

APPENDIX E-273 P

MATERIEL READINESS STUDY/HI-FIVE BACKORDER ITEMS SUMMARY

1. REFERENCE

DLAR 4140.3, Materiel Readiness Study.

2. PURPOSE

To provide procedures for the DSCs to respond to HQ DLA request for a Materiel Readiness Study, the Hi-Five Backorder Item Summary, or for reporting DSC designated critical item to HQ DLA.

3. SCOPE

This procedure is applicable to all DSCs.

4. FORM/FORMAT USED

a. The Materiel Readiness Study is submitted upon the DLA Form 565.

b. The Hi-Five Backorder Item Summary will be submitted in the format described in subsequent paragraphs of this procedure.

c. DSC designated critical items will be submitted based upon locally prescribed form/format.

5. FREQUENCY

As required under (RCS DLA(AR)665(O)) IAW the reference.

6. RESPONSIBLE ORGANIZATIONAL ELEMENT

a. IMs in Inventory Management Divisions of DSO will furnish all data for preparation of reports upon request of the Materiel Support Branch, MSO, DSO.

b. The Materiel Support Branch, MSO, DSO, will prepare and submit the appropriate report to reach DLA no later than 10 calendar days after receipt of the request from HQ DLA.

c. IMs will also include each Materiel Readiness Study item in the Key Essential Item Report (DLA(Q)166(O)) as prescribed in appendices B-193, B-194, and E-193 P.

7. PROCEDURES/INSTRUCTIONS FOR PREPARATION OF FORM/REPORT

a. SOURCES OF INFORMATION

(1) DLAR 4140.3, subject: Materiel Readiness Study.

(2) Supply Control Study (SCS), (DLA Form 690) chapter 34. Printout for a specific NSN/Family Number may be requested with DIC ZR9 IAW appendix E-179 P.

(3) Backorder File (printed listing of items placed on backorder). Printout for a specific NSN/Family Number may be requested with DIC ZCK with Action Code CN (see appendices B-170 and F-145) or DIC ZLH (see appendices B-211 and F-997).

(4) SPR Forecast Record (printed listing), chapter 58, appendix F-251. Printout for a specific NSN/Family Number may be requested with DIC ZR7 with Action Code GA IAW appendix E-088 P.

(5) Due-In File (printed listing), appendix F-184. Printout for a specific NSN/Family Number may be requested with DIC ZCJ with Action Code KI IAW appendix E-117 P.

b. PREPARATION OF FORM/REPORT

(1) Prepare or complete DLA Form 565 for each item as follows:

<u>BLOCK NUMBER</u>	<u>TITLE/INSTRUCTIONS</u>
Heading	FROM - Enter name of DSC. REPORT DATE - Enter report date, Day, Month, and Year. Study covers a complete month; normally from the first calendar day of the month to and including the last calendar day of the month. Deviations, if any, should be specifically noted under remarks on DLA Form 565. Report date will always be the first calendar day of the subsequent month. SUBMISSION DATE - Enter current date, Day, Month, and Year. Studies will be submitted to reach DLA no later than the tenth calendar day of each month. NOMENCLATURE - Enter Item Name. Item identification is located in Header Data of SCS. NSN - Enter National Stock Number/Family Number from Header Data of SCS. UNIT OF ISSUE - Enter UI from Header Data of SCS.
PART I	BACKGROUND
Line I	BACKORDERS
1A	TOTAL - Enter backorder quantity as of report date from block 41B or 15H of the SSCS.

BLOCK
NUMBER

TITLE/INSTRUCTIONS

- 1B This section is reserved to identify backorders for a specific geographical area, project, program, or Military Service which generated requirements of such magnitude as to be a significant contributing factor in the current critical supply status of the item. Use of this section is optional for DSC selected items and as specified for HQ DLA directed items. Multiple entries may be used. To complete this section, identify specific area, project, program, and/or Military Service, followed by a memo entry in parentheses of the attributable backorders. Such backorders are included in the total quantity reflected in block 1A.
- Line 2 WAR RESERVE
- 2A OTHER WAR RESERVE MATERIEL REQUIREMENT PROTECTABLE (OWRMRP) - From block 40B or 14H of the SSCS, enter the OWRMRP for the item.
- 2B OTHER WAR RESERVE MATERIEL REQUIREMENT BALANCE (OWMRB) - Enter that quantity of the OWRMR which is not included in the OWRMR. The OWRMR appears in block 22H of the SSCS.
- Line 3 SAFETY LEVEL - Enter quantitative safety level for item from block 42B or 16H of SSCS.
- Line 4 AVERAGE MONTHLY DEMAND (AMD)
- 4A CURRENT - Enter AMD used at date of current study in projecting recurring requirements. Quarterly Forecast Demand shown in second Header Line of SSCS may be divided by three.
- 4B THREE MONTHS AGO - Enter the AMD of third month prior to reporting period. Data may be obtained from line 4A (AMD) of third previous Materiel Readiness Study, if available, or estimated from Demand History portion of SSCS (for example, the sum of SSCS blocks 11F and 11G divided by three).
- 4C TWELVE MONTHS AGO - Enter the AMD of the same monthly period of the last calendar year. Data may be obtained from line 4A (AMD) of Materiel Readiness Study for same monthly period of preceding year, if available, or estimated from Demand History portion of SSCS (for example, the sum of SSCS blocks 11L and 11M divided by three).

BLOCK
NUMBER

TITLE/INSTRUCTIONS

PART II

REQUIREMENTS

Heading

Enter in parentheses the month or inclusive calendar months of the quarter to which the quantities pertain: (Entries to appear on study to be submitted NLT 10 August are shown in parenthesis below for example.)

a AS OF REPORT DATE. (1 Aug 74)

CURRENT QUARTER

b 1ST MONTH (Jul 74)

c 2ND MONTH (Aug 74)

d 3RD MONTH (Sep 74)

SUBSEQUENT QUARTERS

e 1ST QUARTER (Oct-Dec 74)

f 2ND QUARTER (Jan-Mar 75)

g 3RD QUARTER (Apr-Jun 75)

Line 5

TOTAL SYSTEM CUMULATIVE - Column b will be blank when report submission date is in the second or third month of the current quarter. Column c will be blank when report submission date is the third month of the current quarter. Columns e through g will always contain entries.

5a

AS OF REPORT DATE - Enter the sum of line 1A (Backorders) plus line 2A (OWRMRP) plus line 3 (Safety Level). Example: Requirements as of 1 August for study to be submitted NLT 10 August.

5b

1ST MONTH - Enter the sum of line 5a (Total System Cumulative Requirements as of Report Date) plus line 4A (Current Average Monthly Demand) and any SPRs for first month of current quarter. A printout of all SPR records in the SCF for a specific NSN/Family Number by support date is requested by SPR Inquiry, DIC ZR7, Action Code GA, see appendix B-88 (paragraph 4a(4) above). Example: Month of July data for study to be submitted NLT 10 August.

5c

2ND MONTH - Enter the sum of line 5b (or line 5a if no entry in line 5b) plus line 4A (AMD) and any SPRs for the second month of current quarter. Example: Month of August for study to be submitted NLT 10 August.

5d

3RD MONTH - Enter the sum of line 5c (or line 5b/line 5a if no entry in line 5c/5b) plus line 4A (AMD) and any SPRs for third month of current quarter. Example: Month of September for study to be submitted NLT 10 August.

<u>BLOCK NUMBER</u>	<u>TITLE/INSTRUCTIONS</u>
5e thru 5g	1ST QTR, 2ND AND 3RD QTR - Enter the sum of line 5 in preceding column plus AMD and any SPR- for each Quarter. Example: Oct-Dec, Jan-Mar, Apr-Jun, for study to be submitted NLT 10 August.
Line 6 6a thru 6g and Line 7 7a thru 7g	Identify cumulative requirements for specific geographical area(s), project(s), program(s), and/or Services identified in Line 1B and applicable to Line 5. Optional for DSC selected items and/as specified for HQ DLA directed items. To complete, identify the program or project, and enter as a memo entry in parenthesis, applicable requirements included in Line 5.
PART III ASSETS	
Line 8	ON HAND, READY FOR ISSUE - From block 47B of the SSCS enter the quantity on hand ready for issue as of report date. Example: 1 August for report to be submitted NLT 10 August.
Line 9	DUES-IN, ON CONTRACT - Enter as period figures the scheduled deliveries in the month or quarter to which they pertain, including direct deliveries, of all firm contractual commitments. Data for line 9 may be extracted from Detailed Asset Data on the SSCS or from a printout of the Due-In File, (appendix F-184) obtained with Due-In File Inquiry, DIC ZCJ with Action Code KI in format of appendix B-117 (subparagraph a(5), above). Entries should agree with data on Total Monthly Production line of Production Situation Analysis, RCS DLA(AR)539P. Discrepancies, if any, will be explained in the Remarks column.
Line 10	DUES-IN OTHER (IDENTIFY) - Enter as period figures all other available assets including, but not limited to, unserviceable reparables and items under litigation, in the month or quarter in which they are expected to be ready for issue. Extract data from Due-In File. Identify in remarks. Example remarks: Line 10 - Represents due-in from repairs and returns.
Line 11	PLANNED PROCUREMENTS - Enter planned procurements as period figures in the column representing the months or quarters when deliveries are expected to be made. Line 11 will reflect all Procurement Directives (PDs), in process or planned, which are included in the procurement program, i.e., any PDs for which funds are available or for which funds reasonably can be expected to be available. DO NOT INCLUDE any procurements for which funds clearly will not be available. Obtain data from the SSCS and Due-In File and project for period of study. These figures should agree with entries on DLA Form 440. Discrepancies, if any, will be explained in the remarks column.

<u>BLOCK NUMBER</u>	<u>TITLE/INSTRUCTIONS</u>
Line 12	GROSS ASSETS, CUMULATIVE
12b	Enter the sum of line 8a plus lines 9b, 10b, and 11b. (In study for report date 1 August to be submitted NLT 10 August, line 12b would be blank.)
12c thru 12g	Enter the sum of line 12 in previous column plus lines 9, 10, and 11 in current column. Example: Line 12c will be the total of line 12b plus 9c, 10c, and 11c. (In study for report date 1 August to be submitted NLT 10 August, line 12c will be the total of line 8a plus 9c, 10c, and 11c).
Line 13	NET ASSETS/SHORTAGES
13a	Enter the difference of line 8a minus line 5a. Precede minus entries with a minus sign.
13b thru 13g	Enter the difference of line 12 minus line 5 in each column. Precede minus entries with a minus sign.
REMARKS	<p>Enter any additional data that will assist in interpreting and understanding the figures included in the report. Use an addendum sheet if required. Prepare addendum sheets horizontally. Identify remarks to applicable line/block or study when appropriate. As a minimum, enter unit cost of item, recorded MIL SVC users, reasons for criticality, and actions taken or planned to resolve shortages. Data should also include, but is not limited to, statements explaining conditions such as:</p> <p style="padding-left: 40px;">a. An entry for backorders, line 1B, when there is stock on hand, per line 9.</p> <p style="padding-left: 40px;">b. Lack or entry in line 9 (Dues-In, On Contract) or line 11 (Planned Procurements) beyond the PLT period for the item, when line 13 (Net/Assets/Shortages) indicates a minus position.</p> <p style="padding-left: 40px;">c. Minus entry in line 13 (Net Assets/Shortages) for several months. Concisely explain basic reasons for shortfall to include: (1) why delivery of planned procurement is such that shortfalls still exist, (2) action(s) taken to correct situation, and (3) action(s) in which HQ DLA can assist in resolving problems.</p> <p>Enter the actual SYSTEM GET WELL DATE when the item gets well sometime during the timeframe covered by line 13e, f, or g. SYSTEM GET WELL DATE is that point in future time when the stock position of an item is such that <u>all</u> of the following criteria are met:</p>

BLOCK
NUMBER

TITLE/INSTRUCTIONS

(1) There are no backorders on hand (or the backorders on hand can be released in time to satisfy the customer's required date).

(2) Deliveries from procurement (awarded or planned) are considered sufficient to continue to satisfy forecasted customer requirements for the foreseeable future (anticipated demands through PLT).

(3) The established quantity for a safety level is on hand.

(4) Protectable War Reserve Materiel Requirement (if applicable) is on hand or on order.

d. Enter the date all backorders are expected to be released for any program or project for which requirements are specifically identified, if this data can be readily determined.

ITEM MANAGER

Enter the name of the person managing the item, his/her supervisor, or other designated individual who can be contacted directly and can furnish without delay interpretations as may be required regarding any entry on the report.

EXTENSION

Enter the telephone extension of person listed in IM block.

PROCUREMENT
LEADTIME

Enter the latest normal Procurement Leadtime for the item in months; also enter the expedited Procurement, e.g., 3 months/2 months. Normal Procurement Leadtime can be determined by adding ALT and PLT shown in days in SCS header data and dividing 30. Expedited Procurement Leadtime should be determined from expedited procurement experience.

SIGNATURE

DLA Form 565, and the Hi-Five Backorder Summaries (paragraph 4b(2) below) will be staffed for signature of the Chief, Materiel Support Branch, MSO, DSO. Staffing will be through applicable Inventory Management Division, i.e., Inventory Manager, Section Chief, Branch Chief, and Division Chief.

(2) Prepare an Addendum Hi-Five Backorder Item and Summary Sheet as follows:

(a) List the five items that have the greatest number of requisition lines on backorder. Deviation may be made to coincide with DSC cutoff for reporting RCS: DLA(M)96(O-MIN), Supply Availability and Workload Analysis Report. Data include:

1. NSN, brief description and application, if available.

2. User(s).
3. Lines on backorder.
4. Quantity on backorder.
5. Get-Well Date as described in the remarks block explanation above.

(b) Summary. Include any data that will explain the reason an item has so many lines on backorder, such as unprogrammed increased demands, procurement/production difficulties, added users, technical difficulties, and/or change in application.

(c) Identify any Hi-Five Backorder Item that has also been selected/directed for inclusion in Materiel Readiness Study Reporting.

c. DISTRIBUTION OF FORM/REPORT

(1) A DLA Form 565, Materiel Readiness Study, will be submitted on an as required basis, in original and two copies to HQ DLA, ATTN: DLA-OSM.

(2) A Quantitative stock status tabulation and narrative comments summarizing the current status of the five items which account for the greatest number of requisition lines on backorder as of the monthend cutoff will be submitted in original and two copies to HQ DLA, ATTN: DLA-OSM.

(3) All reports will be submitted no later than 10 calendar days after receipt of a request from HQ DLA.

5. DISPOSITION OF FORM/REPORT AFTER FINAL ACTION

Completed DLA Forms 565 and Hi-Five Backorder Item Summaries in File Number 912.20 will be retained IAW current files maintenance and disposition procedures. Inventory Manager and Commodity Branch may dispose of completed DLA Forms 565 and summaries upon notification from the Materiel Support Branch that item has been deleted from report. Materiel Support Branch copy of completed DLA Form 565 will be used for control purposes and may be retained until no longer required.