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**AIR FORCE SPARES REQUIREMENTS
REVIEW BOARD**

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This instruction implements AF Policy Directive 23-1, Requirements and Stockage of Materiel, through the Spares Requirements Review Board (SRRB) as the process to forecast depot level reparable and Air Force-managed consumable spares requirements for Air Force budget submission. It applies to HQ USAF Staffs, Active Air Force Major Commands, Air Force Reserve Command, and the Air National Guard. It establishes the guidelines, roles and responsibilities for determining spares requirements and preparing Headquarters Air Force Materiel Command (AFMC) Working Capital Fund (WCF), Major Command (MAJCOM), and Air National Guard (ANG) budget submissions based upon spares computations. These reparable and consumable items are managed through the Materiel Support Division (MSD) of the Supply Management Activity Group (SMAG). For more information, see Air Force Pamphlet 23-XXX, the Spares Requirements Review Board Process Guide. See [Attachment 1](#) for a glossary of references and supporting information.

Records Disposition. Ensure that all records created by this AFI are maintained and disposed of IAW AFMAN 37-139, "Records Disposition Schedule."

1. Spares Requirements for Budget Submission. The Air Force established the SRRB to combine separate AFMC, MAJCOM and ANG (hereinafter included under the MAJCOM designator as an Air Force customer of the WCF) budgeting processes for Air Force secondary items supporting the worldwide requirement for MSD reparable and consumable items and validating the Materiel Support Division (MSD) portion of the Air Force Cost Analysis Improvement Group (AFCAIG) Cost Per Flying Hour (CPFH) submission.

1.1. The SRRB is comprised of representatives from SAF/FM, HQ USAF/IL, AFMC and each of the MAJCOMs.

1.2. Each Major Command (MAJCOM) submits a Program Objective Memorandum (POM) identifying their flying hour and non-fly spares requirements. The flying hour spares requirements are vali-

dated and incorporated into the AFCAIG CPFH Program process. Non-fly spares requirements are incorporated into MAJCOM organizational and maintenance program processes. This instruction provides guidance on the MSD (reparable items and consumable items) requirements submitted in the POM.

1.3. HQ AFMC uses the validated requirement to develop the sales and revenue portion of the WCF budget. Pipeline, safety level, readiness spares package requirements essential to meet the Aircraft Availability goals for each mission design series of the weapon system are included in the WCF POM.

1.4. Results of the annual SRRB process reflect the total projected MAJCOM demand and inventory replenishment requirements for MSD spares essential to achieve the Air Force fleet aircraft availability targets derived from assigned AF mission taskings.

1.5. HQ USAF/ILPY coordinates WCF budgets with AF Corporate members.

2. Responsibilities and CPFH Development:

2.1. **The SRRB.** HQ USAF/ILPY and HQ AFMC/LGI are co-chairs of the SRRB. They manage this multi-phased process and are responsible for determining and validating the spares requirements for depot level reparable (DLRs) and Air Force-managed consumables, and submitting the validated requirement to the AF Corporate Structure for funding consideration during the Air Force budget deliberations.

2.1.1. The SRRB uses the Air Force Requirements Management System (RMS) to compute the MSD spares requirement forecast. This forecast is reviewed by all MAJCOMs, who may request SRRB adjustments based upon known changes or perceived forecast deficiencies. Finalized computations are stated in current year dollars. Computations are based upon the quantities of each national stock number forecast to be consumed by the operating commands by weapon system or required to achieve fleet readiness goals through inventory replenishment and pre-positioning in the supply system, either as primary stock or readiness kit components to support training requirements.

2.1.2. The final SRRB requirement is then converted to a CPFH factor by dividing the validated requirement for each MAJCOM by each weapon system and dividing by the hours used to build the forecast. This results in a basic CPFH factor.

2.1.3. The basic CPFH factor is then adjusted to account for requirements the RMS cannot compute--items that are not yet assigned national stock numbers but are known or projected to enter the Air Force inventory in the budget year and price changes from one fiscal year to another.

2.1.4. The final CPFH factors are then computed and converted to a future year requirement by multiplying the CPFH by the most current approved flying hours contained in Automated Budget Interactive Data Environment System (ABIDES) for the budget year.

2.1.5. The budget year requirement is then converted to budget year dollar values by incorporating known or estimated Working Capital Fund rate/price changes or Office of the Undersecretary of Defense Comptroller approved inflation.

2.1.6. This budget year requirement is then provided to the Air Force Cost Analysis Agency who provides independent analysis of the forecast. The results of AFCAA's analysis are then presented to the Executive AFCAIG to assist in the final validation and approval of the requirement.

2.1.6.1. The results of the Executive AFCAIG, including the SRRB validated MSD requirement, are presented to the Air Force Corporate Structure.

2.1.7. Once approved, MAJCOMs include the requirement forecast in the budget submission to the AFCS for funding consideration in accordance with Air Staff-provided Annual Planning and Programming Guidance (APPG) and POM Preparation Instructions (PPI).

2.2. **Waiver Authority.** Waiver authority to deviate from SRRB processes rests with the Air Force Deputy Chief of Staff, Installations and Logistics, Director of Resources.

2.3. **Air Force Major Commands.** Participate in the SRRB process by validating the forecast of MSD spares requirements produced by Air Force Materiel Command from the Air Force RMS. MAJCOMs assess RMS projections through comparison with Net Sales consumption using the same baseline and flying hours used by RMS. MAJCOMs designate an Office of Primary Responsibility from the Logistics (or Sustainment staff) to represent their command and coordinate with the Financial Management (FM) and Planning (XP) organizations of their command and other command organizations as required. Each MAJCOM designates a primary and two alternate Points of Contact. At least one alternate should represent the Financial Management staff. HQ Air Force Communications Agency and Air Force Space Command are the lead agencies for all non-airborne requirements (ground communications, space, missile systems). The 311th Human Systems Wing is lead agency for life support requirements for all commands.

2.4. **HQ AFMC Director of Logistics.** Implements methods and maintains models to compute wholesale and retail materiel requirements for Air Force centrally procured (AFCP) items, including items subject to coordinated procurement by other agencies and military departments. HQ AFMC/LGI assigns an individual as the working co-chair and acts as the HQ AFMC Office of Primary Responsibility. HQ AFMC/LGI also implements methods and maintains models to accomplish inventory stratification for each item under its management control. HQ AFMC/LGI is responsible for the RMS. It is governed by AFMCMAN 23-1.

2.4.1. Ensure the latest applicable US Air Force planning and programming documents are included in the data used to compute requirements, including readiness spares packages materiel requirements.

3. The SRRB Computation Process . The SRRB process begins with an SRRB “Call letter” issued from the Directorate of Resources, HQ USAF/ILP, in January of each calendar year. The letter provides general guidance to the SRRB primary participants on the SRRB process, expectations, and schedule to prepare for that budget year submission.

3.1. The SRRB conducts periodic meetings with its members throughout the various stages of the process to ensure continued progress. Weapon system managers representing the System Program Directorates and MAJCOM CPFH managers meet in April to discuss weapon system programmatic changes that need to be incorporated into the spares forecast computation. Either AFMC representatives or MAJCOM representatives may identify changes through templates that are available on the Ogden Air Logistics Center website. MAJCOM representatives review and discuss these program changes to ensure the AF has a complete and thorough set of information to use in the RMS.

3.2. The RMS is “frozen” as of 31 March for use in the SRRB forecasting process and uses the most recent validated historical consumption data (eight quarters, unless directed otherwise through the Defense Planning Guidance, Annual Planning and Programming Guidance, or POM Preparation

Instructions) immediately preceding the SRRB closeout. It computes a worldwide requirement for Materiel Support Division reparable and consumable items. The SRRB then stratifies the spares requirement and allocates the consumption portion to the appropriate users by MAJCOM and by weapon system, independent of the costs associated with those items.

3.3. The Headquarters AFMC Logistics and Financial Management staffs use the validated SRRB requirement as the spares requirement. The AFMC/LG and FM staffs will use the funded AF customer requirement as a basis for revenue from which to develop the Working Capital Fund (WCF) budget to ensure its compliance with applicable Office of the Under Secretary of Defense, Comptroller (OUSD-C) guidance.

4. The SRRB is a recurring, annual effort to identify and present the total AF spares requirement for AF funding consideration.
5. As advanced forecasting tools (e.g. Advanced Planning and Scheduling) and other system improvements are fielded as a result of Air Force Logistics Transformation initiatives, they will be validated and incorporated into the SRRB process.

MICHAEL E. ZETTLER, Lt Gen, USAF
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Attachment 1**GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION*****References***

AFPD 23-1, *Requirements and Stockage of Materiel*

AFI 23-102, *Operational Requirements Instructions for Determining Materiel Requirements for Repairable Items*

AFI 23-103, *Determining Materiel Requirement for Air Force-Managed Consumable Items*

AFMAN 23-110, *USAF Supply Manual* (formerly AFM 67-1)

Abbreviations and Acronyms

AFCAIG—Air Force Cost Analysis Improvement Group

AFMC—Air Force Materiel Command

ALC—Air Logistics Center

CPFH—Cost per Flying Hour

DLR—Depot Level Repairable

MSD—Materiel Support Division

POM—Program Objective Memorandum

PPI—POM Planning Instructions

RMS—Requirements Management System

SIRS—Secondary Item Requirements System

SMAG—Supply Management Activity Group

Terms

Depot Level Repairable—An item of supply (except explosive ordnance and major end items of equipment) that is not normally expended or used up beyond recovery in the use for which it was designed or intended; an AF item that, when broken, can usually be made useful again through repair. Repairable items are characterized by an Expendability, Recoverability, Repairability Category Designator (ERRCD) code of XDx.

Materiel Support Division—A division of the AF Supply Management Activity Group (SMAG) within the AF Working Capital Fund (WCF). The AF uses the Materiel Support Division to procure, repair, reclaim, and manage investment type items to support prime weapon systems. It was implemented in October 1997 as part of the AF stock fund directed by the Office of the Secretary of Defense in Defense Management Report Decision 904. It incorporated the previous Repairable Support Division and System Support Division.

Not Repairable This Station (NRTS)—The number of items sent to depot repair over a given time frame (usually quarter or year). MAJCOMs must obligate funds to MSD for each repairable item drawn from

base supply as it turns in unserviceable DLRs to the supply system eventually destined for depot repair or disposal.

Program Objective Memorandum—The final product of the programming process within the Department of Defense which translates planning guidance into programs by aligning resources with specific requirements to support operations, training, maintenance, and base support. POMs are submitted in even years. In odd years, the AF may submit an adjusted version, known as the APOM, of the previously submitted POM.

Requirements Management System—A collection of software systems that captures and processes supply item demands and usage and computes future requirements for these items.

Supply Management Activity Group—The AF Working Capital Fund Activity Group responsible for providing goods (parts) and services through the Medical-Dental Division, the Air Force Academy Cadet Store Division, the Materiel Support Division, and the General Support Division.