OPNAV INSTRUCTION 4400.9C

From: Chief of Naval Operations

Subj: DEPOT LEVEL REPAIRABLE ITEM MANAGEMENT

Ref: (a) OPNAVINST 4441.12C
(b) OPNAVINST 4614.1F
(c) CJCSI 4110.01C
(d) DOD Directive 4151.18 of 31 Mar 04

1. Purpose. To provide policy and assign responsibilities for the management of Depot Level Repairables (DLRs). This instruction has been administratively revised.

2. Cancellation. OPNAVINST 4400.9B.

3. Scope. This instruction applies to all activities that manage, use, process, repair, or control DLRs, (i.e., principal and secondary items with Material Control Codes E, G, H, Q, or X, with the exception of cognizance symbol 6RX).

4. Background. The evolution of sophisticated maintenance philosophies and supply management procedures for DLRs has paralleled the increased acquisition of complex weapons systems and equipment. These complex weapons systems and equipment contain numerous repairables which are costly to procure. It is generally more economical to repair defective components and restore them to Ready for Issue (RFI) condition than to procure replacements. Intensive management of these repairables is essential for improving fleet readiness in the most effective manner.

5. Policy. Repairables management shall optimize the fulfillment of repair cycle requirements for DLRs and ensure adequate visibility and control of noninstalled DLRs. The following supports this general policy:

   a. Retail stock levels (fixed allowances) of DLRs for operating forces and shore activities will be developed following the policies contained in reference (a), and be
authorized by Chief of Naval Operations (Director, Supply, Ordnance and Logistics Operations Division) (N41).

b. The fixed allowance will be the maximum stock level maintained. Requests for additions to an authorized fixed allowance will be submitted to the Navy Inventory Manager (IM) and approval received prior to requisitioning the items from the supply system.

c. All noninstalled DLRs, except Maintenance Assist Modules/Test Bench Installation (MAMs/TBIs) spares, will be considered as filling the fixed allowance regardless of condition, location, or status, including due-ins from the supply system. MAMs/TBIs are not included under fixed allowance computations, but are managed separately as promulgated by the Hardware Systems Commands (HSCs).

d. DLRs will be managed under a one-for-one reorder policy. Replenishment and direct turnover DLR requisitions will be limited to a quantity of one each, with exceptions promulgated by Commander, Naval Supply Systems Command (NAVSUPSYSCOM). Requisitions will be initiated only after an unserviceable component, which is beyond the repair capability of the organizational or intermediate maintenance level, is processed for shipment to the designated stock point or surveyed, after an approved allowance change has been received, or after a Remain-in-Place (RIP) letter has been signed by the commanding officer.

e. RIP items are DLRs that are not feasible to remove prior to receipt of a replenishment. The HSCs will designate RIP items and develop procedures for managing/reporting RIP items. RIP listings will be published by the Inventory Control Point (ICP).

f. Fixed allowance operating sites will provide asset visibility to the ICP per reference (a).

g. Fixed allowance operating sites will conduct, as a minimum, an annual physical inventory of DLRs and return to the wholesale system all non-installed DLRs which exceed the authorized fixed allowance. Specific requirements for more frequent physical inventories may be promulgated by Type Commander (TYCOM)/headquarters direction.
h. DLR requisitions will cite uniform material movement and issue priority systems designators appropriate to the requesting activity’s force activity designator and urgency of need designator as required by references (b) and (c). Shipment documentation for retrograde movement of unserviceable DLRs will cite the movement priority designator as determined by the cognizant manager, per reference (b).

i. Designated Overhaul Points (DOPs) will be assigned per reference (d).

j. A depot repair cycle time goal will be established for each DLR by Commander, NAVSUPSYSCOM. Repair cycle time and repair cost will be tracked for each DLR and will be the basis for management action to address problems concerning individual items.

k. For working capital funded DLRs, the Navy Working Capital Fund finances both depot level repair and procurement. Customers will requisition working capital funded DLRs under a two price system. The requisitioner will pay the net price when a Not Ready For Issue (NRFI) carcass is turned-in, or the standard price if no NRFI carcass is returned to the supply system.

l. Commander, NAVSUPSYSCOM, utilizes the Electronic Retrograde Management System, ERMS, and the Advanced Traceability and Control, ATAC, system to track NRFI DLR carcasses to ensure prompt return of carcasses to the supply system and to reduce the investment in repairable item inventories. NAVSUPSYSCOM may develop other programs for the intensive management of DLRs, or selected subsets of the DLR inventory, when required to improve responsiveness to customer requirements.

m. Concurrent rework (the removal and repair of a repairable component, and reinstallation of the same component into the higher assembly or end item from which it was taken) during overhaul, rework, or repair programs for ships, aircraft, weapons systems, equipment, and other end items at organic depot repair activities can be authorized. Authorization for concurrent rework can be authorized when it is determined by the DOP to be the most expedient and economical means of
repairing/overhauling weapons systems/equipment. Non-recurrent rework of repairable components shall be coordinated with the cognizant IM.

6. Action

a. NAVSUPSYSCOM will:

(1) Provide policy guidance and direction relating to overall DLR management and control.

(2) Develop procedures for establishing and approving changes to authorized fixed allowances for operating forces and shore activities within the framework of reference (a).

(3) Develop procedures for providing asset visibility of non-installed repairable assets.

(4) Manage and control the DLR program through oversight and review of DLR program performance indicators.

(5) Establish depot repair cycle time goals and reporting system for use in inventory management.

(6) Ensure that automated procedures are developed, or modified, to provide management with data required to compute inventory levels.

(7) Develop and implement carcass tracking systems to monitor turn-in of unserviceable DLRs. Turn-in performance of the operating forces and shore activities will be monitored. TYCOMs and budget submitting offices will be notified of any requisitioning activity with an abnormally low carcass return rate.

(8) Publish RIP listings based on input from the HSCs.

b. Commander, Naval Education and Training Command will:

(1) Ensure that policies and procedures for the management of DLRs are incorporated into appropriate school curricula, training manuals, and achievement/advancement examinations.
c. HSCs will:

(1) Ensure that the overhaul point has been designated for each DLR, ensure the availability of all tools, specifications, training, and other requirements necessary to repair assets within established repair turn-around-time goals.

(2) Ensure required capability is properly funded and established.

(3) Publish RIP policy and provide a listing of DLRs under their control to ICPs.

(4) Coordinate non-concurrent rework requirements with the cognizant IM.

d. Major claimants will:

(1) Implement fixed allowances for DLRs per reference (a) and maintain those allowances on a one-for-one exchange basis.

(2) Submit fixed allowance change requests (reflecting both increased and decreased requirements) to the ICP and, when increases are necessary, receive authority to change the fixed allowance prior to requisitioning the new stock level from the supply system.

(3) Require end-users to maintain records showing the quantity, location, and status of all noninstalled DLRs, including suspense/due-in files for those which require turn-in as a result of issuing or ordering actions.

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M. K. LOOSE
Vice Admiral, CEC, U.S. Navy
Deputy Chief of Naval Operations
(Fleet Readiness and Logistics)