Defense Health Agency

ADMINISTRATIVE INSTRUCTION

NUMBER 7040.03
October 3, 2023

Director, J-8

SUBJECT: Defense Health Program Stockpile Materials

References: See Enclosure 1

1. PURPOSE. This Defense Health Agency-Administrative Instruction (DHA-AI), based on the authority of References (a) and (b), and in accordance with the guidance of References (c) through (u), establishes the Defense Health Agency's (DHA) procedures for managing the Military Health System's (MHS) stockpile materials. This DHA-AI will provide policies and procedures throughout DHA to establish and maintain financial accountability and effective internal controls for accurate financial reporting.

2. APPLICABILITY. This DHA-AI applies to the DHA Enterprise (components and activities under the authority, direction, and control of the DHA) to include: assigned, attached, allotted, or detailed personnel.

3. POLICY IMPLEMENTATION. It is DHA's instruction, pursuant to References (a) through (u), that applicable personnel will:

a. Adhere to Federal and DoD guidance for stockpile material management and accountability in accordance with this DHA-AI.

b. Have property management processes and physical inventories in compliance with reference (j), as well as

c. Mitigate the risk of material misstatement in the DHA's financial statements.

d. Reconcile all stockpile data for all assets that DHA occupies, operates, or maintains.

4. RESPONSIBILITIES. See Enclosure 2.

5. PROCEDURES. See Enclosure 3.

6. PROPONENT AND WAIVERS. The proponent of this publication is the Director, J-8. When components and activities are unable to comply with this publication the activity may request a waiver that must include a justification, including an analysis of the risk associated with not granting the waiver. The activity director or senior leader will submit the waiver request through their supervisory chain to the Director, J-8 to determine if the waiver may be granted by the Director, DHA or their designee.

7. RELEASABILITY. **Cleared for public release**. This DHA-AI is available on the Internet from the Health.mil site at: https://health.mil/Reference-Center/Policies and is also available to authorized users from the DHA SharePoint site at: https://info.health.mil/cos/admin/pubs/SitePages/DHA%20Publications%20System%20Office%20(PSO).aspx.

8. EFFECTIVE DATE. This DHA-AI:

a. Is effective upon signature.

b. Will expire 10 years from the date of signature if it has not been reissued or cancelled before this date in accordance with Reference (c).

9. FORMS

a. Standard Form (SF) 364, Report of Discrepancy (ROD) can be found at: https://www.gsa.gov/reference/forms

b. The following Department of Defense (DD) forms are available at: https://www.esd.whs.mil/Directives/forms/

(1) DD Form 200, Financial Liability Investigation of Property Loss

(2) DD Form 250, Material Inspection and Receiving Report

(3) DD Form 448, Military Interdepartmental Purchase Request

(4) DD Form 1225, Storage Quality Control Report
(5) DD Form 1348-1A, Issue Release/Receipt Document

c. Fiscal Service (FS) Form 7600A, United States Government General Terms & Conditions (GT&C) is available at the link provided: https://www.fiscal.treasury.gov/files/forms/form-7600a.pdf. This form should be referred to as FS From 7600A throughout the document.

d. The DHA Form 127, "Preliminary Causative Research" is available at: DHA Forms Library

e. Fiscal Service (FS) Form 7600A, United States Government Interagency Agreement (IAA) is available at the link provided: United States Government Interagency Agreement, Agreement Between Federal Agencies General Terms & Conditions (GT&C) Section (treasury.gov)

f. FS Form 7600B, United States Government Order Form is available at the link provided: https://www.fedidcard.gov/system/files/Fs%20form%207600B%20May%2019%20v.pdf

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TELITA CROSLAND
LTG, USA
Director

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REFERENCES

(a) DoD Directive 5136.01, "Assistant Secretary of Defense for Health Affairs (ASD(HA))," September 30, 2013, as amended
(b) DoD Directive 5136.13, "Defense Health Agency (DHA)," September 30, 2013, as amended
(c) DHA-Procedural Instruction 5025.01, "Publication System," April 1, 2022
(d) The Federal Managers Financial Integrity Act of 1982
(e) Government Accountability Office Green Book, "Standards for Internal Control in the Federal Government," September 2014
(f) Office of Management and Budget Circular A-123, "Management's Responsibility for Enterprise Risk Management and Internal Control"
(g) Federal Accounting Standards Advisory Board Handbook, "Statement of Federal Financial Accounting Standard 3: Accounting for Inventory and Related Property," October 27, 1993, as amended
(h) Federal Accounting Standards Advisory Board Handbook, "Statement of Federal Financial Accounting Standard 48: Opening Balances for Inventory, Operating Materials, and Supplies, and Stockpile Materials," January 27, 2016, as amended
(i) DoD Instruction 6430.02, "Defense Medical Logistics Program," August 23, 2017
(j) Defense Health Agency-Administrative Instruction 6430.07, "Medical Logistics Inventory Management," December 8, 2021
(k) DoD 7000.14-R, "Department of Defense Financial Management Regulation (DoD FMR), Volume 4: Accounting Policy," current edition
(l) National Archives and Records Administration, "General Records Schedule 1.1 Transmittal Number 31: Financial Management and Reporting Records," April 2020[1]
(m) United States Office of Personnel Management, Handbook of Occupational Groups and Families, Part 1, Series 0500, "Accounting and Budget Group," December 2018
(n) Office of the Under Secretary of Defense, "Financial Improvement and Audit Readiness (FIAR) Guidance," April 2017
(o) Defense Logistics Manual 4000.25, Volume 2, Chapter 17, "Supply Discrepancy Reporting," November 26, 2019, as amended
(p) Treasury Financial Manual: Bureau of the Fiscal Service, US Standard General Ledger, current website edition[2]
(q) Assistant Secretary of Defense for Health Affairs Policy 07-015, "Policy for Release of Department of Defense Antiviral Stockpile during an Influenza Pandemic," August 10, 2007[3]
(r) Office of the Assistant Secretary of Defense, "Department of Defense Implementation Plan for Pandemic Influenza," August 2006
(s) Defense Health Agency-Administrative Instruction 4000.02 "Financial Liability

[1] This reference can be found at: https://www.archives.gov/files/records-mgmt/grs/grs01-1.pdf
[2] This reference can be found at: https://tfm.fiscal.treasury.gov/v1/supplements/ussgl.html
[3] This reference can be found at: https://health.mil/reference-center/policies/2007/08/10/policy-for-release-and-use-of-dod-antiviral-stockpile-during-an-influenza-pandemic

Investigation of Property Loss," May 9, 2022
(t) Defense Health Agency-Procedural Manual 6430.10 "Pandemic Stockpile Management," December 6, 2022
(u) Department of Defense Instruction 4000.19, "Support Agreements," December 16, 2020

ENCLOSURE 2

RESPONSIBILITIES

1. DIRECTOR, DHA. The Director, DHA will maintain oversight over the management of the MHS stockpile materials and ensure compliance with this publication.

2. DIRECTOR, FINANCIAL OPERATIONS (J-8). The Director, J-8 will oversee Financial Reporting and Compliance (FR&C) Division activities.

3. PERSONNEL, FINANCIAL REPORTING AND COMPLIANCE (FR&C) DIVISON. The personnel within the FR&C Division will:

a. Provide oversight to the DHA Enterprise financial reporting processes.

b. Validate financial statements and related reports, generated by Defense Finance Accounting Service (DFAS) on behalf of the DHA Enterprise, are in compliance with Generally Accepted Accounting Principles, and accurately represent the financial activity of the DHA.

c. Create fully-supported journal voucher (JV) packages in support of the DHA financial statements on behalf of the DHA Enterprise.

d. Provide DFAS with posting logic to support the recording of stockpile material to the General Ledger (GL).

e. Perform reconciliation of Accountable Property System of Record (APSR) reports, GL reports, and GL account balances on a monthly/quarterly basis.

f. Coordinate with stakeholders to reconcile discrepancies.

g. Sign the completed reconciliation report evidencing review and certification.

4. DHA AGREEMENTS AND PARTNERSHIPS MANAGEMENT OFFICE (APMO). DHA APMO personnel will:

a. Provide agreement package guidance and direction to the MEDLOG PM.

b. Review agreement package for completeness and quality control.

c. Staff the agreement package for signature.

d. Coordinate on agreement package prior to approving authority signature.

5. DHA MEDICAL LOGISTICS (MEDLOG) PANDEMIC STOCKPILE PROGRAM MANAGER (PM). The DHA MEDLOG PM will:

a. Ensure that the DHA AI is implemented across the DHA Enterprise.

b. Maintain accountability for the DHA's management of its stockpile program(s).

c. Communicate DHA; Assistant Secretary of Defense, Health Affairs (ASD(HA)); intermediate, and regional stockpile requirements to appropriate stakeholders.

d. Assist with management and oversight of strategic, intermediate, and/or local stockpile material.

e. Submit inventory reports and valuation documentation to the FR&C for creation of the quarterly JV.

f. Verify and validate stockpile requirements and initiate funding transactions to transfer funds to the service providers or military medical treatment facility (MTF) to procure their own stockpile.

g. Evaluate and analyze stockpile inventory and inventory adjustment documentation.

h. Coordinate with stakeholders to resolve discrepancies between inventory reports and delivery orders.

i. Verify that resource requests delineated in a FS 7600B, "United States Government Order Form," is consistent with ASD(HA) guidance and support the DHA's stockpile mission.

j. Coordinate with FR&C Division personnel to finalize the quarterly reconciliation.

k. Verify and validate stockpile requirements and initiate funding transactions to transfer funds to the service providers or MTF to procure their own stockpile.

l. Evaluate and analyze stockpile inventory and inventory adjustment documentation.

m. Coordinate with stakeholders to resolve discrepancies between inventory reports and delivery orders.

n. Verify that resource requests delineated in requested FS Form 7600B, United States Government Order Form are consistent with ASD(HA) clinical policy guidance and support the DHA's stockpile mission.

o. Coordinate with FR&C Division personnel to finalize the quarterly reconciliation.

p. Create and actively manage fully executed FS Form 7600As and FS Form 7600Bs in support of the stockpile management program in accordance with reference (u) of enclosure 1.

6. DHA AND SERVICE PROVIDER RESOURCE MANAGERs (RMs). RMs will:

a. Approve financial transactions related to stockpile procurement.

b. Commit funds in the Financial Management System (FMS).

c. Certify all funding modifications for DHA MEDLOG.

d. Approve/deny funding requirements.

7. ACCOUNTABLE MEDICAL LOGISTICS OFFICER (AMO). The AMO must perform duties in accordance with enclosure 2, paragraph 7 of reference (j).

8. ASSEMBLAGE MANAGEMENT PERSONNEL. The Assemblage Management personnel will:

a. Be responsible for receiving and turning-in assets.

b. Verify existence of an associated inbound stockpile material.

c. Sign receipt documentation for the stockpile material.

(1) Close out the inbound item and notify the PM of the stockpile material arrival.

(2) Pull stockpile material off shelf for Shelf-Life Extension Program (SLEP) testing or disposal.

d. Perform, record, sign, and submit stockpile material inventory inquiries at the MTF from the PM.

e. Notify the PM of inventory discrepancies.

9. DIRECTOR, MTF. The Director, MTF, will perform duties in accordance with Enclosure 2, paragraph 5 of reference (j).

ENCLOSURE 3

PROCEDURES

1. INTRODUCTION TO STOCKPILE MATERIAL

a. Stockpile material as defined in Reference (d), are strategic and critical materials held due to statutory requirements for use in national defense, conservation, or national emergencies. They are not held with the intent of selling in the ordinary course of business. The following items are specifically excluded from stockpile materials:

(1) Items that are held by an agency for sale for use in normal operations

(2) Items that are held for use in the event of an agency's operating emergency or contingency

(3) Materials acquired to support market prices (i.e., commodities specifically acquired, held, sold, or otherwise disposed of to satisfy or help satisfy economic goals).

b. The Defense Health Program's stockpile program includes strategic, intermediate, and local stockpiles. The primary difference between the levels of stockpile is the release authority for each level. Strategic stockpiles are under the release authority of the ASD(HA), in accordance with reference (t). Strategic stockpile materials are typically distributed by Defense Logistics Agency (DLA) Distribution and/or Biomedical Advanced Research and Development Authority (BARDA). Initially established under the Reference (I), the Pandemic Influenza Program's initial requirement included Tamiflu and Relenza stockpiles to support Europe, the Continental United States, and the Pacific Rim, but has since expanded to include pandemic vaccines, adjuvant, Probenecid, and needles/syringes. Intermediate stockpiles are those managed by the intermediate storage sites and are under the release authority of the Geographic Combatant Commands in accordance with Reference (q). Local stockpiles are those managed at the MTF level. Local-level Antivirals under local MTF possession are under the release authority of the ASD(HA), while local-level antibiotics and PPE materials and is under the release authority of the MTF Directors.

2. PHASES OF STOCKPILE MATERIAL LIFECYCLE. The DHA must establish lifecycle management over all stockpile materials provided to or acquired by the DHA Enterprise to be in compliance with references (d) through (f). Such management confirms proper and authorized use, as well as adequate care and preservation, since no asset can be acquired, placed in service, transferred, placed on the DoD property book, or disposed without the proper authorization necessary to document and record the transaction.

a. Requisition

(1) (Step 1). DHA MEDLOG PM, on a quarterly basis, reviews policy guidance for strategic, intermediate, and local stockpile to identify stockpile material shortfalls. (Control S.C.01: Appendix 2)

(2) (Step 2). DHA MEDLOG PM identifies service provider to procure stockpile. Service providers typically include the DLA, Department of Health and Human Services offices such as the BARDA, one of several intermediate storage sites, or a prime vendor that is able to provide stockpile material according to required specifications.

(3) (Step 3). DHA MEDLOG PM ensures, through coordination with system administrators, that an outbound funding document is established and initiated in the FMS to fund stockpile requirements and verifies that the requested amount is sufficient to satisfy ASD(HA)/Combatant Command/MTF Directors' guidance. (Control S.C.02: Appendix 2).

(4) (Step 4). DHA MEDLOG PM determines whether the reservation of funds is being created with the FS Form 7600B or DD Form 448, "Military Interdepartmental Purchase Request (MIPR)."

(a) If the reservation of funds is going to be created with FS Form 7600B, continue to step 5.

(b) If the reservation of funds is created with a DD Form 448, continue to step 11.

(5) (Step 5). Is there an active FS Form 7600A, United States Government IAA?

(a) If there is not an active FS Form 7600A, continue to step 6.

(b) If there is an active FS Form 7600A, continue to step 10.

(6) (Step 6). DHA MEDLOG PM coordinates with process stakeholders to ensure that an FS Form 7600A is initiated and is sent to the service provider for approval and signature.

(7) (Step 7). DHA MEDLOG PM ensures the FS From 7600A is signed by the appropriate DHA signature authority/authorities.

(8) (Step 8). DHA MEDLOG PM, upon receipt of the signed 7600A, ensures completion of the 7600B, and forwards it to the DHA APMO for approval and signature.

(9) (Step 9). DHA MEDLOG PM performs an internal review on the signed and approved FS Form 7600B and processes it, consistent with MEDLOG's internal review process. (Control S.C.03: Appendix 2).

(10) (Step 10). DHA MEDLOG PM ensures that the FS Form 7600B is sent to the RM for authorization signature. Continue to step 12.

(11) (Step 11). DHA MEDLOG PM ensures that a DD Form 448 is initiated in the FMS and that a copy of it is forwarded to the RM.

(12) (Step 12). RM reviews the requested FS Form 7600B or DD Form 448 to verify whether the request satisfies DHA's bona fide stockpile requirements based on ASD(HA) clinical policy guidance and provides signature if approved. (Control S.C.04: Appendix 2)

(13) (Step 13). RM commits funds in the FMS.

(14) (Step 14). DHA MEDLOG PM receives the signed FS Form 7600B or DD Form 448 from the RM, ensures that a copy of the funding document is uploaded to the FMS.

(15) (Step 15). DHA MEDLOG PM submits procurement package with service agreement to the service provider RM. The procurement package should include, but not be limited to the following data elements:

(a) Signed FS Form 7600A between DHA MEDLOG and service provider

(b) Type of material to be ordered

(c) Funding allocated for purchase

(d) Quantity of material to be ordered

(e) Delivery location (if applicable)

(f) FS Form 7600B agreement (if applicable)

(16) (Step 16). Service Provider RM receives the outbound FS Form 7600B or DD Form 448 and verifies that the provided funding documentation is valid and satisfies bona fide stockpile requirements requested stockpile material order. If the requisition document has been approved, forward the signed FS Form 7600B or DD Form 448-2, Acceptance of MIPR (Military Interdepartmental Purchase Request) to the DHA MEDLOG PM and RM. If the requirements are not approved, {Strategic/Intermediate Requisition process ends}. (Control S.C.05: Appendix 2).

(17) (Step 17). RM receives and retains the approved FS Form 7600B or outbound DD Form 448-2 for the required retention period (refer to Reference (l)) and forwards to DHA MEDLOG PM.

(18) (Step 18). DHA MEDLOG PM ensures that the funding document is filed into the FMS to establish a line of funding and that it is retained in the local data repository for the required retention period. Refer to Reference (l). (Control S.C.06: Appendix 2).

(19) (Step 19). DHA MEDLOG PM receives the delivery order and all other documentation associated with the purchase from the service provider and retains it in the local data repository for the required retention period. The MEDLOG PM saves appropriate receipt and acceptance documentation consistent with DHA records management policy and MEDLOG business practices. Refer to Reference (l).

(20) (Step 20). Is the stockpile material being stored and maintained at an MTF or with a service provider?

(a) If the material is purchased by service provider, continue to step 21

(b) If the material is purchased for storage and maintenance at MTF, continue to step 22.

(21) (Step 21). DHA MEDLOG PM creates an "inbound item" corresponding to the order to be placed with the service provider, to establish item accountability. Continue to Strategic/Intermediate Receipt & Acceptance, step 1 on page 13. (Control S.C.07: Appendix 2).

(22) (Step 22). DHA MEDLOG PM creates an "inbound item" corresponding to the order to be placed with a service provider and delivered to the MTF.

(23) (Step 23). DHA MEDLOG PM notifies AMO of incoming delivery and provides delivery order supporting documentation. Continue to Local Receipt & Acceptance, step 1 on page 15.

b. Strategic and Intermediate Receipt and Acceptance

(1) (Step 1). DHA MEDLOG PM receives receipt notification from service providers (as per MOA stipulations) or MTF personnel that stockpile order has been received.

(2) (Step 2). DHA MEDLOG PM receives and retains invoice, shipment supporting documentation, and signed receipt documentation evidencing custody over the received stockpile material from service provider (per support agreement stipulations) or from MTF personnel in the local data repository for the required retention period (refer to Reference (l)). Supporting documentation may include (but not be limited to) the following: (Control S.C.08: Appendix 2).

(a) Contract;

(b) Invoice;

(c) Bill of Lading;

(d) Shipment Document;

(e) Packing Slip; and/or

(f) Signed receipt documentation.

(3) (Step 3). DHA MEDLOG PM reconciles the receipt supporting documentation to the initial delivery order for discrepancies. Discrepancies can include but not be limited to: (Control S.C.09: Appendix 2).

(a) Pricing discrepancies;

(b) Quantity discrepancies;

(c) Discrepancies between what was ordered and what was received; and/or

(d) Discrepancy between the delivery address and receipt address.

(4) (Step 4). DHA MEDLOG PM determines if a discrepancy exists. Documentation, such as a Significant Incident Report, will be submitted by the receiving agency to DHA MEDLOG for the item(s) in question.

(a) If a discrepancy is found, continue to step 5.

(b) If a discrepancy is not found, continue to step 13.

(5) (Step 5). DHA MEDLOG PM investigates the reason for the discrepancy.

(a) If the issue is with an MTF, continue to Local Receipt & Acceptance, step 4 on page 16.

(b) If the issue is with the service provider, continue to step 6.

(6) (Step 6). DHA MEDLOG PM files an SF 364, Report of Discrepancy (ROD). SF 364 should be signed by DHA MEDLOG PM and submitted to service provider and should include the following elements in accordance with Reference (o). DHA MEDLOG PM retains the SF 364 for the required retention period (refer to Reference (l)). (Control S.C.10: Appendix 2)

(a) Procurement source Unique Identification (UID);

(b) Wrong item received with UID;

(c) Missing UID (item or packaging);

(d) Mismatch UID with shortage/overage; and/or

(e) Mismatch UID no shortage/overage.

(7) (Step 7). DHA MEDLOG PM receives notification from service provider indicating cause of the discrepancy.

(8) (Step 8). DHA MEDLOG PM determines that the discrepancy is resolved.

(a) If the discrepancy is not resolved and the quantity of stockpile material delivered is different from what was ordered, or if the stockpile was damaged, continue to step 9.

(b) If the discrepancy is resolved, continue to step 13.

(9) (Step 9). DHA MEDLOG PM confirms with the service provider whether the missing or damaged stockpile item(s) can be replaced with the service provider.

(a) If the stockpile item(s) can be replaced, continue to step 10.

(b) If the stockpile item(s) cannot be replaced, continue to step 11.

(10) (Step 10). DHA MEDLOG PM instructs the service provider to place a replacement order for the missing/damaged stockpile. Return to strategic/intermediate receipt & acceptance, step 1, page 13.

(11) (Step 11). DHA MEDLOG PM coordinates with system administrators to modify the funding document in FMS to allow the RM to receive reimbursement from service provider.

(12) (Step 12). RM certifies the funding modification and receives reimbursement. {Strategic/Intermediate Receipt & Acceptance process ends}.

(13) (Step 13). DHA MEDLOG PM closes inbound item and instructs the service provider to process a gain in their APSR. (Control S.C.11: Appendix 2).

(a) If the service provider is an intermediate storage site activity: "inbound item" is closed out upon service provider closeout in the integrated APSR.

(b) If the service provider is BARDA or DLA: DHA MEDLOG will coordinate system administrators to upload the signed receipt documentation in the FMS indicating accountability, whereby MEDLOG closes out the "inbound item."

(14) (Step 14). DHA MEDLOG PM uploads the invoice to the Invoicing Receipt & Acceptance Property Transfer (iRAPT) and accepts it in the system to disburse payment to the vendor. {Strategic/Intermediate Receipt & Acceptance process ends}

c. Local Receipt & Acceptance

(1) (Step 1). Assemblage management personnel receive the stockpile material delivery from service provider or from transfer from another MTF.

(2) (Step 2). Assemblage management personnel reconcile the receipt documentation and delivery order documentation included with the initial order placement to verify that the correct order has been received. (Control S.C.12: Appendix 2)

(3) (Step 3). Assemblage personnel perform an inventory on the received material to determine whether there were any discrepancies with the received shipment and notifies the AMO of the results. Discrepancies include but are not limited to missing items, damaged items, and items delivered erroneously. (Control S.C.13: Appendix 2)

(4) (Step 4). Is a discrepancy identified?

(a) If a discrepancy is identified, AMO notifies DHA MEDLOG PM of the discrepancy. Return to strategic and intermediate receipt and acceptance step 5 on page 14.

(b) If no discrepancy is identified, continue to step 5.

(5) (Step 5). AMO processes a gain on the stockpile using the packing list provided with the shipment and gaining the item into the APSR, acknowledging possession of the receipted material. Retain the gaining document in the local data repository for the required retention period. Refer to Reference (l). (Control S.C.14: Appendix 2)

(6) (Step 6). The AMO forward copies of receipt documentation and accompanying delivery supporting documentation to the DHA MEDLOG PM.

(7) (Step 7). The AMO closes out the "inbound item" in the APSR, thereby generating and printing a receipt that should include the following data elements: (Control S.C.15: Appendix 2)

(a) Contract number;

(b) Shipment number;

© Prime contractor;

(d) Shipped from/to;

(e) Item number;

(f) Stock/part number;

(g) Description;

(h) Quantity;

(i) Unit;

(j) Unit Price; and/or

(k) Amount.

(8) (Step 8). The AMO reconciles the corresponding data elements to the supporting documentation provided with the delivery. (Control S.C.16: Appendix 2).

(9) (Step 9). The AMO labels or affixes a barcode to stockpile items. If a barcode cannot be printed, the AMO labels the item with a UID that would allow the user to identify the item in the APSR. (Control S.C.17: Appendix 2)

(10) (Step 10). The AMO retains supporting documentation associated with the stockpile material receipt for the required retention period and submits a copy to DHA MEDLOG. Refer to Reference (l). (Control S.C.18: Appendix 2). {Local Receipt & Acceptance process ends}.

d. Strategic/Intermediate Periodic Inventory

(1) (Step 1). DHA MEDLOG PM initiates a periodic inventory for stockpile materials.

(2) (Step 2). DHA MEDLOG PM receives an inventory report from the service provider or MTF. Activities must take 100 percent physical counts of inventories at least annually (generally at of the fiscal year end), in accordance with Reference (k).

(3) (Step 3). DHA MEDLOG PM reconciles the certified inventory report with delivery order and supporting receipt documentation received from the service provider and determines if inventory meets stockpile requirements. (Control S.C.19: Appendix 2)

(a) If the inventory meets stockpile requirements, continue to step 4.

(b) If the inventory does not meet stockpile requirements, return to Strategic/Intermediate Receipt & Acceptance, step 6 on page 14.

(4) (Step 4). DHA MEDLOG PM retains inventory report in the local data repository for the required retention period. Refer to Reference (l). {Strategic/Intermediate Periodic Inventory process ends.}

e. Local Periodic Inventory

(1) (Step 1). The AMO initiates a 100 percent wall-to-wall inventory, which must be completed at least once annually. Refer to reference (k).

(2) (Step 2). The AMO designs physical inventory schedule.

(3) (Step 3). The AMO assigns team to complete the inventory.

(4) (Step 4). The AMO prints the count sheet from the APSR and provides it to assemblage management personnel. The count sheet should have the following data elements listed for each stockpile item:

(a) Name and description (nomenclature);

(b) UID;

(c) Location; and

(d) Stratification state (e.g., unserviceable, serviceable, suspended, etc.).

(5) (Step 5). Assemblage management personnel conduct book-to-floor procedures in accordance with the inventory schedule by physically locating the inventory from the count sheet (steps 5-7 can occur at the same time as steps 8-10).

(6) (Step 6). Assemblage management personnel reconcile the data elements on the count sheet to the item. This verifies material existence, correct location, accurate quantity, correct barcode/UID label and accountable property (AP) record existence and completeness. (Control S.C.20: Appendix 2).

(7) (Step 7). Assemblage management personnel sign the count sheets evidencing results and submit documentation to the AMO.

(8) (Step 8). Assemblage management personnel conduct floor-to-book procedures by selecting half of the number of assets on the count sheet for book-to-floor testing (e.g., if there are twenty book-to-floor assets on the count sheet, ten floor-to-book assets should be inventoried). Record UID from the assets found on the floor (steps 5-7 can occur at the same time as steps 8-10).

(9) (Step 9). Assemblage management personnel reconcile the UID to the APSR to verify the completeness of stockpile material reviewed in the inventory. (Control S.C.21: Appendix 2).

(10) (Step 10). Assemblage management personnel sign recorded data evidencing results and submit it to the AMO.

(11) (Step 11). Does a discrepancy exist?

(a) If a discrepancy does not exist, continue to step 12.

(b) If a discrepancy does exist, continue to step 16.

(12) (Step 12). The AMO reviews inventory results and annotates the count sheets.

(13) (Step 13). The AMO updates the "most recent inventory" date in the APSR.

(14) (Step 14). The AMO retains printed physical inventory results from the APSR. Retain documentation for the required retention period (refer to Reference (l)). (Control S.C.22: Appendix 2)

(15) (Step 15). The AMO submits physical inventory report to DHA MEDLOG PM. {Local Periodic Inventory process ends}.

(16) (Step 16). Assemblage management personnel notify the AMO of discrepancies.

(17) (Step 17). The AMO researches any issues identifies from the physical inventory within seven working days after inventory completion to determine the necessary remediation path. Issues include stockpile material found on the installation that was unaccounted for, lost stockpile material, or stockpile material entries that require a change/update to records.

(18) (Step 18). Which remediation path is necessary?

(a) For stockpile material that was lost, damaged, or destroyed, the AMO issues a DHA Form 127, "Preliminary Causative Research," to be completed and returned to the AMO within five calendar days. Continue to step 19.

(b) For stockpile material that requires a change/update in the APSR, continue to step 20.

(c) For stockpile found on installation, continue to step 21.

(19) (Step 19). The AMO processes a loss by filing a DD Form 200, Financial Liability Investigation of Property, to report the missing item(s). DD Form 200 is used to officially report the facts and circumstances supporting the assessment of financial charges for the damage or destruction of the item. AMO retains the completed DD Form 200 in the local data repository for the required retention period. Refer to Reference (l). Continue to local disposition on step 1 on page 22. (Control S.C.23: Appendix 2).

(20) (Step 20). The AMO changes/updates asset records to reflect any disparities noted using the procedures below:

(a) For stockpile material that has a UID mismatch, the correct UID should be noted on the count sheet and corrected in the system. A new label should be printed and affixed to the stockpile material.

(b) For catalogue disparity, the correct catalogue should be noted on the count sheet and corrected in the APSR.

(c) For location disparity, the correct location should be noted on the count sheet and corrected in the APSR.

(d) For condition discrepancy, appropriate action (disposal or maintenance) should be taken on any stockpile material noted as unserviceable or damaged. DD Form 200 is used to officially report the facts and circumstances supporting the assessment of financial charges for the damage or destruction of equipment. The correct condition should be noted on the count sheet and corrected in the APSR. Retain the DD Form 200 in the local data repository for the required retention period (refer to Reference (l)). (Control S.C.24: Appendix 2).

(e) For equipment that is missing a UID label, the AMO must print a new label from the APSR and place it on the stockpile material. Return to Local Periodic Inventory, step 14, page 19.

(21) (Step 21). The AMO processes a gain for stockpile found but not recorded. For stockpile that is found on site but is not accounted for, the AMO must work to determine the ownership of the stockpile. Return to Local Periodic Inventory, step 14 on page 19. (Control S.C.25: Appendix 2).

f. Strategic/Intermediate Disposition & Transfer

(1) (Step 1). DHA MEDLOG PM receives the DD Form 1225, Storage Quality Control Report, from the Service Provider.

(2) (Step 2). DHA MEDLOG PM reviews that all the required data fields listed on the DD Form 1225, which indicates whether stockpile is eligible for the SLEP, ready for disposal, or awaiting transfer to another agency. The DD Form 1225 should list the following elements pertaining to the listed item(s).

(a) National stock number;

(b) Nomenclature;

(c) Serial number (if applicable);

(d) Condition code;

(e) Quantity; and

(f) Location.

(3) (Step 3). DHA MEDLOG PM provides disposition instructions to service provider or MTF on stock that will need to be disposed, transferred, or SLEP extended.

(4) (Step 4). Are the instructions being given to a service provider or MTF?

(a) If the instructions are being provided to an MTF, continue to Local Disposition, step 2 on page 22

(b) If the instructions are being provided to a service provider, continue to step 5.

(5) (Step 5). Is the stockpile material marked as ready for disposal or marked for SLEP testing?

(a) If the stockpile material is marked as ready for disposal, continue to step 6.

(b) If the stockpile material is marked for SLEP testing, continue to step 8.

(6) (Step 6). DHA MEDLOG PM instructs the service provider to processes a loss in their APSR. (Control S.C.26: Appendix 2)

(7) (Step 7). DHA MEDLOG PM receives signed documentation from the service provider indicating that the stockpile material has been disposed of and retains it in the local data repository for the required retention period. Refer to Reference (l). {Strategic/Intermediate Disposition & Transfer process ends}. (Control S.C.27: Appendix 2)

(8) (Step 8). DHA MEDLOG PM receives SLEP test result documentation, along with an updated APSR report, from the service provider.

(9) (Step 9). DHA MEDLOG PM reviews SLEP test results and confirms if the stockpile material can be extended.

(a) If the stockpile material cannot be extended, DHA MEDLOG PM marks it for disposal, continue to step 10.

(b) If the stockpile material can be extended, continue to step 11.

(10) (Step 10). DHA MEDOG PM provides disposition instruction to the service provider. Return to Strategic/Intermediate Disposition and Transfer, step 6 on page 21.

(11) (Step 11). DHA MEDLOG PM reconciles the new expiration dates provided by the service provider with the expiration dates in the service provider's updated APSR report and instructs service provider to resolve any discrepancies. (Control S.C.28: Appendix 2)

(12) (Step 12). DHA MEDLOG PM verifies that the service provider has updated the expiration dates in their APSR. {Strategic/Intermediate Disposition & Transfer process ends}. (Control S.C.29: Appendix 2)

g. Local Disposition & Transfer

(1) (Step 1). The AMO provides instruction in the requisition document for items to be disposed, transferred, or extended. If the item is extended, the service provider will send new

labels with the updated expiration date to the AMO who will affix them to the stockpile material packaging. Continue to step 3.

(2) (Step 2). The AMO receives instruction from DHA MEDLOG PM indicating whether to dispose of, transfer, or SLEP test stockpile material.

(3) (Step 3). Assemblage management personnel pulls stockpile items off the shelf for disposal, transfer, or testing.

(4) (Step 4). The AMO initiates a DD Form 1348-1A, Issue Release/Receipt Document in the APSR to mark item(s) for disposal, transfer, or SLEP testing. If the stockpile is marked for disposal or transfer, the AMO processes a loss of stockpile material in the APSR. (Control S.C.29 Appendix 2).

(5) (Step 5). Is the item being transferred, disposed of, or SLEP tested?

(a) If the stockpile material is marked for disposal or transfer, continue to step 6.

(b) If the stockpile material is marked eligible for SLEP testing, continue to step 12.

(6) (Step 6). Assemblage management personnel prints a DD Form 1348-1A from the APSR and affixes it to the shipping package containing the stockpile item(s). (Control S.C.30: Appendix 2)

(7) (Step 7). Assemblage management personnel ships package with stockpile material and printed DD Form 1348-1A to Gaining Party (MTF or DLA Disposition Services) for acceptance and signature.

(8) (Step 8). Is the item being disposed of or transferred?

(a) If the item(s) are being disposed, continue to step 10.

(b) If the item(s) are being transferred, continue to step 9.

(9) (Step 9). Assemblage management personnel turn stockpile material item(s) over to the gaining MTF and provide the generated DD Form 1348-1A for signature. Continue to step 11.

(10) (Step 10). Assemblage management personnel makes an appointment with DLA Disposition Services to arrange a pickup or drop off the obsolete stockpile item(s) to a DLA Distribution Services center and provides generated DD Form 1348-1A for signature.

(11) (Step 11). The AMO receives a signed DD Form 1348-1A from DLA disposition services or the MTF receiving the stockpile transfer and retains it in the local data repository for the required retention period (refer to Reference (l)). (Control S.C.31 Appendix 2). The AMO

will also send a signed copy of the DD Form 1348-1A to the DHA MEDLOG PM. Continue to step 17.

(12) (Step 12). Assemblage management personnel ship the sample stockpile material for SLEP testing to the appropriate stakeholders. The AMO ensures that the Assemblage management personnel send the eligible stockpile item(s) for SLEP testing. A third party contracted by the Food and Drug Administration performs SLEP testing.

(13) (Step 13). The AMO receives the SLEP test results from the third party that tested the material.

(14) (Step 14). Has the stockpile been extended?

(a) If the stockpile item(s) has not been extended, continue to step 15.

(b) If the stockpile item(s) has been extended, continue to step 16.

(15) (Step 15). The AMO initiates a DD Form 1348-1A in the APSR to mark item(s) for disposal, processing a loss in the APSR. Return to Local Disposition & Transfer, step 5 on page 22.

(16) (Step 16). The AMO updates the APSR with the new SLEP test results and affixes the new expiration date labels to the item packaging. (Control S.C.32 Appendix 2)

(17) (Step 17). Has the material been disposed of or transferred?

(a) If the material has been transferred, continue to Local Receipt and Acceptance, step 1 on page 15

(b) If the material has been disposed of {Local Disposition and Transfer process ends}.

h. Financial Reporting

(1) (Step 1). DHA MEDOG PM receives and/or pulls quarterly inventory reports from the APSR(s) no later than five business days after the previous quarter close. The report consists of updated DHA-approved APSR data for local and intermediate held stockpile material and inventory reports for strategically held items by the service providers. The report should summarize the quarter's on-hand stockpile material quantities valued at historical costs and/or fair value of the purchased item(s). Gains and losses processed from the APSR should result in changes to the total stockpile value being reported. For additional information and requirements, please refer to reference (g). Quarterly inventory reports are provided to DHA MEDLOG from:

(a) Service provider(s);

(b) Intermediate storage site(s); and

(c) MTF(s).

(2) (Step 2). DHA MEDLOG PM uploads inventory data into the data repository.

(3) (Step 3). DHA MEDLOG PM submits quarterly stockpile summary report with support funding documentation to DHA Financial Reporting & Compliance (FR&C). Summary report should highlight the asset listing for the quarter and include the following information:

(a) Asset;

(b) Quantity;

(c) Total Value;

(d) Cost per item;

(e) Adjustments made to the asset listing from the previous quarter;

(f) Location;

(g) Item ID or Unique ID;

(h) Contract No.;

(i) Nomenclature;

(j) Manufacture date; and

(k) Expiration date.

(4) (Step 4). FR&C receives the quarterly stockpile summary report and supporting financial documentation from the DHA MEDLOG PM office. FR&C reconciles the quarterly stockpile summary report against the provided financial support documentation to ensure increases/decreases in stockpile asset quantity and valuation are properly supported by the documentation. Support financial documentation includes, but not limited to the following: (Control S.C.33: Appendix 2)

(a) Contracts;

(b) Invoices;

(c) Receiving reports;

(d) Payment vouchers;

(e) Material-return documents;

(f) Transfer documents;

(g) Inventory documents;

(h) Issue and shipping documents;

(i) Sales records; and

(j) Documented gains and losses.

(5) (Step 5). Were there any discrepancies between the stockpile summary report and the supporting documentation?

(a) If discrepancies were identified, continue to step 6.

(b) If no discrepancies were identified, continue to step 8.

(6) (Step 6). FR&C notifies DHA MEDLOG PM of discrepancies identifies between the stockpile summary report and supporting documentation.

(7) (Step 7). DHA MEDLOG PM resolves discrepancies and provides updated report to FR&C.

(8) (Step 8). FR&C submits financial data to the FR&C DHA Financial Reporting team to create the JV package.

(9) (Step 9). FR&C DHA Financial Reporting team provides JV package and posting logic to DFAS to record stockpile material to the GL. Use the following United States Standard Government Ledger (USSGL) accounts to record the stockpile material to the financial statements (refer to Reference (p)):

(a) To record the establishment or purchase of the stockpile asset; debit 157100.9000 (210) Stockpile Materials Held in Reserve and credit 661000.9000 (10133) Cost Capitalization Offset

(b) To record the consumption of the stockpile asset; debit 679000.1013 (6458) Other Expenses Not Requiring Budgetary Resources and credit 157100.9000 (210) Stockpile Materials Held in Reserve

(c) To record the permanent value of the stockpile asset due to damage; debit 729000.0300 (33178) Other Losses (Deterioration Losses) and credit 157100.9000 (210) Stockpile Materials Held in Reserve.

(d) To record the permanent value of the stockpile asset due to expiration; debit 730000.9000 (2208) Extraordinary Items and credit 157100.9000 (210) Stockpile Materials Held in Reserve.

(10) (Step 10). FR&C receives and retains the approved JV package with document number for the required retention period (refer to Reference (l)) and uploads a copy to data repository.

(11) (Step 11). FR&C sends a copy of the JV package to the DHA MEDLOG PM.

(12) (Step 12). DHA MEDLOG PM uploads a copy of the JV package to data repository. {Financial Reporting process ends}.

i. Reconciliation

(1) (Step 1). FR&C Division personnel initiate monthly reconciliation.

(2) (Step 2). FR&C Division personnel identify whether the reconciliation is for strategic, intermediate, or local stockpile material.

(a) If the reconciliation is for local stockpile material, continue to step 3.

(b) If the reconciliation is for strategic or intermediate stockpile material, continue to step 8.

(3) (Step 3). AMO processes a reconciliation in the APSR as of 0000 hours on the same day to simulate a closing out of the APSR for the reporting period.

(4) (Step 4). AMO prints an APSR Reconciliation Report with a summary of all purchases, issuances, transfers, disposals, and changes (+/-/Δ) in the stockpile material USSGL 157100.

(5) (Step 5). AMO reconciles all gains and losses to the APSR Reconciliation Report while gathering supporting documentation.

(6) (Step 6). AMO signs and sends the APSR Reconciliation Report to FR&C Division personnel , thereby certifying the APSR data. (Control S.C.34: Appendix 2).

(7) (Step 7). AMO submits the reconciled report to FR&C Division personnel no later than 48 hours after it is drafted. Continue to step 10.

(8) (Step 8). FR&C Division personnel print the beginning trial balance (TB) from the GL system.

(9) (Step 9). FR&C Division personnel receive a certified APSR Reconciliation Report from the service provider as per stipulations in MOA.

(10) (Step 10). Within 48 hours, the AMO notifies DHA MEDLOG PM whether the service provider issued the certified APSR Reconciliation Report.

(a) If the service provider did not provide the certified APSR Reconciliation Report, continue to step 11.

(b) If the service provider did provide the certified APSR Reconciliation Report, continue to step 13.

(11) (Step 11). FR&C Division personnel notify the MTF Director stating that the service provider did not submit the certified APSR Reconciliation Report.

(12) (Step 12). The MTF Director directs service provider to issue the certified APSR Reconciliation Report within 48 hours. Return to Reconciliation, step 8 on page 26.

(13) (Step 13). FR&C Division personnel reconcile the APSR Reconciliation Report to the GL TB. Actions include:

(a) Reconciliation of gains to expenditures within USSGL 157100

(b) Re-Calculation of monthly consumption within USSGL 157100

(c) Validate deletions with supporting documentation (to include preparing a JV for losses). (Control S.C.35: Appendix 2).

(14) (Step 14). Does the stockpile material asset listing balance on the APSR Reconciliation report reconcile with what is reported on the GL TB?

(a) If the amounts reported on the APSR Reconciliation Report and the GL TB do not reconcile, continue to step 15.

(b) If the amounts reported on the APSR Reconciliation Report and the GL TB reconcile, continue to step 30.

(15) (Step 15). FR&C Division personnel identify the reason item(s) that do not reconcile.

(16) (Step 16). Is the discrepancy an MTF issue or a service provider issue?

(a) If the discrepancy is an MTF issue, continue to step 17.

(b) If the discrepancy is a service provider issue, continue to step 24.

(17) (Step 17). FR&C Division personnel determine whether the non-reconciliation of items is caused by an error in the APSR or Interface/Entry Error.

(a) If the error is an APSR error, continue to step 18.

(b) If the error is an Interface/Entry error, continue to step 21.

(18) (Step 18). FR&C Division personnel notify the MTF Director of there being non-reconciling item(s).

(19) (Step 19). MTF Director delegates APSR adjustments to the responsible AMO.

(20) (Step 20). AMO makes appropriate APSR adjustments.

(21) (Step 21). AMO prints, signs, and sends the updated APSR Reconciliation Report to the MTF Director. (Control S.C.36: Appendix 2).

(22) (Step 22). MTF Director provides updated APSR Reconciliation Report to FR&C Division personnel.

(23) (Step 23). FR&C Division personnel investigate and remediate the variance of the non-reconciling item(s). Continue to step 26.

(a) If the variance is an interface issue, review the Interface Exception sheet and adjust the appropriate variance.

(b) If the variance is a manual entry issue, adjust with a fully supported JV.

(24) (Step 24). MTF Director instructs service provider to resolve discrepancies and provides new reconciliation report to FR&C Division personnel.

(25) (Step 25). FR&C Division personnel receive the updated/adjusted APSR reconciliation report and compares it to the TB.

(26) (Step 26). FR&C Division personnel determine if a JV is required.

(a) If a JV is required, continue to step 27.

(b) If a JV is not required, continue to step 28.

(27) (Step 27). FR&C Division personnel create a fully supported JV and submit to the appropriate authority for review and approval. (Control S.C.37: Appendix 2). Fully supported JVs include:

(a) Additions:

1. Contracts/Statements of Work;

2. Work Order;

3. Reimbursable Agreements;

4. MIPRs;

5. Purchase Orders;

6. Receiving Reports and Invoices;

7. UID & Location; and

8. Book Value.

(b) Deletions:

1. UID and Location;

2. Signed DD Form 1348-1A; and

3. Book Value.

(c) Re-Calculation

(28) (Step 28). FR&C Division personnel adjust the item(s) in the GL system.

(29) (Step 29). FR&C Division personnel print adjusted TB.

(30) (Step 30). FR&C Division personnel sign the completed reconciliation report evidencing review and certification. {Reconciliation process ends}. (Control S.C.38: Appendix 2). A completed report includes:

(a) Adjusted TB (signed).

(b) Final Asset Reconciliation Report (signed).

APPENDIX 1

PROCESS MAPS

1. STOCKPILE PROCESS MAPPING. Stockpile process mapping refers to activities involved in defining the lifecycle of DHA stockpile material. It delineates roles and responsibilities in the various swim lanes and steps within the lifecycle process. These maps mirror the Procedures section found in Enclosure 3 and provide a pictorial workflow.

2. STOCKPILE PROCESS MAPPING WEBSITE AVAILABILITY. Stockpile process map is available at: https://info.health.mil/bus/fi/ppe/DHP_Policy_and_Procedures/stockpile. If you encounter any issues with the link above, please contact the Defense Health Program Property Plant and Equipment team at: dha.ncr.bus-resource-mgt.mbx.dhp-ppe-team@health.mil.

APPENDIX 2

RISK AND CONTROL MATRIX

1. STOCKPILE RISK AND CONTROL MATRIX (RCM). The RCM is a reference guide that contains all controls included in the stockpile lifecycle process. It allows reporting entities to tie the process steps to the controls, and the controls to the risks they mitigate and the objectives they accomplish. They also enable reporting entities to evaluate year-to-year changes in their control environments, identify new risks, and develop and implement corrective action plans.

2. STOCKPILE RCM WEBSITE AVAILABILITY. Stockpile RCM is available at: https://info.health.mil/bus/fi/ppe/DHP_Policy_and_Procedures/stockpile.
If you encounter any issues with the link above, please contact the Defense Health Program Property Plant and Equipment team at: dha.ncr.bus-resource-mgt.mbx.dhp-ppe-team@health.mil.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

AMO	Accountable Medical Logistics Officer
AP	accountable property
APSR	accountable property system of record
ASD(HA)	Assistant Secretary of Defense for Health Affairs
BARDA	Biomedical Advanced Research and Development Authority
DD	Department of Defense (form)
DFAS	Defense Finance Accounting Service
DHA	Defense Health Agency
DHA-AI	Defense Health Agency-Administrative Instruction
DLA	Defense Logistics Agency
FMS	Financial Management System
FR&C	Financial Reporting and Compliance
FS	Fiscal Service (form)
GL	general ledger
IAA	Interagency Agreement
iRAPT	Invoicing Receipt & Acceptance Property Transfer
J-8	Financial Operations
JV	journal voucher
MEDLOG	Medical Logistics
MOA	memorandum of agreement
MTF	military medical treatment facility
PM	Program Manager
RCM	risk and control matrix
RM	Resource Manager
SLEP	Shelf-Life Extension Program
TB	trial balance

UID	Unique Identification
USSGL	United States Standard Government Ledger

PART II. DEFINITIONS

Unless otherwise noted, these terms and their definitions are for the purpose of this Defense Health Agency-Administrative Instruction.

acceptance. A formal certification that goods or services have been received and conform to the terms of the contract.

acquisition. Acquiring hardware, supplies or services through purchase, lease, or other means. Other means of acquisition include transfer or fabrication, whether the supplies or services are already in existence or must be created, developed, demonstrated, and evaluated.

Accountable Medical-Logistics Officer. An individual who, based on his/her training, knowledge, experience in stock record accounting; is appointed by proper authority to maintain accountability of supplies being held for issue from time of receipt until issued, shipped, or dropped from accountability. Comparable terms include: Army- Installation Medical Supply Activity Accountable Officer/Stock Record Officer; Air Force- Accountable Officer/Chief of Supply/ Chief of Material Management

appropriation line. A sum of money devoted to a special purpose from which the allocation is made.

APSR. The business system/application used to account for and maintain accountability of government property. It is a subsidiary ledger to the financial system GL and represents the transactions impacting the asset.

Biomedical Advanced Research Development Authority. The Biomedical Advanced Research Development Authority, within the Office of the Assistant Secretary for preparedness and response in the U.S. Department of Health and Human Services, provides an integrated, systematic approach to the development of the necessary vaccines, drugs, therapies, and diagnostic tools for public health medical emergencies such as chemical, biological, radiological, and nuclear accidents, attacks, pandemic influenza, and emerging infectious diseases.

Defense Finance and Accounting Service. An agency that performs finance and accounting activities for the DoD.

Defense Medical Logistics Standard Support. Provides on-line capability to support all functions that are associated with property accountability and equipment management. Defense Medical Logistics Standard Support serves as the DHA APSR for stockpile material.

excess. The amount of inventory above the sum of the Approved Acquisition Objective and inventory retained for economic and/or contingency purpose.

expenditures. The act of spending funds.

Federal Accounting Standards Advisory Board. An advisory committee that develops accounting standards for U.S. federal government agencies. The Federal Accounting Standards Advisory Board is designed to improve government accountability by issuing federal financial accounting and reporting standards that adhere to industry best practices.

inbound item. An item or material placed on order establishing accountability to the property book.

internal controls. A process for assuring achievement of DHA's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with U.S. laws, regulations, and policies.

inventory. Tangible personal property that is held for sale, in the process of production for sale, to be consumed in the production of goods for sale, or in the provision of services for a fee.

invoice. A bill, or a list of an asset(s) or services provided.

journal voucher. A written statement for every financial transaction a company makes or for every transaction that meets certain criteria.

key supporting document. The critical document that proves a management assertion.

military treatment facility. A medical treatment facility is established for the purpose of furnishing medical and or dental care to eligible individuals, within the DoD.

physical count. The process of physically counting the item(s) in order to verify the AP record's posted balance.

physical inventory. The verification of property existence, AP record completion, location, and quantity. The process may also involve verifying additional information, performing reconciliation, and modifying the AP records.

procurement. The action or occupation of acquiring military emergency stockpile material and supplies.

receipt. A transmission or other acknowledgment made by a receiving entity to indicate that a message, good, or service has been satisfactorily received. A receipt is often denoted by signing a situation specific form, such as DD Form 250, Material Inspection and Receiving Report.

reconciliation. An accounting process that uses two or more sets of records to prove figures are correct and in agreement.

resource manager. An individual responsible for providing support to combatant commanders and enabling the military departments' medical services to provide a medically ready force and ready medical force.

Shelf-Life Extension Program. The SLEP extends the expiration dates on qualifying drugs and other materiel in federal stockpiles.

trial balance. A statement of all debits and credits in a double-entry account book, with any disagreement indicating an error.

intermediate storage sites. Sites designated to provide theater-level Class VIII supply support to a CCDR for joint forces operating within a specified theater of operations. It serves as the theater's primary distribution point, receiving materiel directly from medical prime vendors and other suppliers in the US. The intermediate storage site is a critical element of DLA's plan for executing its global medical supply chain responsibilities as the DoD executive agent for medical materiel.

work order. An order received by an organization from a customer or client, or an order created internally within the organization that may be for products or services.