BY ORDER OF THE
SECRETARY OF THE AIR FORCE

AIR FORCE POLICY DIRECTIVE 23-1
7 SEPTEMBER 2018

Materiel Management

SUPPLY CHAIN MATERIEL MANAGEMENT

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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This Air Force Policy Directive (AFPD) provides direction for Air Force supply chain materiel management through implementation of Department of Defense Instruction 4140.01, DoD Supply Chain Materiel Management Policy and designates Headquarters Air Force functional responsibilities for Air Force supply chain materiel management. It facilitates the implementation of Department of Defense Directive 1225.06, Equipping the Reserve Forces and the following DoDIs: 4140.58, National Guard and Reserve Equipment Report (NGRER); 3110.05, Readiness-Based Materiel Condition Reporting for Mission-Essential Systems and Equipment; 4140.61, Customer Wait Time and Time Definite Delivery; 4140.63, Management of DoD Clothing and Textiles (Class II); 4161.02, Accountability and Management of Government Contract Property; 5000.64, Accountability and Management of DoD-Owned Equipment and Other Accountable Property; 5128.34, Defense Materiel Readiness Board to provide a framework for materiel management and responsibilities. It complements policy provided in AFPD 63-1/20-1, Integrated Life Cycle Management for product support, and AFPD 24-2, Preparation and Movement of Air Force Materiel for the packaging and movement of AF materiel. This AFPD applies to all military and civilian AF personnel, including major commands, direct reporting units, field operating agencies, Air Force Reserve, Air National Guard, and other individuals or organizations as required by binding agreement or obligation with the Department of the Air Force. Any change or waiver must be approved by the Secretary of the Air Force. Refer recommended changes and questions about this publication to the office of primary responsibility using Air Force Form 847, Recommendation for Change of Publication; route form from the field through the appropriate functional chain of command. Ensure all records created as a result of processes prescribed in this publication are maintained in accordance with Air Force Manual 33-363, Management of Records, and disposed of in
accordance with the Air Force Records Disposition Schedule located in the Air Force Records Information Management System.

SUMMARY OF CHANGES

This document has been revised to comply with Air Force Guidance Memorandum to Air Force Instruction 33-360, *Publications and Forms Management*, dated 15 February 2018.

1. Air Force Supply Chain Materiel Management. It is Air Force Policy to:

1.1. Use the supply chain operational reference processes of plan, source, make and maintain, deliver, and return as a framework for developing, improving, and conducting materiel management activities.

1.2. Consider all life cycle costs associated with materiel management, including acquiring, distributing, transporting, storing, maintaining, repairing, protecting, and disposing.

1.3. Identify supply chain strategies from supply chain characteristics and apply the strategy consistently.

1.4. Develop guidance that emphasizes supply chain responsiveness and prudent stewardship in supply chain planning, sourcing, maintenance, delivery, retention and disposition of materiel.

1.5. Establish support strategies to meet customer materiel requirements.

1.6. Manage materiel resources from acquisition through disposition.

1.7. Establish wholesale and retail stockage objectives for peacetime and war reserve materiel readiness requirements.

1.8. Establish provisioning and replenishment objectives to optimize materiel availability and stewardship of costs, and minimize materiel excess/surplus and negative environmental, safety, and occupational health impacts.

1.9. Ensure all Controlled Inventory Items to include nuclear weapons related materiel, classified, communications security, weapons and other sensitive assets are accurately received, secured, stored, issued, demilitarized and disposed, accounted for and reported to Air Force and Department of Defense agencies as required.

1.10. Ensure materiel in storage is maintained in a ready status that prevents property deterioration and loss.

1.11. Ensure materiel accumulation does not exceed authorized stock or retention limits.

1.12. Minimize the volume of materiel disposed as scrap or waste through cost-effective reclamation and reuse of materiel.

1.13. Maintain visibility of serviceable items transferred to Defense Logistics Agency Disposition Services; when practical reutilize items in lieu of initiating a new procurement.

1.14. Maintain positive inventory control and in-transit visibility of assets throughout all nodes of the supply chain.
1.15. Proactively prevent loss and ensure appropriate demilitarization of assets prior to disposal.

1.16. Ensure cost-effective recovery from surplus, scrap or residual materiel and maximize the reuse of critical, strategic, and precious metals.


2. **Roles and Responsibilities.** The following responsibilities and authorities are established:

2.1. The Assistant Secretary of the Air Force for Acquisition, Technology and Logistics (SAF/AQ) shall:

   2.1.1. Ensure that AF policy guidance:

      2.1.1.1. Addresses end-to-end AF supply chain requirements and responsibilities.
      2.1.1.2. Complements and supports life cycle support solutions to balance support goals, total supply chain costs and performance factors.

   2.1.2. Oversee AF supply chain sourcing and acquisition strategies that:

      2.1.2.1. Promote supply chain resiliency.
      2.1.2.2. Seek to minimize life cycle costs.
      2.1.2.3. Offer best-value selection among organic and commercial support alternatives.

   2.1.3. Ensure AF supply chain information technology acquisition strategies are integrated with Air Force enterprise information technology strategies and are designed to facilitate Department of Defense wide asset visibility of materiel throughout the Department of Defense supply chain.

   2.1.4. Ensure an AF enterprise impact assessment is accomplished for programmatic source of supply selection.

   2.1.5. Develop supply chain risk management strategies that promote quality, hardware reliability, availability, enduring support and guard against counterfeit materiel in the Department of Defense supply chain.

   2.1.6. Establish requirements for the exchange of information between materiel and acquisition managers.

   2.1.7. Facilitate exceptions to normal disposition policy if unique or extenuating circumstances exist (e.g., contingency operations, base closures, etc.).


2.2. Deputy Chief of Staff for Logistics, Engineering and Force Protection (AF/A4) shall:

   2.2.1. Provide implementing materiel management guidance that provides the direction and oversight necessary to meet Air Force supply chain objectives.
2.2.2. Develop policy and implementing guidance that provides the direction and oversight necessary to meet end-to-end supply chain requirements.

2.2.3. Exercise enterprise oversight of materiel management, requirements, and stockage direction.

2.2.4. Advocate for logistics resource requirements to the Air Force Corporate Structure.

2.2.5. Ensure development of Air Force workforce competencies for materiel management.

2.2.6. Assign staff as necessary to assist the Defense Materiel Readiness Board.

2.2.7. Develop, in conjunction with Chief, Information Dominance and Chief Information Office (SAF/CIO A6), policy implementation direction and guidance for information technology materiel management hardware and software.

2.3. Major Command Commanders shall:

2.3.1. Ensure the management and control of materiel within production, manufacturing, repair, modification, overhaul, and testing functions performed at either:

2.3.1.1. Organic or private sector facilities or

2.3.1.2. Through public and private collaboration at those facilities.

2.3.2. Ensure item accountability and visibility throughout the life cycle of an asset.

2.3.3. Promote and enforce supply discipline.


2.4. The Air Force Materiel Command Commander, in addition to those responsibilities in paragraph 2.3, shall:

2.4.1. Implement methods and maintain models for computing enterprise requirements including additive requirements for consumable items to sources of supply other than the Air Force.

2.4.2. Oversee centralized execution of AF enterprise materiel management operations and asset redistribution. Exception: Not applicable to Air Reserve Components.

2.5. The Air Education and Training Command Commander, in addition to those responsibilities in paragraph 2.3, shall provide formal training for supply chain personnel to meet operational requirements.

HEATHER WILSON
Secretary of the Air Force
Attachment 1

GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

References
DoD Directive 1225.06, *Equipping the Reserve Forces*, November 30, 2017
DoD Instruction 4140.01, *DoD Supply Chain Materiel Management Policy*, Change 1, September 14, 2017
DoD Instruction 4140.61, *Customer Wait Time and Time Definite Delivery*, December 14, 2000
DoD Instruction 4161.02, *Accountability and Management of Government Contract Property*, Change 1, September 29, 2017
DoD Instruction 5000.64, *Accountability and Management of DoD Equipment and Other Accountable Property*, May 19, 2011
DoD Instruction 5128.34, *Defense Materiel Readiness Board (DMRB)*, July 27, 2010
DoD Manual 4140.01, All Volumes, *DoD Supply Chain Materiel Management Procedures*

Adopted Forms
AF Form 847, *Recommendation for Change of Publication*

Terms
Air Force Corporate Structure—Embodies the corporate review process for Headquarters Air Force. It does not replace the functional staff but, rather, enhances it by allowing time critical or time limited functional reviews at the appropriate levels. The deliberative components of the Corporate Structure are the Air Force Council, the Air Force Board, the Air Force Group, and various Mission and Mission Support Panels. Reference AFI 16-501 for composition and purpose.
**Commodity**—A homogenous grouping of materiel items. (e.g., a grouping such as that designated by a Federal Supply Class).

**Cooperative Logistics Supply Support Arrangement**—An agreement between a Military Department and a purchaser; setting forth the terms and conditions under which the Department of Defense will provide supply support of common weapons systems on an equal basis with United States Forces in accordance with the purchaser's Force Activity Designator and the Uniform Materiel Movement and Issue Priority System.

**Consumable Items**—Consumable items are components that are not repaired or condemned higher than the base level after removal from an end item.

**Demilitarization**—The act of destroying the military offensive or defensive advantages inherent in certain types of equipment or materiel to prevent its unauthorized use.


**In-Transit Visibility**—The ability to track the identity, status, and location of Department of Defense units and non-unit cargo (excluding bulk petroleum, oils, and lubricants) and passengers, medical patients, and personal property from origin to consignee or destination across the range of military logistics operations.

**Materiel Management**—That phase of military logistics that includes managing, cataloging, demand and supply planning, requirements determinations, procurement, distribution, overhaul, and disposal of materiel.

**Materiel Manager**—Any Department of Defense activity or Agency that has been assigned materiel management responsibilities for the Department of Defense and participating Federal Agencies. The term includes responsibilities performed by either wholesale materiel managers or retail materiel managers: managing, cataloging, demand and supply planning, requirements determination and definition, procurement, distribution, overhaul and repair of reparable materiel, and disposal of materiel.

**Nuclear Weapons Related Materiel**—Classified or unclassified assemblies and subassemblies (containing no fissionable or fusionable material) identified by the Military Departments that comprise or could comprise a standardized war reserve nuclear weapon (including equivalent training devices) as it would exist once separated/removed from its intended delivery vehicle. A delivery vehicle is the portion of a weapon system that delivers a nuclear weapon to its target. This includes cruise and ballistic missile airframes as well as delivery aircraft.

**Positive Inventory Control**—The ability to identify and account for materiel and to be cognizant of the condition and location of these items in near real time. Assets are tightly controlled and in secure areas. For controlled materiel, positive inventory control is maintained at the serial number level. Note: Reference AFI 20-110, *Nuclear Weapons-Related Materiel Management* for a more specific definition in the context of nuclear weapons related materiel.

**Precious Metals**—Federal Supply Class 9660 items that are gold, silver, platinum, or palladium granulation and sponges, rhodium, ruthenium, iridium, and osmium recovered from items, such as photographic and x-ray film, spent photographic fixing solution, military accouterments, such
as insignia, crucibles, special wires, silver cell batteries, missile and electronic scrap, turnings, desalter kits, brazing alloys, solder, and dental scrap.

**Source of Supply**—Any government organization exercising control over materiel.

**Supply Chain**—The linked activities associated with providing materiel from a raw material stage to an end user as a finished product in its final disposition.

**Supply Chain Risk Management**—The systematic identification, assessment, and quantification of potential supply chain disruptions with the objective to control exposure to risk or reduce its negative impact on supply chain performance.

**War Reserve Materiel**—Stock required to sustain operations for the scenarios authorized for sustainability planning in the combatant commander war plans and war mobilization planning documents.