

**BY ORDER OF THE
SECRETARY OF THE AIR FORCE**

AIR FORCE INSTRUCTION 23-120

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Materiel Management

**AIR FORCE SPARES REQUIREMENTS
REVIEW BOARD**

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This instruction implements AF Policy Directive 23-1, *Materiel Management*, through the Spares Requirements Review Board (SRRB) as the process to forecast depot level reparable (DLR) and Air Force-managed consumable spares requirements (hereinafter referred to as flying hour spares) for Air Force budget submission. It applies to Headquarters (HQ) USAF Staffs, Air Force Major Commands (MAJCOMs), and the Air National Guard (ANG). See Attachment 1 for a glossary of references and supporting information. Records Disposition: Ensure that all records created as a result of processes prescribed in this publication are maintained IAW Air Force Manual (AFMAN) 33-363, Management of Records, and disposed of IAW the Air Force Records Disposition Schedule (RDS) in the Air Force Records Information Management System (AFRIMS). Refer recommended changes and questions about this publication to the Office of Primary Responsibility (OPR) using the AF Form 847, *Recommendation for Change of Publication*; route AF Forms 847 through the field through the appropriate functional chain of command. This publication may be supplemented at any level, but all direct supplements need to be routed to the OPR for coordination prior to certification and approval. All waivers to this publication must be approved by HQ USAF/A4PY.

SUMMARY OF CHANGES

This document has been revised and requires complete review. Compliance statements have been tiered. Organizational designations have been updated. The role and responsibilities of 635 SCOW have been eliminated as that unit no longer participates in the SRRB. Redundant lead MAJCOM/A4P responsibilities have been eliminated. Use of the MAJCOM Validation Tool

requirements is explained. Narrative on advanced forecasting tools has been removed. Justification of the SRRB process has been added. Air Force Corporate Structure (AFCS)/LGPS roles and responsibilities for the SRRB process have been expanded.

1. Overview. The SRRB is an annual collaborative effort to develop the total AF Future Years Defense Program (FYDP) flying hour spares requirement for AFCS funding approval. It establishes the guidelines, roles and responsibilities for preparation of Headquarters Air Force Materiel Command (HQ AFMC) Working Capital Fund (WCF) and Fund Holders' budget submissions based upon projected spares computations. These repairable and consumable items are managed through the Supply Division of the Consolidated Sustainment Activity Group (CSAG-Supply). This instruction provides guidance on the CSAG-S (Air Force repairable and consumable items) requirements submitted in the Program Objective Memorandum (POM).

2. Spares Requirements for Budget Submission. The Air Force established the SRRB to combine separate AFMC, MAJCOM and ANG budgeting processes for flying hour spares requirements and to validate the Air Force Cost Analysis Improvement Group (AFCAIG) Cost per Flying Hour (CPFH) budget submission for CSAG-S requirements.

2.1. The SRRB comprises representatives from SAF/FM, HQ USAF/A4PY, the Air Force Sustainment Center Supply Requirements Branch (AFSC/LGPS), Air Force Life Cycle Management Center (AFLCMC) and Air Force Nuclear Weapon Center (AFNWC) Weapon System Single Managers, the Lead MAJCOMs and Fund Holders.

2.2. Each Fund Holder submits a POM identifying their flying hour spares requirements. These requirements are validated and incorporated into the AFCAIG CPFH Program process. Non-fly spares requirements are incorporated into MAJCOM organizational and maintenance program processes and excluded in this instruction.

2.3. AFMC uses the validated requirement to develop buy and repair funding requests and assist in sales and revenue projections for the WCF budget. Pipeline, safety level, and readiness spares package requirements are essential to meet the Aircraft Availability (AA) goals for each Mission Design Series and are included in the WCF Budget.

2.4. Results of the annual SRRB process reflect the total projected MAJCOM demand replenishment requirements for CSAG-S spares essential to achieve the Air Force fleet AA targets derived from assigned mission taskings.

2.5. The CSAG-S budget reflecting the SRRB outcome is submitted by the AFSC to AFMC/FMR and in turn to SAF/FMBOR. HQ USAF/A4PY coordinates CSAG-S budget submissions with AFCS members.

3. Responsibilities and CPFH Development:

3.1. The SRRB. HQ USAF/A4PY and AFSC/LGPS co-chair the SRRB. They manage this multi-phased process and are responsible for determining and validating the flying hour spares requirements, and submitting the validated requirement to the AFCS for funding consideration during the Air Force POM deliberations. Air Force Special Operations Command (AFSOC) and Transportation Working Capital Fund (TWCF) follow guidance from their Corporate Structure.

3.1.1. The SRRB is a multi-functional group of Weapon System (WS) stakeholders from the collective logistics community that collaborate to analyze and refine aircraft spares

requirements for future years. Two aspects justify the criticality of this effort: the lead-time for aircraft spares (18-24 months) and that spare parts cost over \$3B of the Flying Hour Program (FHP) budget. The SRRB goal is to prepare the AFCAIG CPFH team for the fiscal year POM efforts.

3.1.2. The SRRB uses the D200A Secondary Item Requirements System (SIRS), a subsystem of the Requirements Management System (RMS), to compute the CSAG-S base level maintenance demands for flying hour spares. The base level not repairable this station (NRTS) and base condemnations forecast is compared to the requirement submitted by the Fund Holders. Disconnects are addressed through a face-to-face meeting and teleconferences, with adjustments made based upon known changes or forecast deficiencies. Finalized computations are stated in current year dollars. Computations are based upon Sub-group Master National Stock Number (SGM-NSN) level demands placed on the supply system or the quantities of each SGM-NSN forecast to be consumed by the MAJCOMs per weapon system. Note: While the goal of the SRRB is to submit the same forecast for both RMS and the Fund Holders, ultimately the Item Manager (IM)/Equipment Specialist (ES), and the Fund Holders should be able to defend their own particular requirement. In some cases, a consensus cannot be reached due to slight differences in the individual processes. In others, a disconnect may require additional research/review for final resolution. The current goal of the SRRB is to have an overall requirement disconnect of less than 3 percent.

3.1.3. The Fund Holders' final SRRB SGM-NSN line requirements ("eaches") are priced out using the current D043 Price File or approved pricing and converted to a CPFH factor by dividing the total dollar requirement for each weapon system market basket by the programmed flying hours used to build the forecast, resulting in a CSAG-S spares CPFH factor template for each year of the FYDP.

3.1.4. The CSAG-S Spares CPFH factors templates are provided to the Air Force Cost Analysis Agency (AFCAA) to provide an independent risk analysis of the values. AFCAA also applies Office of the Undersecretary of Defense Comptroller (OUSD-C) approved known or estimated WCF rate/price changes (which include projected inflation) to convert the FYDP template values into then-year CPFH values for development of the budget requirement.

3.1.5. The then-year CSAG-S spares CPFH factors are converted to future year budget requirements by multiplying the factors by the most current approved flying hours contained in the Automated Budget Interactive Data Environment System (ABIDES) for each year of the FYDP. AFSOC and TWCF will use guidance from their Corporate Structure and submit their own requirements through their POM process. **(T-2)**.

3.1.6. The results of AFCAA's risk and budget requirement analyses are presented to the Executive AFCAIG for final validation and approval of the requirement. The results of the Executive AFCAIG are presented to the AFCS for funding/risk consideration and approval.

3.1.7. Once approved by the Executive AFCAIG, the Fund Holders include the flying hour spares requirement forecast in their POM submission to the AFCS for funding consideration in accordance with Air Staff-provided Annual Planning and Programming

Guidance (APPG) and POM Preparation Instructions (PPI). AFSOC and TWCF use their own programming guidance.

3.2. Air Force Lead Commands. Participate in the SRRB process by validating the programmatic changes that need to be incorporated into the Centralized Asset Management (CAM) flying hour spares forecast computation. This validation takes place through approval of templates developed in the SRRB Input and Retrieval Web Tool at https://msdis.hill.af.mil/srrb_v2. Each Lead Command designates a primary and alternate point of contact to work with CAM Requirements Branch (HQ AFMC/A4FR) throughout the SRRB and CPFH factors development process.

3.3. Air Force Fund Holders. Fund Holders forecast spares requirements utilizing base level supply Net Sales consumption. The projection is based on the same baseline timeframe and flying hours used by RMS. Fund Holders designate an Office of Primary Responsibility to identify and validate these requirements and coordinate CPFH factors and funding requirements with their Financial Management (FM) and Planning (A8P) organizations and other Fund Holder organizations as required.

3.4. AFMC.

3.4.1. AFSC. Implements methods and maintains models to compute wholesale and retail materiel requirements for Air Force centrally procured items, including items subject to coordinated procurement by other agencies and military departments. AFSC/LGPS acts as the AFMC Office of Primary Responsibility. AFSC/LGPS also implements methods to accomplish inventory stratification for each item under its management control. AFSC/LGPS is the SIRS system functional OPR for the RMS. Reference AFMCMAN 23-1, Requirements for Secondary Items (D200A, D200N), for additional information regarding SIRS.

3.4.1.1. Ensures the latest applicable Air Force planning and programming documents are included in the data used to compute requirements.

3.4.1.2. AFSC/LGPS is the OPR for SRRB system and procedures with the following roles/responsibilities:

3.4.1.2.1. System Functional for MSDIS SRRB module.

3.4.1.2.2. Facilitator and liaison between SRRB-Single Manager (SM), MAJCOM A4P/A4R, A4M, A4A, A4I, and AFSC/448 Supply Chain Management Wing (SCMW). (T-2)

3.4.1.2.3. Work with contract team to establish business rules for disconnect process (check and balance).

3.4.2. 448 SCMW. Provides spares support information through the SRRB Input and Retrieval Web Tool. (T-3)

3.4.2.1. Delegates a Wing Enterprise SRRB OPR.

3.4.2.2. Wing SRRB OPR serves as a liaison between AFSC/LGPS and 448 SCMW Item Managers, Production Management Specialists, and Equipment Specialists. (T-2)

3.4.2.2.1. Ensures file maintenance actions by Inventory Management Specialists

(IMS) and Equipment Specialists (ES) in support of SRRB findings are accomplished and accurate.

3.4.2.2.2. Provides analysis of demand data used to forecast spares, communicating findings to Fund Holders and Lead Commands.

3.4.2.2.3. Research and provide results regarding Supply Chain Management requirements in D200 that have been identified as high-driver disconnects.

3.4.2.2.4. Team lead for 448 SCMW Disconnects. As Wing Lead OPR, work with other wing Disconnect OPRs and AFSC/LGPS on compiling and preparing disconnect briefings. **(T-3)**

3.4.2.2.5. Supports SRRB training, meetings, teleconferences, and VTCs.

3.4.2.2.6. Provides SRRB training to wing stakeholders such as: Item Manager, Equipment Specialists, Production Management Specialists, and D200 Disconnect OPRs.

3.5. AFLCMC and AFNWC. Provide programmatic spares support changes (SRRB templates) through the SRRB Input and Retrieval Web Tool. Provide SRRB training for all functional roles within their center.

3.5.1. Single Manager (SM). The designated SRRB WS Single Manager is responsible for completion of SRRB templates based on annual timelines outlined in the SRRB Call Letter.

3.5.1.1. SM serves as the liaison between AFSC/LGPS (SRRB OPR), MAJCOMs and the AFLCMC/AFNWC System Program Offices.

3.5.1.2. Responsible for complete and accurate templates through quality checks and coordination with SPO.

3.5.1.3. Work closely with Program Managers, IMs, ESs, Fund Holders and Lead Commands to ensure SRRB information is communicated accurately and updated in SRRB Input and Retrieval Web Tool.

3.5.1.4. Attend Configuration Control Boards, SRRB training sessions, meetings, teleconferences, and VTCs.

3.5.2. System Program Offices, Weapon Systems Program Managers, System Support Managers, Equipment Specialists, and Engineers provide changes to system sustainment through the SRRB Input and Retrieval Web Tool using SRRB templates.

3.5.2.1. Work closely with SRRB SM by providing timely and complete WS information for SRRB template updating.

3.5.2.2. Notify the SM of any after the fact program changes.

3.5.2.3. Work closely with IMs, ESs, Fund Holders and Lead Commands to ensure information is communicated accurately.

3.5.2.4. Populate SRRB templates with information if delegated by organizational leadership.

3.5.2.5. Ensure program has completed the acquisition process and is funded as required.

3.5.2.6. Support SRRB meetings, training, teleconferences and VTCs as needed.

4. The SRRB Computation Process. The SRRB process begins with a joint SRRB “Call letter” issued from HQ USAF/A4PY each calendar year. The letter provides general guidance to the SRRB primary participants on the SRRB process, expectations, and schedule to prepare for the upcoming budget year submission.

4.1. HQ USAF/A4PY and AFSC/LGPS conduct periodic teleconferences with the SRRB members throughout the various stages of the process to ensure continued progress. An annual Collaboration Meeting is sponsored by the Fund Holders on a rotating basis. AFLCMC Program Managers, Single Managers, AFSC representatives or MAJCOMs/Fund Holders may identify weapon system programmatic changes that need to be incorporated into the flying hour spares forecast computation. These changes are communicated to other SRRB members through templates that are available through the SRRB Input and Retrieval Web Tool located at https://msdis.hill.af.mil/srrb_v2 (DD Form 2875 required). Lead MAJCOM representatives and Fund Holders review and discuss the program changes to ensure the Air Force has complete and validated information to be used by the RMS.

4.2. The RMS asset cutoff date of 31 March of the current year is used in the SRRB forecasting process and reflects the most recent validated historical consumption data (8 quarters) immediately preceding the SRRB closeout. RMS computes a worldwide requirement for CSAG-S reparable and consumable items. The MAJCOM Validation Tool (MVT) provides individual MAJCOM requirements that are used to submit eaches requirements based on MAJCOM/Funds holders inputs that utilize the same cutoff date as RMS data. MVT folder can be found on the SRRB Input and Retrieval Web Tool (https://msdis.hill.af.mil/srrb_v2). Historical consumption at the NSN level is used to produce historic NSN consumption rates by dividing the eaches in the historical market basket by the hours flown in the same time frame. These historic NSN consumption rates are multiplied by the planned future fly hours to calculate eaches requirements for each year of the FYDP and create a projected future market basket. These requirements are adjusted for time change items, TCTO's and other known changes. The MVT and RMS data are then compared for differences. The top high drivers are reviewed and adjudicated through the SRRB disconnect meeting based on the SRRB Call Letter timeline. After the projected eaches requirements are finalized, the final future NSN consumption rates are calculated by dividing the eaches in the projected future market basket by the planned future fly hours. (Air Force Special Operations Command (AFSOC) follows guidance from their Corporate Structure)

4.2.1. SRRB Timeline. SRRB process initiates with a Call Letter with an attached Schedule/Timeline. All SRRB stakeholders must adhere to the annual call letter and schedule/timeline deadlines to ensure the entire SRRB process is captured in a timely manner.

4.3. HQ AFMC/FMR and AFSC/LGP use the validated SRRB requirement as the basis for the demand portion of the buy and repair funding requested in the budget. The AFMC/FMR staff will use the funded Air Force customer requirement as the basis for revenue from which

to develop the CSAG-S budget and ensure its compliance with applicable SAF/FMBOR and OUSD-C guidance.

JOHN B. COOPER, Lt Gen, USAF
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Attachment 1**GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION*****References***

AFPD 10-9, *Lead Command Designation and Responsibilities for Weapon Systems*, 8 Mar 2007

AFPD 23-1, *Materiel Management*, 15 Feb 2011

AFI 33-360, *Publications and Forms Management*, 01 Dec 2015

AFI 65-503, *USAF Cost and Planning Factors*, 4 Feb 1994

AFMAN 33-363, *Management of Records*, 01 Mar 2008

Adopted Forms

AF Form 847, *Recommendation for Change of Publication*

Abbreviations and Acronyms

AA—Aircraft Availability

ABIDES—Automated Budget Interactive Data Environment System

AFCAIG—Air Force Cost Analysis Improvement Group

AFCAA—Air Force Cost Analysis Agency

AFCS—Air Force Corporate Structure

AFGSC—Air Force Global Strike Command

AFMC—Air Force Materiel Command

AFNIC—Air Force Network Integration Center

AFNWC—Air Force Nuclear Weapons Center

AFRC—Air Force Reserve Command

AFLCMC—Air Force Life Cycle Management Center

AFSOC—Air Force Special Operations Command

AFSC—Air Force Sustainment Center

AFSPC—Air Force Space Command

ANG—Air National Guard

APPG—Annual Planning and Programming Guidance

CAM—Centralized Asset Management

CPFH—Cost Per Flying Hour

CSAG—Consolidated Sustainment Activity Group

CSAG-Supply—previously called Materiel Support Division

DLR—Depot Level Repairable

ES—Equipment Specialist
FHP—Flying Hour Program
FM—Financial Management
FYDP—Future Years Defense Program
IM—Item Manager
MAJCOM—Major Command
MSDIS—Material Support Division Information System
MVT—MAJCOM Validation Tool
NIIN—National Item Identification Number
NRTS—Not Repairable This Station
NSN—National Stock Number
OPR—Office of Primary Responsibility
OUSD-C—Office of the Undersecretary of Defense Comptroller
POM—Program Objective Memorandum
PPI—POM Planning Instructions
RDS—Records Disposition Schedule
RMS—Requirements Management System
SCMW—Supply Chain Management Wing
SCOW—Supply Chain Operations Wing
SGM-NSN—Sub-Group Master-National Stock Number
SIRS—Secondary Item Requirements System
SRRB—Spares Requirements Review Board
TWCF—Transportation Working Capital Fund
VTC—Video Teleconference
WCF—Working Capital Fund
WS—Weapon System

Terms

Centralized Asset Management (CAM)—Fund Holder for the Active Air Force Commands. Represents Air Combat Command (ACC), Air Force Global Strike Command (AFGSC), Air Mobility Command (AMC), except for TWCF, Air Education and Training Command (AETC), Air Force Space Command (AFSPC), Pacific Air Forces (PACAF), and United States Air Forces in Europe (USAFE). Note: While the CAM office is located within AFMC, they do not represent AFMC. AFMC, as a Funds Holder, is responsible for aircraft flown in support of Research, Development, Testing and Evaluation (RDT&E) missions.

Consolidated Sustainment Activity Group—CSAG is comprised of two divisions: Maintenance Division (CSAG-Mx) and Supply Division (CSAG-Supply).

Consolidated Sustainment Activity Group—Maintenance Division (CSAG-Mx): The CSAG-Mx provides repair and other services to customers throughout the Air Force, as well as to other DoD components, U.S. Government agencies, and foreign governments. The CSAG-Mx repairs a wide range of customer assets, including aircraft, missiles, aircraft engines, and engine modules, landing gears, electronics, composites, and computer hardware and software. In addition, the CSAG-Mx centers are the primary suppliers of repair services to the Supply Management Activity Group (SMAG-R).

Consolidated Sustainment Activity Group—Supply Division (CSAG-Supply)—The CSAG-Supply provides policy, guidance, and resources to meet the needs of the Air Force for spare parts, in war and peace. The CSAG-Supply manages weapons system spare parts, fuels, equipment, and items used for non-weapon system applications.

Consolidated Sustainment Activity Group (CSAG)—The CSAG established 1 October 2008, is an innovative approach to business in the AFWCF. The mission of the CSAG is supply management of repairable and consumable items, and maintenance activities. CSAG combines the activities of the Material Support Division (MSD) of the Supply Management Activity Group and the Depot Maintenance Activity Group (DMAG). Under CSAG, business operations formerly known as DMAG are now related to the Maintenance Division. Likewise, business operations formerly known as MSD are now referred to as the Supply Division.

CSAG-S Supply Division—Supply Division activities are authorized to procure and manage repairable and consumable items for which the Air Force is the Inventory Control Point. These items are generally related to weapon systems and ground support, and include both depot level repairables and consumables.

CSAG-M Maintenance Division—Maintenance Division activities are authorized to perform: (a) overhaul, conversion, reclamation, progressive maintenance, modernization, software development, storage, modification, and repair of aircraft, missiles, engines, accessories, components, and equipment; (b) the manufacture of parts and assemblies required to support the foregoing; and (c) the furnishing of other authorized services or products for the Air Force and other agencies of the Department of Defense. As needed by the AFMC or higher authority, the Maintenance Division may furnish the above mentioned products or services to agencies of other departments or instrumentalities of the U.S. Government, and to private parties and other agencies, as authorized by law.

Depot-Level Repairable Item—A repairable item of supply that is designated for repair at depot level or that is designated for repair below the depot level, but if repair cannot be accomplished at that level, shall have its unserviceable carcass is either forwarded to the depot for repair or condemnation, or reported to the ICP for disposition.

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 (ERRC) code of XD(x).

Eaches—Term used to describe the count (quantity) of individual parts per NIIN

Expendable—Item is part of the end item or next higher assembly when installed; not a stand-alone or individual piece part.

Fund Holders—Fund Holder designation establishes advocacy for the POM identifying their flying hour requirements for different appropriations. Funds Holders are CAM (active MAJCOMS), Air National Guard (ANG), Air Force Reserve Command (AFRC), Transportation Working Capital Fund (TWCF) and Air Force Special Operations Command (AFSOC).

Lead Command—Lead Command designation establishes advocacy for weapon systems and their support systems and equipment directly associated with the weapon systems during their life cycle and clarifies responsibilities for all using and supporting organizations. The designated Lead Command provides a primary input into the process of developing and maintaining a force structure with a balance of complementary capabilities. Lead Command designation is not exclusive to Major Commands (MAJCOMs); Field Operating Agencies (FOAs) and Direct Reporting Units (DRUs) may also be designated. Lead Command Assignments are contained in AFPD 10-9 Attachment 2.

Materiel Support Division—Changed to CSAG – Supply. A division of the Air Force Consolidated Sustainment Activity Group (CSAG) that exists within the AF Working Capital Fund (WCF). MSD was implemented in October 1997 as part of the Air Force stock fund directed by the Office of the Secretary of Defense in Defense Management Decision (DMD) 904. It incorporates the previous Repairable Support Division (RSD) and System Support Division (SSD).

Non-Expendable—Item is classified as “equipment” and can perform its function as a stand-alone item with power.

Program Objective Memorandum—The final product of the annual programming process within the Department of Defense which translated planning guidance into programs by aligning resources with specific requirements to support operations, training, maintenance and base support.

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

Spares—Assets that are put on a shelf to be used in an end-item as required and may be non-expendable or expendable upon install.

Weapon System Market Basket—The collection of all NIINs that comprise the required parts for a weapon system in a specific year. The total value (dollar requirement) of a weapon system market basket is the sum of the individual part counts (eaches) times their respective prices. The CPFH of a weapon system market basket is the total dollar requirement divided by the programmed flying hours used to build the market basket forecast.