



UNITED STATES MARINE CORPS
MARINE CORPS LOGISTICS CHAIN ANALYSIS TEAM EAST
MARINE CORPS COMBAT SERVICE SUPPORT SCHOOLS
PSC BOX 20041
CAMP LEJEUNE, NC 28542-0041

IN REPLY REFER TO:

4400
U87/df
16 Apr 04

From: Officer in Charge
To: Distribution list

Subj: WAIVER OF PRE-EXPENDED BIN ITEMS PROCEDURES/REQUIREMENTS
CONTAINED IN MCO P4400.150E

Ref: (a) MCO P4400.150E
(b) OIC, FSMAO-1, ltr 4400/U87 of 22 Feb 99
(c) MCO P4400.160B

Encl: (1) Proposed change to MCO P4400.150E

1. This letter constitutes a waiver to the Pre-Expended Bin (PEB) items procedures/requirements contained in reference (a). This guidance is a continuance of the initial PEB waiver contained in reference (b). Reference (c) delegates this office authority to grant waivers to policy/procedures that have been identified as restrictive to personnel, or excessive to the maintenance requirement supporting our table of equipment.
2. The PEB procedures/requirements outlined in the enclosure are to be used in place of existing procedures/requirements for the durations of this waiver. A copy of this waiver will be maintained with reference (a) and in all applicable desktop procedures/turn-over folders for all Marine Corps units in the responsibility until reference (a) is updated, or the waiver period expires.
3. This waiver is effective for a one-year period beginning 16 April 2004 and ending 16 April 2005. If the contents of this waiver have not been incorporated into reference (a) prior to the expiration of this waiver, and extension of this waiver may be requested for this office.
4. For further information, contact Captain Bailey at DSN 750-1206/0883 or commercial (910) 450-1203/0883.

N. L. ISNER

Distribution:
CMC (LPC)
COMMARFORLANT (G-4)

CG, II MEF (G-4)
CG, MCB CLNC (BASE LOGO)
CG, MCRD PISC (OPE & TRNG)
CG, MCCDC QUANTICO VA (G-4)
COMMATCOM ALBANY (MO5)
COMMARFORRES (G-4)
CG MCRC QUANTICO VA (LOGO)
OIC, FSMAO-2
OIC, FSMAO-3

5021. PRE-EXPENDED BIN ITEMS/BROKEN UNITS OF ISSUE

1. Pre-Expended Bin (PEB) items provide continuous availability of high usage, fast moving items for mechanics and technicians such as:

- a. Commonly used hardware items, such as nuts, bolts, battery terminals, etc.
- b. Items used during scheduled preventive maintenance, such as filters, belts, hoses, etc.
- c. High usage items that effect readiness of a unit, such as voltage regulators, weapon parts, radio handsets, etc.

The primary reason for maintaining a PEB is to enhance readiness, maintenance operations, and economical management of low-cost, fast moving expendable items.

2. The goal of PEBs is to place fast moving, critical repair parts at the same location with the mechanic/technician who applies them. Stocking such a small supply of repair parts at the maintenance commodity allows an expedited return of critical assets to an operational status; accordingly, it is imperative that Command's monitor PEB usage to ensure that only required parts are stocked and to prevent these items from becoming an undue logistical burden. It is important to note that PEB items are not intended to be a substitute for Purpose Code A/Retail A (Demand Supported Stock).

3. PEB procedures should ensure bin replenishment within the limits of necessary control and accountability. Stockage of PEB items should not prevent the use of other sources of supply, such as the Supported Activities Supply System (SASSY)/Intermediate Supply Support Activity (ISSA) general account, the Direct Support Stock Control (DSSC) activity, bills of material (BOMs), or unit-authorized/maintained Purpose Code A (demand supported stockage).

4. The PEB stockage criteria are based on unit price (U/P) and known or anticipated usage. PEB criteria are as follows:

- a. The U/P criteria for PEB stockage cannot exceed \$500 per unit of issue (U/I).
- b. Usage criteria as previously defined in MCO P4400.150E have been determined to be too restrictive. This fact does not allow the flexibility to stock PEBs based on additional criteria such as fluctuating usage, or excessive lead-time associated to requisitioning slow moving/high impact items. Additionally, difficulties in capturing usage data via the Marine Corps Integrated Maintenance Management System-Automated Information System (MIMMS-AIS) have prevented units still using this system from accurately stocking their PEBs. Therefore, the usage criteria during the period of this waiver is as follows:

- (1) Only items for which there is a known or anticipated requirement will be stocked.

(2) Historical usage data from the MIMMS-AIS, the Asset Tracking for Logistics and Supply System (ATLASS) II+, or manual tracking records should be used when available to facilitate sound stocking decisions.

(a) Accurate usage data in the MIMMS-AIS, for items currently stocked in a PEB, will only be available if the PB advice code is used on all parts requisitions when a part is taken from the PEB. MIMMS-AIS does not capture usage data until the item has been designated a PEB; accordingly, identification of candidate PEBs should be a continuous process at the using unit-level using the most logical method. Examples include local database and manual records.

(b) ATLASS II+ usage data for all items, whether stocked in the PEB or not, is readily available through the use of ADHOC reports.

(3) Key PEB stockage decisions should include consideration of the lead-time and the readiness impact.

5. Broken U/Is of common hardware (i.e. bolts, nuts, screws, washers, etc.) ordered against a corrective maintenance equipment repair order (ERO) or work order number (WON) that do not meet PEB criteria do not require further control or accounting once the U/I is applied to the equipment. The left over portion will be maintained in a commodity parts bin, in plain view of the shops maintenance personnel and used until exhausted. Strict control and accountability is not required; however, maintenance supervisors must ensure mechanics/technicians use the on-hand supply before ordering replenishment. Broken U/Is will not be added to the authorized PEB list, but will be placed on a locally established broken U/I listing so they can be identified and retained/used until exhausted.

6. Commanders will review their PEB requirements on no less than an annual basis and document their approved items and associated quantities via official correspondence. Once established, the PEB will be reviewed by the Maintenance Management Officer (MMO) and Supply Officer after an initial six month period, and annually thereafter by the Commander, to ensure proper risk management and that the expenditures of funds are consistent with the needs of that unit. Periodic reviews during the year will ensure a PEB's appropriate range and depth.

ENCLOSURE (1)