



DEPARTMENT OF THE NAVY
SPACE AND NAVAL WARFARE SYSTEMS COMMAND
ARLINGTON VA 22246-5200

IN REPLY REFER TO

SPAWARINST 4401.1F
SPAWAR 10-14Q
8 May 1995

SPAWAR INSTRUCTION 4401.1F

From: Commander, Space and Naval Warfare Systems Command

Subj: POLICY FOR RECEIPT, STORAGE AND REPORTING OF
REPAIRABLE PROJECT MATERIAL HELD BY SPAWAR ACTIVITIES

Ref: (a) SPAWARINST 10290.2C
(b) NAVCOMPT MANUAL Vol 3, Chapter 6 Part D
(c) NAVSUP P437
(d) SPAWARINST 11016.2A
(e) SPAWARINST 5230.3A

1. Purpose. To prescribe the policy for receipt, storage, shipment and reporting of repairable project/sponsor-owned material held by SPAWAR activities.

2. Cancellation. SPAWAR Instruction 4401.1E of 11 October 1989 is cancelled and superseded.

3. Background. As part of the Navy's aggressive reduction of supply inventories directed by higher authority and highlighted as a weakness in several inspections, we must increase our concentration on principle items and material held for custodian purposes. Periodic inspections of SPAWAR activities reveal that material has been improperly directed from external activities (pushed) procured for installations subsequently cancelled or retained beyond the completion of a project. Much of this material held by SPAWAR activities is: (a) not properly identified; (b) beyond economical repair; (c) in unserviceable condition (e.g., Condition Code (F)) or (d) is obviously "junk." This material is being retained for no valid or identifiable purpose. A need for full asset visibility, improved control, and accountability procedures for equipment held by SPAWAR activities has been recognized.

4. Definitions

a. Project-owned material. Applies to material acquired for use in the construction or development of an equipment or system for eventual installation at another activity, ship or location. This material is categorized by how it is used within an activity and not by what type of funds are used to procure the material. Unless classified as plant or minor property, all material at a field activity is project material. Project material may be repairable, consumable or In-Service Engineering Activity (ISEA) material.

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(1) Repairable item. An item of durable nature which, when unserviceable, can normally be restored by corrective maintenance to perform all of its required functions.

(2) Consumable item. A non-repairable item or repair part which can be discarded more economically than it can be repaired, or which is consumed in use.

(3) ISEA material. Material either repairable or consumable, which is held at the ISEA to support installations until organic Navy supply support begins.

b. Plant and minor property. Material of a durable nature to be retained and used at the activity. Control of plant and minor property is governed by references (a) and (b).

c. Program/Project

(1) Program. The major mission related area (e.g., shore communications systems, ship and aircraft navigation).

(2) Project. The name of the component system (e.g., NAVMACS and Outboard).

d. Depot material. Material held for the purpose of undergoing depot level repair or test.

5. Policy. This instruction is applicable to all project material under the cognizance of the field activity commanding officer. This includes central supply warehouses, off-site "branch locations," as well as engineering code offices and internal storage locations. Receipt and shipment of material will be in accordance with reference (c) (e.g., shipment requires preparation and signature of a DD1149).

a. All equipment or material which has been assigned a national stock number (NSN) shall not be drawn from the Navy supply system and held, except under the conditions listed below:

(1) Material being held for scheduled installation within the current or next fiscal year after material receipt.

(a) Accountability shall be maintained for all repairable project/sponsor-owned material held by an activity in accordance with reference (d).

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(b) Field Activity Material Management System (FAMMS) will be used by each activity for management of repairable project/sponsor-owned equipment or material.

(2) Material already held which is scheduled for installation in excess of the above time period where a specific written exception has been granted by a SPAWAR program director/program sponsor. All requests for this exception must be submitted in writing by the SPAWAR activity to the cognizant project sponsor and storage authorization maintained by the SPAWAR activity.

(a) Material held on behalf of non-SPAWAR activities will be held and accounted for in accordance with criteria established by the applicable project sponsor.

(3) Material undergoing fleet depot level repair, first article testing or calibration.

b. Part numbered material, non-standard material or material which cannot be identified by a valid NSN. A valid requirement for this material must exist for retention; otherwise it is considered excess to the activity and subject to the constraints of this instruction.

c. Plant property, minor property and organizational issue material will be controlled as provided in references (a) and (b) to ensure accountability.

6. Action

a. SPAWAR Activities shall:

(1) Implement FAMMS, the centralized, standardized Field Activity Material Management System, utilizing LOGMARS (Logistics Application of Automated Marking and Reading Symbols System), (e.g., barcoded DD1348 receipts) as defined in reference (e) for all project/sponsor-owned material received at an activity. FAMMS will be the accountable repository of all activity material management information and will track the material from the point of receipt, through internal custody transfers, creation/consumption of material, until the material is shipped off the activity. FAMMS shall contain the following data: National Stock Number (NSN), cognizance code, nomenclature, part number (optional for NSN items), date of receipt, quantity on hand, condition code, installation date, actual shipping date, locally assigned stock number (if required) unit price, SYSCOM program sponsor, location of item and any additional comments applicable to the equipment, such as storage extension authorizations. Repairable material will be maintained in the

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automated system individually, as equipment may have varying installation dates. The information on the inventory records shall be validated at a minimum on an annual basis.

(2) Request disposition instructions for all material which exceeds the permissible time frames established in paragraph 5a(1) for retention. A letter to the program manager shall be prepared for requesting disposition instructions for the material which exceeds the permissible time frames or that which is considered excess to the program's requirements.

(3) Notify SPAWAR directorates/program managers by letter on an annual basis of material located at an activity which has exceptional justification for retention. If the material is to be retained at the activity for future use or installation, a letter to the program sponsor will be prepared requesting a storage extension. This request will specify retention by NSN/Part number, program/project identified to an applicable hull and planned installation date. Blanket requests for retention are not acceptable. An inventory of all applicable repairable assets retained in excess of the established time frames shall be included as an enclosure to the letter. Failure to include critical data elements identified in paragraph 6a(1) shall result in the return of the request to the sender for missing data or an automatic denial of the request.

(4) When additional storage space must be obtained from non-SPAWAR, Navy activities, the following procedures will apply. A request will be sent to the cognizant program director (PD) for approval. The letter should include justification as follows:

(a) Description of the material to include hazardous or other characteristics which will effect storage requirements.

(b) Measurement tons (1 measurement ton = 40 cubic feet) of material to be stored. If the shipment involves any item of unusually large dimensions, these dimensions should also be included.

(c) Estimated weight in pounds if unusually heavy for material handling purposes.

(d) Origin.

(e) Storage destination desired with justification if the material must be stored at the location specified.

(f) Type of storage required such as controlled humidity, refrigeration, heated, secure with classification level and covered or open.

(g) Anticipated dates for the movement of material in and out of storage.

(h) Status of material such as mobilization reserve, activity excess, insurance type item, waiting for repair, alterations, testing or calibration.

(i) Necessity for shipment.

(j) Commercial leasing, if requested, shall include complete justification showing it to be the most economical and feasible means to satisfy the requirement.

(k) Requests for extension will justify the need for continued retention of the material in storage.

(5) Ensure that internal review and internal management control officials include reviews of project material management.

b. Program Managers shall:

(1) Review all disposition request letters based on justification for future installations. Designate items to be turned into the nearest supply center for storage or as excess and inform the SPAWAR activity by letter or message of the material disposition instructions.

(2) Determine if retention of SPAWAR material beyond the paragraph 5a(1) time frame is justified by reviewing program milestones and installation schedules. If retention is justified, forward a storage authorization to the requesting activity. The storage authorization will not be granted for a period greater than 12 months; however, subsequent extensions of the storage authorization are permitted. A copy of the activity request and inventory listing, as well as a copy of the storage authorization will be maintained by the program manager for accountability and audit purposes.

(3) Provide comments on all audits pertaining to the retention of project material.

c. SPAWAR Inspector General shall. Incorporate reviews of project material management into the Command Inspection planning.

d. Navy Command, Control and Ocean Surveillance Center, ISE West Coast Division shall:

(1) Assign a FAMMS System Administrator to monitor the overall operation of the system.

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(2) Act as software support activity (SSA) for FAMMS, maintain software configuration control, develop software enhancements, and provide system support to SPAWAR activities as required.

(3) At the direction of Navy Command, Control and Ocean Surveillance Center (NCCOSC), schedule and assist other SPAWAR activities in the installation and operation of FAMMS.

(4) Develop and conduct FAMMS user training.

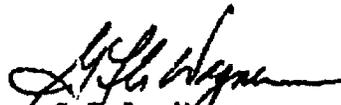
e. SPAWAR 10-14 shall:

(1) Review requests for storage extension for material held by SPAWAR activities to both track utilization of material and minimize storage costs for the command.

(2) Review, endorse, and track requests for additional storage space authorizations.

(3) As requested, provide technical guidance and assistance to Navy Command, Control and Ocean Surveillance Center, ISE West Coast Division in implementing FAMMS at other SPAWAR activities.

(4) Periodically review progress made towards implementing the requirements contained herein.



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Rear Admiral, U.S. Navy

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