



DEPARTMENT OF THE NAVY

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CNATRINST 4442.1D
N42

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CNATRA INSTRUCTION 4442.1D

Subj: T-45TS INVENTORY MANAGEMENT CONTROL PROGRAM

1. Purpose. To provide contractor personnel with guidance in the management and inventory control of T-45 material.
2. Cancellation. CNATRINST 4442.1C
3. Background. Provisioned assets are being delivered to the contractor at Naval Air Station (NAS) Kingsville, NAS Meridian and NAS Pensacola to support the T-45 aircraft flight program. The spares requirements process is currently using historical data generated at NAS Kingsville/NAS Meridian/NAS Pensacola in combination with Logistic Support Analysis (LSA) data to quantify operational reliability of T-45TS Weapons Replaceable Assembly (WRAs), Shop Replaceable Assembly (SRAs), and consumables. Aircraft inventory levels, aircraft utilization rates, and supply support assumptions with respect to I-Level repair rates, I and D level turn-around times, and current stocking levels are also identified and used as inputs to the Navy Aviation Retail Readiness Oriented towards Weapons System (ARROWS) Program. Various lists containing spares for both repairable and consumables to be procured for NAS Kingsville, NAS Meridian and NAS Pensacola are then developed, and a priced proposal from the current contractor is requested for government review prior to procurement.
4. Discussion. The application of effective stock control procedures in the replenishment and distribution of material is referred to as inventory control. An effective inventory control program depends on the proper implementation of inventory management functions for which the contractor is responsible.
5. Contractor Responsibilities. The contractor shall be responsible for the following functions:
 - a. Identify accurately all items of government owned material and the assignment of proper stock numbers to those items, as well as part numbers if Non-national Stock Number (NSN).

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b. Establish replenishment procedures to satisfy material requirements when an item is Not Carried (NC), or in the interim between regularly scheduled replenishment reviews because of depletion of the on-hand stock balances as a result of increased program demands. When these changes occur, the contractor shall accumulate the data necessary to update and recommend range/depth Spare Material List (SML) changes through procedures established in the T-45TS Integrated Logistic Support Plan (ILSP), Contractor Support Program (CSP), and Performance Work Statement (PWS).

c. Inventory levels will be maintained and updated on the government approved property management system.

d. Maintain accuracy of inventory per the PWS.

e. Maintain and operate pre-expended bins per on site operating procedures.

f. Rotate and manage shelf life material so that less than five percent of material requires survey action.

6. Stock Levels. During the provisioning period, stock levels will be maintained and managed as follows:

a. Repairable Stock

(1) Repairable item stock levels will be maintained per the T-45TS ILSP, CSP, and PWS.

(2) Replacement of Beyond Economical Repair (BER) items will be per the PWS. BER items which are determined to have sufficient stock on hand to meet anticipated requirements will not be replenished.

(3) Stock levels will be computed on a quarterly basis. Change in range and depth will be accomplished per the PWS.

b. Maintenance Related Consumable Stock

(1) Stock levels will be based on a 12-month demand period. The contractor is responsible for establishing and ordering up to the Requisitioning Objective (RO) which is the sum of the Operating Level (OL), Safety Level (SL), and Order and Ship Time (O&ST).

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(a) Requisitioning Objective: This is the maximum quantity of material that will be maintained on-hand or on order to sustain current operations. This includes the sum of the OL, SL, and the O&ST quantities.

(b) Operating Level: This is the quantity of material that is required to sustain operations between successive replenishment determined to be 90 days of T-45TS material.

(c) Safety Level: This is the level of stock in addition to the OL that is required to sustain operations in case of an interruption in the normal replenishment i.e., flood or labor disruption or an unpredictable fluctuation in demand. For T-45TS the quantity is 30 days.

(d) Order and Shipping Time: This is the equivalent of procurement lead time, i.e., the quantity required to sustain operations between requisition and receipt of the material. For T-45TS this is 30 days for continental United States sources and 75 days for foreign sources.

NOTE: Changes in range and depth will be accomplished per the PWS. For emergent requirements, O&ST may be extended, based on funding availability, particularly for foreign vendors in order to sustain operations.

(e) Reorder Point (RP): This is the amount of material required to meet demand during the anticipated procurement lead time. It includes the sum of stock represented by the SL and O&ST.

(2) Reorder will be accomplished bi-weekly and replenishment action will occur when the stock on-hand plus stock due in, is below the RP.

(3) The Aircraft CLS Contractor shall submit a Stock Level Change Request (SLCR) to Chief of Naval Air Training (CNATRA) Logistics Department via CNATRA Detachment (DET) for approval when a change to the authorized range or depth of a consumable item is desired per with this instruction. SLCR's that increase the total value of the inventory by \$5,000 or less may be approved by the Aircraft CLS Contractor.

c. Non-maintenance Related Consumable Items. Are defined as those items that have not been identified as maintenance related per the LSA process/PWS and will be managed per PWS.

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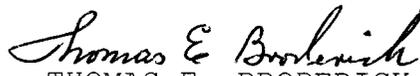
d. Excess Stock

(1) Provisioned material which has not had a demand for 24 months from date of receipt will be reviewed for possible excess. Listing in part number and/or NSN sequence indicating extended money value of excess materials shall be provided quarterly to CNATRA Headquarters via CNATRA Det.

(2) Material which has been determined not to meet updated configurations will be reviewed for disposition.

NOTE: Disposition of material determined to be excess will be approved by the Property Administrator (PA).

7. Submission of Reports. Contract data requirements lists will be provided by the contractor per PWS.


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