



OFFICE OF THE SECRETARY OF DEFENSE

6301 LITTLE RIVER TURNPIKE, SUITE 210  
ALEXANDRIA, VA 22312-5044

*Frank*



DEFENSE LOGISTICS  
STANDARD SYSTEMS OFFICE

DLSSD-B

0 4 AUG 1989

MEMORANDUM FOR COMMANDER, U.S. ARMY MATERIEL COMMAND  
ATTN: AMCSM-M/AMCRM-F  
COMMANDER, NAVAL SUPPLY SYSTEMS COMMAND  
ATTN: SUP 06/SUP 01  
COMMANDANT OF THE MARINE CORPS  
ATTN: LPP/FDA  
DIRECTOR, DEFENSE LOGISTICS AGENCY  
ATTN: DLA-OS  
COMPTROLLER, DEFENSE LOGISTICS AGENCY  
ATTN: DLA-CF

SUBJECT: DoD Joint Physical Inventory Working Group (JPIWG)

The enclosed Memorandum for Record is forwarded for your information.

The DLSSD-BI point of contact is Ms. Linda Walker, (202) 274-6062,

AUTOVON 284-6062.

JAMES R. LEWIS  
Chief  
Distribution Standard  
Systems Branch

1 Attachment



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DLSSD-BI

04 AUG 1989

MEMORANDUM FOR RECORD

SUBJECT: DoD Joint Physical Inventory Working Group (JPIWG)

1. The subject meeting was hosted by the DLSSD and convened at 0800 hours, 17 July 1989, at 6301 Little River Turnpike, Beauregard Square, Alexandria, VA. The list of attendees is at enclosure 1.
2. The following topic was discussed by the group:

Proposed MILSTRAP Change Letter (PMCL) 114A.

(1) Discussion: The group received the revisions made to PMCL 114A, Revised Procedures or Physical Inventory Control. The revisions were based on the staffing comments/recommendations made at the 17-20 April 1989 JPIWG meeting, San Diego, CA.

(2) Disposition: Based on the discussions associated with maximizing inventory resources, monthly location reconciliation, causative research threshold and the annual random statistical sample, the threshold for the Minimum Research Requirements for Potential or Actual Physical Inventory Adjustments Chart, Figure 7-1, was revised as follows:

<u>Condition of Discrepancy</u>	<u>Required Research</u>
1. Value $\leq$ \$1,000.00	1. None.
2. Value $>$ \$1,000.00 but $\leq$ \$5,000.00	1. Post Count Validation. (Research is not required for those adjusted actions resulting from a denial and location reconciliation Type I, Type II or Type IV errors).
3. Value $>$ \$5,000.00 but $\leq$ \$16,000.00 or $>$ 10 percent unit variance and value between \$1,000.00 and \$16,000.00.	1. Post Count Validation. 2. Preadjustment Research. 3. Causative Research.
4. Value $>$ \$16,000.00 or $>$ 25 percent unit variance and $>$ \$5,000.00.	1. Post Count Validation. 2. Preadjustment Research. 3. Causative Research.

0 4 AUG 1989

DLSSD-BI PAGE 2  
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<u>Condition of Discrepancy</u>	<u>Required Research</u>
5. Controlled Inventory Item	1. Post Count Validation. 2. Preadjustment Research. 3. Causative Research. (Sample causative research in lieu of complete causative research for pilferable item discrepancies with a value of \$.01 to \$2,500.00 may be accomplished to serve as a deterrent to fraud, waste or abuse and to identify systemic inventory and security problems.)
6. Suspected Fraud, Waste or Abuse	1. Post Count Validation. 2. Preadjustment Research. 3. Causative Research.
7. Annual Statistical Sample for all Variances > \$100.00	1. Post Count Validation. 2. Preadjustment Research. 3. Causative Research.

3. The meeting was adjourned at 1600 hours on 17 July 1989. The next JPIWG meeting is tentatively scheduled for October 1989. Details will be provided when available.



LINDA WALKER  
Vice Chairperson  
DoD Joint Physical Inventory  
Working Group

1 Enclosure