is a major or secondary item. To determine if an item is major or secondary, the materiel category code (MAT-CAT-STR-CD) must be accessed. If the second position is a two (2), the item is a secondary item. Any other code in the second position indicates that the item is a major item.

(4) Packaging SDRs for vendor shipments will be sent to the ACO for action and disposition instructions. Additional copies will be distributed in accordance with reference A3 of the basic instruction. When released by the ACO, any required packaging will be directed and reimbursed by the ICP/DSC. If the ACO does not authorize the activity to correct the packaging, then the ACO will concurrently provide disposition instructions for the materiel.

(5) Packaging discrepancies for receipts of all major items and for all items received without a PMRD will require authorization from the ICP before the DD may accomplish the corrective action. The SF 364 will be annotated in Block 23 by the ICP SR coordinator as approved or not approved for corrective action.

A-5. Standard COSIS. The installation Director of Logistics (DOL) will survey the condition of materiel and its packaging on a periodic basis.

a. Class V materiel must be inspected periodically per A-5a(1) and A-5a(2) below. See references A12, A13, and A14 of the basic instruction, and supplementing Ammunition Information Notices for inspection policies and procedures.

(1) All inspections and tests involving ammunition and explosives will be conducted by Quality Assurance Specialist (Ammunition Surveillance) (QASAS), GS-1910 series (career program 20).

(2) Under the direction of a QASAS, military ammunition inspectors(SSG/SFC) (MOS 55B) and designated civilian technicians (including local nationals at OCONUS locations) may supplement and assist the QASAS in the accomplishment of ammunition surveillance functions.

b. General Supply Materiel in Storage

(1) The stored materiel will be inspected for conformance with applicable ICP storage serviceability standards.

(2) In the event that there are no storage serviceability standards outlining the frequency of inspection, the installation DOL will, as a minimum, inspect materiel as shown in table below:

Frequency of inspections at organizations storing DOD materiel	
Type of storage	Frequency (Months)
Controlled humidity	60
Controlled temperature	30
Non-controlled temperature	24
Shed storage	12
Open storage	6
Hazardous/flammable	6

(3) Standard COSIS inspections shall, as a minimum, consist of a visual survey of the materiel in storage. The survey shall consist of the following:

(a) Inspect for deterioration of the unit pack and/or marking. Inspect LLRCs, including any humidity indicators, in accordance with container guidance published by the ICP.

(b) Materiel requiring minor repair will be corrected on the spot. If discrepancies beyond minor repair are noted, the DOL will report them to the ICP for special reimbursable COSIS and/or disposition instructions, in accordance with paragraph A-6.

(4) Materiel in storage will be packed, at a minimum, to the lowest level authorized by the ICP and stored in accordance with the appropriate item type storage code. The minimum levels of packing to be observed in the SR program are identified in the following table.

Minimum levels of packing				
Type Materiel	Type Storage	Materiel Condition Code	Reusable Container Required?	Minimum Level of Packing
Consumable	Outside	All Codes	No	A
Consumable	Inside	Serviceable	No	B****
Repairable	Outside	All Codes	*	A***
Repairable	Inside	All Codes	Yes*	B***
Repairable	Inside	Serviceable	No	B**
Repairable	Inside	Unserviceable	No	Minimal
* If a reusable container is specified in the ICP/DSC packaging file, it is the only approved method of pack. The affected ICP/DSC Packaging Office must approve alternate packaging in writing. The storing activity should initiate the request by FAX, E-mail, or telephone call.				
** If packaging is adequate/good condition level B or minimal military packing, then do not repackage. If repackaging is required, repackage to military preservation with level B packing,				

unless weight/dimensions exceed specification limitations for fiberboard boxes. Then repackage military preservation with level A packing.

*** If containers are not immediately available, the storage activity will order the required containers. The items will be packaged military preservation with minimal military packing for inside storage until the reusable containers become available.

**** Materiel used exclusively in depot overhaul programs (maintenance level DD) may be stored in with minimal/vendor commercial packaging.

A-6. Special (reimbursable) COSIS

a. The installation DOL will recommend materiel for reimbursable COSIS based on deterioration detected as a result of cyclic inspections. Corrective actions will be as directed by the ICP. An approved DD Form 1225 will be required for reimbursement of any reimbursable action on materiel in storage requiring more than 1 hour to perform. Severity of the deterioration noted will be indicated on the DD Form 1225 in Block 35 as follows:

(1) Critical - Materiel is in immediate danger of deteriorating to a lower condition classification.

(2) Major - Materiel is deteriorating and is likely to be in a lower condition classification at the next COSIS cycle.

(3) Minor - Materiel is not in the packaging specified by the ICP.

b. When a DOL identifies an item as a candidate for reimbursable COSIS, standard COSIS will be performed on all like items in storage. A DD Form 1225 will be prepared for each line item in each CC and forwarded to the ICP SR coordinator. Refer to enclosure 2 of the basic instruction for guidance on completing DD Form 1225. The ICP SR coordinator will review the item for excess stock position, cost of action vice value of materiel, etc., and promptly approve or disapprove the COSIS action request.

(1) When the ICP disapproves the COSIS request, the ICP will concurrently provide disposition instructions for the materiel.

(2) When the ICP approves the COSIS request, the ICP will return the DD Form 1225 to the DOL for action. Upon completion of the authorized reimbursable COSIS, the DOL will annotate the DD Form 1225 with the cost of the action and return it to the ICP.

A-7. Exercising and testing requirement. The ICP will identify the appropriate requirements and the frequency for exercising and testing equipment.

a. The DOL will exercise equipment in storage in accordance with instructions specified by the managing ICP.

b. The DOL will test equipment in storage in accordance with instructions specified by the managing ICP, and mark equipment with the date tested and the date that re-testing is due, so that personnel can easily recognize readiness for issue.

c. The DOL will prepare requests for reimbursable COSIS funding using DD Form 1225 in accordance with paragraph A-6b. All work that the DOL completes will be identified as directed by the ICP.

A-8. Special inspections. Special inspections are actions that result from a safety of use (SOU) message, an aviation safety action message (ASAM), a safety of flight (SOF) message, or a special request from the ICP/DSC.

a. All storage activities will comply with inspection requirements as directed by ICPs/DSCs.

b. For DOLs only, all actions that are required to comply with ICP/DSC directed special inspection requirements are cost reimbursable. All work that the DOL completes will be identified as directed by the ICP/DSC. DD Form 1225 will be completed in accordance with paragraph E5 of the basic instruction.

A-9. Disposal release orders (DRO)

a. When a DRO is received for a partial quantity of materiel in storage, the DRO will be filled with the poorest quality stock at the storing activity. Prime candidates for selection are materiel in improper packaging, deteriorated packaging, and oldest date of pack.

b. Materiel destined for disposal actions will not be subject to COSIS. Normally, no labor or material will be expended to correct packaging discrepancies, except as needed for hazardous materials to comply with applicable regulations, or to comply with specific ICP/DSC instructions.

c. When materiel destined for disposal is packed in an LLRC, the storing activity will contact the owning ICP before completing the DRO to determine if the ICP wants to retain the containers.

A-10. SR reimbursable expenditures to installation DOLs. Cost reimbursable expenditures will only be honored when properly documented on DD Forms 1225.

Appendix B
U.S. Navy Specific Procedures for Stock Readiness

~Reserved~

Appendix C
US Air Force Specific Procedures for Stock Readiness

~Reserved~

Appendix D
US Marine Corps Specific Procedures for Stock Readiness

~Reserved~