

## **PWS 15: Material Management (Direct Funded)**

### **1. Introduction:**

1.1. The contractor for Holston Army Ammunition Plant (AAP) shall utilize this Performance Work Statement (PWS) for all Single Manager for Conventional Ammunition (SMCA) managed materiel recorded or reported by the contractor utilizing the contractor's automated system. All transactions required, shall be transmitted electronically to HQ, JMC, in the prescribed format. Any new system shall comply with American National Standards Institute (ANSI) Accredited Standards Committee (ASC) X12 standards. The contractor at Holston AAP shall manage and maintain custodial documentation for the accountability and visibility of materials received, stored, and issued; and shall reconcile inventory records In Accordance With (IAW) specific guidance provided in this PWS. The contractor shall be responsible for the security and surveillance of materiel while in storage together with the maintenance of records and furnishing of reports as prescribed by the contracting officer, and the provisions of this PWS. The Administrative Contracting Officer (ACO) staff shall ensure that the provision of this contract PWS shall be properly implemented and executed by the contractor. The scope of this PWS extends from the receipt of materiel through off-plant shipment. This PWS has multiple proponents. This PWS does not relieve the contractor of complying with Federal Acquisition Regulation (FAR) Part 45.5, with an approved property control system, and FAR Part 45.6.

### **2. References:**

#### **2.1. Applicable Documents:**

US Army Materiel Command Regulation (AMC-R) 700-107 Preparation of Standing Operating Procedures (SOP) and Written Standards for Ammunition Operations  
AMC-R 740-27 Ammunition Inventory and Accountability  
AMC-R 740-25 Ammunition Stock Location System  
Army Regulation (AR) 25-400-2 Army Records Information Management System  
AR 725-50 Requisition, Receipt, and Issue System  
AR 735-5 Policies and Procedures for Property Accountability  
AR 740-1 Storage and Supply Activity Operations  
AR 740-26 Physical Inventory Control  
Department of the Army Pamphlet (DA PAM) 75-5 List of Storage and Out-loading Drawings for Ammunition  
Department of the Army Pamphlet (DA PAM) 385-64 Ammunition and Explosives Safety Standards  
Department of the Army Pamphlet (DA PAM) 742-1 Inspection of Supplies and Equipment—Ammunition Surveillance Procedures  
Defense Logistics Manual (DLM) 4000.25 Defense Logistics Management Standards (DLMS)  
Department of Defense (DOD) 4000.25-1-M Military Standard Requisitioning and Issue Procedures (MILSTRP)

DOD 4000.25-2-M Military Standard Transaction Reporting and Accounting (MILSTRAP)  
DOD 4000.25-5-M Military Standard Contract Administration Procedures (MILSCAP)  
DOD 4500.9-R Defense Transportation Regulation (DTR)  
DOD 4140.65M Issue, Use, and Disposal of Wood Packaging Material (WPM)  
DOD 4145.26M Department of Defense Contractors Safety Manual for Ammunition and Explosives  
DOD 5100.76-M Physical Security of Conventional Arms, Ammunition and Explosives  
Defense Travel Regulation, (DTR), Part II, chapter 204  
US Army Joint Munitions Command Regulation (JMC-R) 702-2 Ammunition Surveillance Procedure for JMC Organizations  
Mil-Std 129 Military Marking For Shipment and Storage  
Technical Bulletin (TB) 9-1300-385 Munitions Restricted or Suspended  
Technical Manual (TM) 38-250 Preparing Hazardous Materials for Military Air (Air Force Manual (AFJMAN) 24-204) Shipments.  
TM 38-400 Storage and Materials Handling  
U.S. AMC Drawing Index of U.S. Army Unitization, Storage and Out-loading  
U.S. AMC 19-48-75-5 Drawings for Ammunition and Components

## 2.2. Definitions:

2.2.1. Accountable Supply Distribution Activity (ASDA): An activity that maintains a centralized formal stock record for the receipt, storage, and issue of commodity stocks at remote storage locations and receives requisitions from customers. Routing Identifier Code (RIC) B14, which is the RIC for HQ JMC, is the ASDA for SMCA managed stocks.

2.2.2. Army PA Funded Account: The inventory account established for the purpose of accounting for Government furnished materiel for Procurement of Ammunition, Army (PAA) programs.

### 2.2.3. Care, Maintenance, and Surveillance (CMS):

2.2.3.1. Care - Actions and preventive measures required ensuring physical protection to stored materiel. Includes, but not limited to, security protection to include locks, seals, and alarms. Provide fire protection to stored items including alarms, fire extinguishers, sprinkler systems, and vegetation control.

2.2.3.2. Maintenance - Preventative measures and minor repairs to stored items required to maintain the condition of stored items, including maintenance required to alleviate a safety or hazardous condition.

2.2.3.3. Surveillance - Provides for inspections required to assure the integrity

and safety of SMCA managed materiel and any inspections required to accomplish shipments. Includes, but not limited to, safety in storage inspections, magazine and area inspections, and periodic inspections.

2.2.4. Direct Deliveries: Shipments, whether in place or offsite, directed in the contract, which do not require a Sales Order (SO) from HQ, JMC.

2.2.5. Field Service Account: The HQ, JMC, centrally controlled account used to manage finished product or components owned by an individual service.

2.2.6. Field Service Stocks: Conventional ammunition completed rounds or components, which have been accepted into the FSA. This includes components of rounds that are programmed for renovation projects controlled by SMCA.

2.2.7. SMCA managed materiel: Field Service stocks and Industrial Stocks.

2.2.8. Industrial Stocks/GFM: Government owned components, parts, assemblies, raw materials, explosives, chemicals, packing material, and any other materiel on hand that is to be consumed as a component of the end product. Also included are components to support engineering, lot acceptance, calibration, and surveillance testing. This materiel may be wholesale materiel centrally managed by the NICP, or government furnished materiel in the PAA account obligated to a specific production contract at the installation. Also known as government furnished material (GFM).

2.2.9. Materiel Handling Equipment (MHE): Mechanical devices for handling of supplies with greater ease and economy. Examples: Forklift trucks, roller conveyor, straddle truck.

2.2.10. Packing, Crating and Handling (PC&H): Handling associated with internal movement or shipping of SMCA managed materiel, to include the unpacking and repacking of surveillance samples. This does include costs associated with inspections related to out shipments, inspection of railcars and vehicles for compliance with explosive safety and Department of Transportation (DOT) requirements and review of shipping documentation.

2.2.11. PAA Assets: Centrally procured industrial stocks maintained on the accountable records which are to be used in Load, Assemble, and Pack (LAP) of programs PAA funded.

2.2.12. Work in process (WIP): Materiel, to include Government Furnished Materiel/Industrial Stocks and plant procured (i.e. Contractor furnished materiel) to be consumed in the production of the contracted end item.

### 2.3. Acronyms:

|          |  |
|----------|--|
| AAP      | Army Ammunition Plant  |
| ACO      | Administrative Contracting Officer                                   |
| ACTPO    | Accountable Property Officer   |
| AFJMAN   | Air Force Joint Manual   |
| AIN      | Ammunition Information Notice  |
| AMC      | U.S. Army Materiel Command   |
| AMC-R    | U.S. Army Materiel Command Regulation                                |
| ANSI     | American National Standards Institute                                |
| AR       | Army Regulation  |
| ASC      | Accredited Standards Committee                                       |
| ASDA     | Accountable Supply Distribution Activity                             |
| CAGE     | Commercial and Government Entity Code                                |
| CAT      | Category   |
| CDRL     | Contract Data Requirements List                                      |
| CMS      | Care, Maintenance, and Surveillance                                  |
| CONUS    | Continental United States  |
| DA       | Department of the Army   |
| DIC      | Document Identifier Code   |
| DID      | Data Item Description  |
| DFARS    | Defense Federal Acquisition Regulation Supplement                    |
| DLM      | Defense Logistics Manual   |
| DLMS     | Defense Logistics Management Standards                               |
| DOD      | Department of Defense  |
| DOT      | Department of Transportation   |
| DSR      | Depot Surveillance Record  |
| DTR      | Defense Transportation Regulation                                    |
| ETA      | Electronic Transportation Acquisition                                |
| FAR      | Federal Acquisition Regulation                                       |
| FSA      | Field Service Account  |
| FY       | Fiscal Year  |
| GFM      | Government Furnished Materiel  |
| HQ       | Headquarters   |
| IAW      | In Accordance With   |
| IRI      | Initial Receipt Inspection   |
| ISO      | International Standard Organization                                  |
| ITO      | Installation Transportation Officer                                  |
| JMC      | US Army Joint Munitions Command                                      |
| JMC-R    | US Army Joint Munitions Command Regulation                           |
| LAP      | Load, Assemble, and Pack   |
| MHE      | Materiel Handling Equipment  |
| MILSTRAP | Military Standard Transportation Reporting and Accounting Procedures |
| MILSTRIP | Military Standard Requisitioning and Issue Procedures                |
| MSC      | Major Subordinate Command  |
| MTMC     | Military Traffic Management Command                                  |

|        |   |
|--------|---|
| NICP   | National Inventory Control Point                      |
| NSN    | National Stock Number                                 |
| PA     | Procurement of Ammunition                             |
| PAA    | Procurement of Ammunition, Army                       |
| PAM    | Pamphlet  |
| PC&H   | Packing, Crating, and Handling                        |
| PCO    | Procuring Contract Officer                            |
| QAR    | Quality Assurance Representative                      |
| QASAS  | Quality Assurance Specialist, Ammunition Surveillance |
| RIC    | Routing Identifier Code                               |
| ROD    | Report of Discrepancy                                 |
| SB     | Supply Bulletin                                       |
| SDR    | Supply Discrepancy Report                             |
| SMCA   | Single Manager for Conventional Ammunition            |
| SO     | Sales Order   |
| SOW    | Statement of Work                                     |
| SPN    | Shipment Performance Notification                     |
| TB     | Technical Bulletin                                    |
| TCN    | Transportation Control Number                         |
| TM     | Technical Manual                                      |
| UMMIPS | Uniform Materiel Movement and Issue Priority System   |
| WARS   | Worldwide Asset Reporting System                      |
| WIP    | Work-In-Process                                       |

### **3. Requirements**

3.1. Management of SMCA managed materiel: The contractor shall manage and maintain custodial documentation for the movement and storage of all SMCA managed materiel received, stored, and issued, and shall reconcile inventory records.

3.1.1. Care, Maintenance, and Surveillance (CMS) and Packing, Crating, of Industrial Stocks to support production orders shall be charged to each delivery order.

3.1.2. For billing purposes the contractor shall provide three separate bills for: Care, Maintenance, Surveillance of Field Service Stock Care, Maintenance, Surveillance of Industrial Stock, and PC&H.

3.1.3. Any GFM/industrial stocks that require long term storage shall receive approval from the contracting officer before storing in the Army PA funded account (AH\_).

3.2. Receiving Transaction Process: The contractor shall place SMCA managed materiel received in storage and documentation related to those functions shall be completed IAW AR 735-5, Chapter 6, and within the designated timeframes IAW AR 725-50, chapter 5, Table 5-1. The contractor shall provide the ASDA the DD Form

1348 or equivalent when receiving material from off installation. The contractor shall provide DD250 and DD Form 1348 for receipt of items produced by the contractor and accepted by the government. See Policy for Installation Produced Ammunition Inbound Receipt and Component Consumption. All documentation shall be submitted electronically to [usarmy.RIA.jmc.mbx.inventory@mail.mil](mailto:usarmy.RIA.jmc.mbx.inventory@mail.mil). Standard Form 364, Report of Discrepancies (ROD), or the equivalent electronic Supply Discrepancy Report (SDR) shall be prepared IAW DID DI-MGMT-80503 (CDRL A15-001), DLM 4000.25, Volume 2, Change 4, Chapter 17, after a deficiency is categorized as a supply discrepancy IAW AR 735-5, Chapter 16, Section III.

3.2.1. End items produced on PAA fixed price orders, which are awaiting ballistic acceptance, are not the property of the Government; therefore, they shall not be receipted in or posted to the accountable record.

3.2.2. All industrial stocks/GFM for PA funded programs tied to a funded project or production order shall be picked up to the local custodial record upon receipt. If DODAAC is not available on shipping information, please contact the contracting officer for further guidance.

3.2.2.1. Storage costs for end items that are produced and awaiting government shipping instructions shall be charged to each delivery order.

3.3. Storage: All ammunition and explosive materiel shall be stored in structures which are designated and authorized to contain such materiel IAW approved storage drawings listed in U.S. AMC Drawing 19-48-75-5 and DA PAM 385-64, chapter 3, or most recent version. Maintain ammunition storage areas IAW DA PAM 385-64, chapter 2, paragraph 2-7 or most recent version. Implement and execute a standard stock location system that provides visibility and identity of all material in storage.

3.3.1. Storage facility maintenance and repair expenses to exceed a total project cost greater than the micro-purchase threshold requires review and approval of the ACO. Project is defined as an individual storage site.

3.3.2. The contractor shall establish and make ready for review a storage space management report IAW AR 740-1 Chapter 4 Sec II and provide that report within 5 calendar days of request to government personnel.

3.4. Surveillance: The contractor shall perform surveillance of ammunition and explosive materiel IAW the most recent version DA PAM 742-1 as supplemented by JMC-R 702-2 and current Ammunition Information Notices (AINs) published by HQ, JMC Surveillance Division.

3.4.1. When a new AIN or revision to the referenced regulations places additional requirements on the contractor, the contractor shall submit a pricing proposal to the Procuring Contract Officer (PCO) and ACO reflecting the additional requirements. The PCO shall provide funds through a contract modification before the contractor

complies with the change to the AIN or regulation.

3.4.2. The assigned government Quality Assurance Specialist, Ammunition Surveillance (QASAS) serves as the focal point on matters pertaining to ammunition surveillance within the scope of the specified references. The QASAS shall furnish guidance to the contractor on ammunition surveillance, consistent with the specified references, as required.

3.4.3. Materiel assigned to National Inventory Control Point (NICP) accounts shall be inspected IAW specific instructions and at intervals prescribed in DA PAM 742-1. Unless there are instructions to the contrary, an Initial Receipt Inspection (IRI) shall not be performed on newly manufactured materiel from this AAP, which was inspected and accepted by a Government Quality Assurance Representative (QAR).

3.4.4. Depot Surveillance Records (DSRs) are not required for new materiel in the industrial account, provided no significant events necessitating a DSR entry (such as suspensions, restrictions, releases, special inspections or conditions code changes) occur. DSR's prepared for such unusual events or for local use shall be prepared in the Munitions History Program (MHP) by the government QASAS.

3.5. Shipping Process: The contractor shall be responsible for shipping of materiel, ownership changes, and the documentation related to that function, IAW AR 735-5, Chapter 6, and AR 725-50, Chapter 2 and 3. Ownership changes will be reviewed by the government QASAS prior to the change. The contractor shall plan for shipment of materiel, to include lot selection and obligation, IAW response times of the Uniform Materiel Movement and Issue Priority System time Standards (UMMIPS), AR 725-50, Chapter 2, Tables 2-1 and 2-2. The contractor shall provide the SO using the HQ JMC prescribed format to the ASDA designated Point of Contact (POC) related to shipment of materiel IAW DID DI-MGMT-80389B (CDRL A15-002); DID DI-MGMT 80389B (CDRL A15-003); and DID DI- MGMT-80389B (CDRL A15-004). The contractor shall be responsible for shipping of government owned hazardous wastes. Those shipments shall be IAW the DTR, Part II, 204, 29 CFR, 40 CFR, 49 CFR and DoD Component/Service/Agency HQ regulations. Personnel issuing Hazardous Waste Manifests must be certified IAW the DTR and current with those regulations. Those personnel issuing those manifests must be appointed, IAW the 49 CFR and the DTR.

3.5.1. Shipment Data: The contractor shall develop and maintain automated shipping and transportation history data related to shipments of all materiel.

3.5.1.1. For other than new production, the DD Form 1348-1 shall be used when shipping assets from Holston AAP, IAW AR 725-50, Chapter 4.

3.5.1.2. New production items are NOT recorded in a government account prior to acceptance. The DD Form 250, Materiel Inspection and Receiving Report, shall be used when shipping new production, IAW Defense Federal Acquisition

Regulation Supplement (DFARS), Appendix F) and the DD Form 1348-1 shall also be used IAW AR 725-50.

### 3.5.2. PC&H for Shipment of Government Owned Materiel.

3.5.2.1. Shipment of PAA direct deliveries from fixed price contracts shall be IAW instructions provided in its respective contract at Holston AAP. Costs associated with PC&H for matrix items shall be included in the matrix price. Costs associated with PC&H for non-matrix items from production shall be included in the negotiated price for the item.

3.5.2.2. Charges for PC&H and transportation to ship Government owned materiel stored in PA account shall be funded separately by HQ JMC IAW the negotiated PC&H price matrix. Any shipment of these assets requires an SO initiated by HQ, JMC. Under the PAA method of procuring ammunition, the PC&H and transportation funding for shipment of existing stock shall be provided from the benefiting program/order.

3.5.2.3. Charges for PC&H to ship finished ammunition previously shipped to the Field Service shall be charged to bulk Operations and Maintenance, Army (OMA) funds.

3.5.3. Transportation. The contractor shall comply with Defense Transportation Regulation DOD4500.9-R, and DOD 5100.76-M Physical Security of Conventional Arms, Ammunition and Explosives, Department of Transportation (DOT) regulations (49 CFR), and other related governmental directives. The contractor shall be responsible for preparing route requests, notice of availability, outbound documentation including, but not limited to, bills of lading. The contractor shall use the Global Freight Management/Electronic Transportation Acquisition (ETA) system and the Cargo Movement Operations System to prepare carrier routing requests and outbound documentation to include the Bill of Lading. Coordinate for the timely receipt of inbound shipments to ensure no Detention charges can be applied and if required IAW Chapter 210 of the DTR Prepare Transportation Discrepancy Reports (CDRL A15-005). The contractor shall prepare all Hazardous Waste Manifests used for DoD owned wastes IAW one of the accepted courses for certification training noted in the DTR, Part II, Chapter 204.

3.5.3.1. The contractor shall prepare materiel for shipping to include packing, crating, marking, stowage, and weight limitation of shipments to conform to Army Material Command (AMC) and DOD approved drawings, MIL-STDs, DOD, and DOT laws. The contractor shall limit palletized lots to a single national stock number (NSN) per pallet. The contractor shall withdraw, verify materiel from storage, consolidate materiel into the optimum number of handling units, ensure materiel is properly marked and is safe to ship IAW AMC and DOD approved drawings. When a delivery order has one Transportation Control Number (TCN) per item number with different delivery dates, a suffix can be



used in the 15th position to track deliveries. Schedule, coordinate, and ensure carrier equipment is positioned timely for loading (out-loading), including carriers equipment and drivers identification/company affiliation authentication so as to avoid additional charges. The contractor shall develop and maintain automated shipping history data related to all shipments of materiel. Document and report carrier shipment refusals, late deliveries, and supplying proper equipment, etc; IAW DOD 4500.9-R Part II Chapter 7 Carrier Performance. Transportation Facilities Guide shall be kept current IAW DOD 4500.9-R, Part 11.

3.5.3.2. The Installation Transportation Officer (ITO) or designated representative has the authority to specify the mode or method of transportation which may occur during emergency, surge, or mobilization periods, as a cost cutting measure, or directed by higher headquarters. Secure holding shall be granted, by the ITO or the Government Security Specialist, to motor shipments for temporary holding of Hazard Class Division 1.1 through 1.4 or Security Risk Category (SRC) I through IV material. The contractor is obligated to provide secure hold predicated on how many truck shipments can be secured with personnel currently on staff. Contractor shall ensure shipping coordinator maintains Hazardous material certification necessary to certify Government shipments of hazardous material by all modes of transportation. Contractor shall maintain hazardous material training Records as required by 49 CFR, and DOD 4500.9-R. Contractor shall have available a qualified and appointed individual who can certify outbound shipments and conduct vehicle inspections DD Form 626 criteria. Contractor shall ensure that all personnel filling out hazardous waste manifests for DoD-owned wastes are appointed and are current in their certification as required by the DTR, Part II, chapter 204.

3.5.4. Wood Packaging Material (WPM). Shipments of field service stock shall comply with WPM contract clause IAW DoD Manual 4140.65, dated August 2012, or latest revision.

3.5.5. Small partial lot shipments shall be combined on pallets when approved by appropriate AMC/USADACS drawings and MIL-STD 129 Only packaging configurations prepared IAW approved specifications listed in the requirements for each product are approved.

3.5.6. Controls shall be established to determine any need for special handling of items. Special handling needs are determined by the nature of the product, the specifications noted for that product and over sight provided by QARs and government QASAS.

3.5.7. The contractor shall develop and maintain an effective traffic management program which shall interface as required with storage and Government stock accountability functions consistent with sound management practices.

3.5.8. The contractor shall perform in a manner which shall ensure compliance with current regulatory requirements of the Department of Defense (DOD), the Department of Transportation (DOT), other related Governmental directives, and directions of the Administrative Contracting Officer (ACO) and/or Installation Transportation Officer (ITO) as ACO representative.

3.6. Inventory Process: The contractor shall implement and execute the inventory process and program IAW AMC-R 740-27, chapters 1-5, current version. The contractor shall process requests for inventories in an established sequence, provide in-float controls over items placed under inventory control, consider receipt and issue in-float transactions during count analysis, and provide statistical data to assist in research and compilation of automated inventory reports. The contractor shall be responsible for a 100 percent physical inventory and reconciliation of all assets for which HQ JMC is accountable. A complete scheduled inventory shall be conducted not less than once each Fiscal Year (FY) IAW AMC-R 740-27 with results of the physical inventory and updated lot level asset posture report reported to the Accountable Property Officer (ACTPO), HQ JMC, submitted electronically to [usarmy.RIA.jmc.mbx.inventory@mail.mil](mailto:usarmy.RIA.jmc.mbx.inventory@mail.mil) and installation local government staff, for all stocks under ASDA purview. The contractor shall certify completion to local government staff by the 15<sup>th</sup> of October for the previous FY.

3.6.1. Inventory program management: Contractor personnel shall document and conduct a Quality Control Check and Count Five program for the purpose of stock control and inventory accounting processes IAW AMC-R 740-27.

3.6.2. Concealed discrepancies and Supply Discrepancy Reports: Contractor shall handle concealed discrepancy and supply discrepancy reporting and investigations IAW AMC 740-27.

3.6.3. Any physical loss or gain shall be immediately reported to the HQ JMC ACTPO for all stocks under ASDA purview. The contractor shall prepare and submit for approval a DA Form 444, Inventory Adjustment report, or DD Form 200, Financial Liability Investigation of Property Loss, IAW AR 735-5, Chapter 13, as appropriate for both physical inventory and floor-to-book reconciliation adjustments. The contractor shall respond to Requests for Investigation within 90 calendar days IAW AR 735-5.

3.6.4. The accountable records are maintained in the contractor's systems of record at HSAAP and will be used as the Accountable Property System of Record (APSR) for full financial audit beginning FY18. The contractor shall manage and maintain the APSR documentation for the movement and storage of all JMC and SMCA managed materiel received, stored, and issued, and shall reconcile inventory records. Accountable records to include transactional data, and supporting documentation for all ammunition shall be retained for 6 years, 3 months and is the responsibility of the contractor. Supporting documentation includes but is not limited to transactions, count sheets, ammunition transfer records, etc.

3.6.5. Accountability/Reporting: The custodial records will now be the APSR and HQ, JMC will base reliance on contractor's records for financial reporting. Balances shall be forwarded to HQ, JMC monthly. The contractor shall provide a monthly asset posture report to include mandatory financial reporting data fields as identified by HQ, JMC by the last working day of each month. Mandatory fields are as follows; NSN, nomenclature, AMDF price, DODIC, condition code, ownership/purpose code, owner Routing Identifier Code (RIC), lot number/serial number, quantity on hand, and class of supply. The contractor shall aid in any data cleansing or reconciliations needed to support HQ, JMC (CDRL A15-006).

3.6.6. Requests of special inventories may be generated by the ACTPO.

3.6.7. An automated record shall be maintained for all changes to record of wholesale conventional ammunition stocks, ammunition components, and packaging material in the field service and Army Procurement Appropriation (PA) funded accounts to include but are not limited to: receipts, shipments, condition code changes, lot number changes, quantity changes, and ownership changes that will be emailed to the inventory mailbox monthly in an electronic format monthly (CDRL A15-007). Security Category I and II material receipts are to be posted to the accountable record within 24 hours. New production receipts are to be posted to the accountable record within 6 calendar days. All other receipts must be posted to record within 9 calendar days IAW AR 725-50. Shipments must be removed from record in 3 working days. Ownership changes must be posted to the accountable record within 10 calendar days IAW AR 725-50.

3.6.8. Audit Support: To support full financial audit and any testing performed to successfully pass audits all ammunition activities will be required to support the Army and Other Service's with possible audit visits, monthly testing, data calls, data cleanup efforts and controls testing in order to support full financial audit.

3.6.9. The contractor shall process requests for inventories in an established sequence, provide in-float controls (process no receipt or issue transactions) over items placed under inventory control, consider receipt and issue in-float transactions during count analysis, produce additional counts for mismatched records, and provide statistical data to assist in research and compilation of automated inventory reports IAW AMC-R 740-27.

3.6.10. Requests for special inventories may be generated by the ACTPO.

3.6.11. The custodial record and all supporting documentation shall be retained for 6 years and 3 months from the date of the document and is the responsibility of the contractor. The custodial record shall include a complete list of all transactions by owner, lot number and condition code with a running balance. Each account (FSA and PAA) shall be maintained separately on the custodial record.

3.6.12. The contractor shall provide read and download access to the custodial database to designated government personnel. Access to all stock on Holston AAP, government owned or otherwise will be given to designated government personnel for safety and compatibility verification.

3.6.13. Reconciliation: The custodial record shall be reconciled to the physical inventory counts to include lot, owner, NSN, condition code and quantity. Once the custodial record has been reconciled to the physical count, those balances shall then be forwarded to the HQ, JMC utilizing the existing process/procedure(s). Any receipt and issue transactions, if pending at the time of inventory, shall be forwarded utilizing the existing process/procedure(s).

3.6.13.1. The contractor shall provide support as required to include lot number data access to reconcile the accountable and the custodial record balances.

3.6.13.2. If the ASDA cannot resolve the quantity discrepancy, the ASDA shall request further research by the AAP to determine the cause of the mismatch. The AAP shall retain all supporting documents, to include but are not limited to transactions, count sheets, Ammunition Transfer Records, etc, for a period of six (6) years (3) months from the date of the document.

3.6.14. Investigations: The contractor shall respond to any Requests for Investigation within 90 calendar days of request IAW DID DI-MGMT-80441 (CDRL A15-008) and AR 735-5.

3.6.15. Adjustment Process: The contractor shall process adjustments through the contractor's automated system on their custodial record to reflect changes in condition of materiel, re-identification, and gains or losses of materiel. This process transfers stock between owners as directed by HQ JMC, as a result of logistical reassignment and ammunition single manager paybacks. Ammunition adjustments shall be processed by lot and location, and shall be reported to HQ, JMC ACTPO, at the NSN, ownership, condition code, and lot level IAW DID DI-MGMT-80389B (CDRL A15-009).

3.6.16. The contractor shall provide inventory management activities such as receipts, gains/losses, condition code changes, ownership changes, and asset postures to include lot number, using the HQ JMC prescribed format to the ASDA designated POC. Asset postures shall be sent to HQ, JMC monthly by the last working day of each month (CDRL A15-006).

3.6.17. Quality Control Checks: Contractor personnel shall document and conduct a Quality Control Check program for the purpose of stock control and inventory accounting processes IAW AMC-R 740-27, chapter 4.

3.7. Cost for demilitarization or disposal of excess GFM for PA funded programs shall be charged to the production order. No material shall be placed into the B5A (Demil

Account) at HSAAP.

DOCUMENT SUMMARY LIST  
Holston Army Ammunition Plant  
Material Management Performance Work Statement 15

| <b>Document Number<br/>(Contract Reference)<br/>Applicable Tailoring</b> | <b>Solicitation/Contract Number/<br/>Procurement Title Document Title</b>                               | <b>Document Date<br/>Document Category</b> |
|--|---|--|
| OM&S JMC Policy Memo   | FY21 HQ JMC System and Organization Controls 1 (SOC 1) and Operating Materials & Supplies (OM&S) Policy | Current Rev<br>Cat 3                       |
| AMC-R 740-25   | Ammunition Stock Location System  | Current Rev<br>Cat 2                       |
| AR 25-400-2  | Army Records Information Management System  | Current Rev<br>Cat 3                       |
| AR 725-50  | Requisition, Receipt, and Issue System  | Current Rev<br>Cat 3                       |
| AR 735-5   | Policies and Procedures for Property Accountability   | Current Rev<br>Cat 3                       |
| DLM 4000.25  | Defense Logistics Management Standards (DLMS)   | Current Rev<br>Cat 1                       |
| AR 740-1   | Storage and Supply Activity Operations  | Current Rev<br>Cat 3                       |
| AR 740-26  | Physical Inventory Control  | Current Rev<br>Cat 3                       |
| DA PAM 385-64  | Ammunition and Explosive Safety Standards   | Current Rev<br>Cat 3                       |
| DA PAM 742-1   | Inspection of Supplies and Equipment – Ammunition Surveillance Procedures                               | Current Rev<br>Cat 3                       |
| DOD 4000.25-1-M  | Military Standard Requisitioning and Issue Procedures (MILSTRIP)  | Current Rev<br>Cat 3                       |
| DOD 4000.25-2-M  | Military Standard Transaction Reporting and Accounting (MILSTRAP)                                       | Current Rev<br>Cat 3                       |
| DOD 4000.25-5-M  | Military Standard Contract Administration Procedures (MILSCAP)  | Current Rev<br>Cat 3                       |
| DOD 4500.9-R   | Defense Transportation Regulation (DTR)   | Current Rev<br>Cat 2                       |
| DOD 4145.26-M  | Department of Defense Contractors Safety Manual for Ammunition and Explosives                           | Current Rev<br>Cat 3                       |

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|---------------------|---|-------------------|
| JMC-R 702-2         | Ammunition Surveillance Procedure for JMC Organizations                                     | Current Rev Cat 3 |
| DA PAM 742-1        | Inspection of Supplies and Equipment Ammunition Surveillance Procedures                     | Current Rev Cat 2 |
| TB 9-1300-385       | Munitions Restricted or Suspended   | Current Rev Cat 3 |
| TM 38-250           | Preparing Hazardous Materials for Military Air (Air Force Manual (AFJMAN) 24-204) Shipments | Current Rev Cat 3 |
| TM 38-400           | Storage and Materials Handling  | Current Rev Cat 3 |
| DA PAM 75-5         | List of Storage and Out-loading Drawings for Ammunition                                     | Current Rev Cat 2 |
|                     | U.S. AMC Drawing Index of U.S. Army Unitization, Storage and Out-loading                    | Current Rev Cat 2 |
| U.S. AMC 19-48-75-5 | Drawings for Ammunition and Components  | Current Rev Cat 2 |

#### Category Codes:

Category 0. Unless otherwise specified in the solicitation, contract, or contract modifications, all documents are for guidance and information only.

Category 1. The requirements contained in the directly cited document are contractually applicable to the extent specified. Unless otherwise specified in the solicitation, contract, or contract modifications, all requirements contained in reference and subsequently referenced documents are contractually for guidance and information only.

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