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MARINE CORPS ORDER 4000.60

From: Commandant of the Marine Corps
To: Distribution List

Subj: LOGISTICS AND SUPPLY CHAIN MANAGEMENT BUSINESS PROCESS MANAGEMENT PROGRAM

Ref: (a) Fiscal Year 18 USMC Agency Financial Report
(b) Marine Corps Chief Business Architect letter, "Interim Guidance for Business Process Documentation", 2 February 2018
(c) Business Enterprise Architecture (BEA) Version 11.2, 1 April 2019
(d) Department of Defense End-to-End Business Process Integration Framework, 17 May 2013
(e) Department of Defense Architecture Framework (DODAF) Version 2.02, August 2010
(f) OMB Circular A-123, 15 July 16
(g) DoD Risk, Issue, and Opportunity Management Guide for Defense Acquisition Programs, January 2017
(h) MCO 5200.24E
(i) SECNAV M-5210.1
(j) SECNAVINST 5211.5F
(k) Title 5 U.S.C.
(l) Title 10 U.S.C

Encl: (1) Key Terms and Definitions

1. Situation. Ineffective business Process Controls, including lack of common standards for business process documentation (policies, procedures, maps, work instructions, business rules, strategies), has been identified in reference (a) as a material weakness.

a. Reference (b) established reference (c) as the Marine Corps authoritative taxonomy for documenting processes to ensure the widest understanding of the process and its context. Reference (c) is the enterprise level architecture for the Department of Defense (DoD) Business Mission Area (BMA) in support of the warfighter. It also guides and constrains implementation of interoperable defense business solutions as required by reference (l) section 222 by guiding system alignment to End-to-End (E2E) processes. Reference (c) also identifies fifteen E2E business flows (processes) which reflect efforts to transition from a DoD business function-centered approach (i.e., functional areas operating independently from one another) to one that looks at all DoD business functions across the enterprise from E2E, or from the beginning of the process through to completion.

b. Per reference (d), DoD Military Department and Defense Agencies shall align their business portfolios to the E2E business processes, as identified

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in reference (c), to provide a comprehensive and consistent approach to improving business operations. Key artifacts (e.g, business process narratives (BPN) and maps) required for compliance will be developed using references (d) and (e) guidelines.

c. Reference (f) provides guidance to managers on improving the accountability and effectiveness of federal programs, operations and information technology (IT) systems by identifying and managing risks, establishing requirements to assess, correct, and report on the effectiveness of internal controls. This includes the identification of all known risks, key assumptions, probability of occurrence, consequences of occurrence (in terms of cost, schedule, and performance) if not mitigated, analysis of mitigation options, decisions about actions to mitigate risk, and execution of those actions in accordance with reference (g).

d. Reference (h) established the Marine Corps Managers' Internal Control program which established the fundamental responsibility for commanders, heads of staff agencies, and managers at all levels of the Marine Corps to develop and maintain effective internal control over their processes to ensure that programs operate, and resources are used efficiently and effectively to achieve desired objectives.

2. Mission. This Order establishes the Deputy Commandant, Installation and Logistics (DC I&L) Business Process Management (BPM) program and identifies DC I&L Logistics and Supply Chain Management End to End (E2E) Business Flows, which fall under the Business Mission Area (BMA). This Order also defines key terminology for the standardization of the BPM program.

3. Execution

a. Commander's Intent and Concept of Operations

(1) Commander's Intent. DC I&L will establish a BPM program by leveraging the defined DoD E2E Business Flows and focusing on the core logistics and supply chain functions aligned specifically to DC I&L's mission. The program will identify standards for business process documentation, procedures, maps, work instructions, and other related documents.

(2) Concept of Operations. The DoD E2E Business Flows that directly link to DC I&L's core logistics and supply chain business functions will serve as the foundation for the BPM efforts. Collectively, referred to as the Logistic and Supply Chain E2E Business Flows, they include Acquire to Retire (A2R), Procure to Pay (P2P), Order to Cash (O2C), Plan to Stock (P2S), Deployment to Redeployment/Retrograde (D2RR), Environmental Liabilities (EL), and Service Request to Resolution (SR2R). Each of these Logistic and Supply Chain business flows will be documented via BPM artifacts which will identify internal controls and result in the development of Logistic and Supply Chain business flow test plans. The artifacts produced will be standardized and synchronized within the Logistics and Supply Chain Communities of Interest to ensure logistics policies, processes, internal controls, and programs in support Logistics and Supply Chain priorities. Templates for these products will be easily accessible and disseminated the most efficient way possible as they are developed.

(a) DC I&L is the Logistics and Supply Chain BMA Manager responsible for the design, development, documentation, and execution of

Logistics and Supply Chain business flows which include the establishment and assessment of Logistic and Supply Chain internal controls, and the reporting of their effectiveness.

(b) To assist the Logistics and Supply Chain BMA Manager, Logistics and Supply Chain Sub-BMA Managers will be identified for all assigned functional areas associated with their respective business flow. These individuals have the ongoing responsibility for the successful design, development, documentation, and execution of functional processes and related documents/artifacts.

(c) The Logistics and Supply Chain artifacts will comprise a playbook for standardizing business flows, defining risks, and assessing internal controls for managing those risks from the tactical to enterprise level, both horizontally (i.e., across the entire enterprise) and vertically (i.e., specific unit). This will enable DC I&L to execute testing.

b. Subordinate Element Missions

(1) Assistant Deputy Commandant for Installation and Logistics (Plans) (ADC I&L (LP))

(a) Serve as the Logistics and Supply Chain BMA Manager for DC I&L and serve as the lead in this effort to identify standards for business process documentation, procedures, maps, work instructions, and other related documents.

1. Develop, update, and disseminate Logistics and Supply Chain Business Flow artifact templates as required (e.g., BPN, maps, test plans, reporting, etc.).

2. Document Logistics and Supply Chain business flows via the BPN which utilizes the DoD business flows (e.g., A2R) and process areas (e.g., Manage Assets) defined in reference (c).

3. Describe all internal controls within Logistics and Supply Chain business flow BPNs to serve as the foundation for the development of internal control test plans.

(b) Serve as the Chair for the Risk Management Committee to identify, assess, and manage Logistic and Supply Chain business flow risks. This includes the transition to the Risk Management Framework process and the implementation of general IT controls.

(c) Develop, execute, and/or track Corrective Action Plans (CAPS) to mitigate any identified risks in Logistic and Supply Chain business flow functions, programs, or operations.

(d) Appoint Logistics and Supply Chain Sub-BMA Managers responsible for designing, conducting annual reviews, and submitting to the Logistics and Supply Chain BMA Manager artifacts for the following logistical functional areas:

1. General Plant, Property and Equipment (PP&E): Class VII Military Equipment, Construction in Progress, Assets under Capital Lease, Leasehold Improvements, Internal Use Software, and Accrued Environmental Liabilities.

2. Intragovernmental Transactions.

3. Operating Material and Supplies (OM&S): Class II Clothing and Equipment/Consumables, Class IV Construction, Class V Ammunition, Class VIII Medical Material, and Class IX Repairables.

4. Military Standard Requisitioning Procedures (MILSTRIP)/ Military Standard Billing System (MILSBILLS): Class II Clothing and Equipment/Consumables, Class III Fuel, Class IV Construction, Class V Ammunition, Class VII Major End Items, Class VIII Medical Material, and Class IX Repairables.

5. Military Standard Transportation and Movement Procedures (MILSTAMP)/MILSBILLS: Non-Defense Travel System Distribution Management, Transportation of Things, and Transportation of People.

6. Maintenance.

7. Stewardship PP&E.

8. Inventory (Working Capital Fund).

9. Acquisition and Cross Servicing Agreements.

10. Miscellaneous Pay.

(2) Assistant Deputy Commandant for Installation and Logistics (Facilities) (ADC I&L (LF))

(a) Serve as the Logistics and Supply Chain Sub-BMA Manager responsible for designing, conducting annual reviews, and submitting to the Logistics and Supply Chain BMA Manager artifacts for the following logistical functional areas:

1. General PP&E: Real Property, Garrison Property, and Garrison Mobile Equipment.

2. MILSTRIP/MILSBILLS: Class I Subsistence in Kind.

3. Environmental Liabilities.

4. OM&S: Class I Subsistence in Kind.

(b) Serve as a member of the Risk Management Committee to identify, assess, and manage Logistic and Supply Chain business flow risks.

(c) In coordination with the Logistic and Supply Chain BMA Manager, develop, execute, and/or track CAPS to mitigate any identified internal control weaknesses in assigned functional areas, programs, or operations.

(3) Assistant Deputy Commandant for Installation and Logistics (Contracts) (ADC I&L (LB))

(a) Serve as the Logistics and Supply Chain Sub-BMA Manager responsible for designing, conducting annual reviews, and submitting to the

Logistics and Supply Chain BMA Manager artifacts for functional areas under DC I&L Head of Contracting Activity authority.

(b) Serve as a member of the Risk Management Committee to identify, assess, and manage Logistic and Supply Chain business flow risks.

(c) In coordination with Logistic and Supply Chain BMA Manager, develop, execute, and/or track CAPS to mitigate any identified internal control weaknesses in assigned functional areas, programs, or operations.

(4) Commanding General, Marine Corps Logistics Command (COMMARCORLOGCOM) shall:

(a) Provide subject matter experts (SME) to assist the Logistics and Supply Chain Sub-BMA Managers in the design, annual review, and submission of artifacts to the Logistics and Supply Chain BMA Manager.

(b) Serve as a member of the Risk Management Committee to identify, assess, and manage Logistic and Supply Chain business flow risks.

(c) In coordination with Logistic and Supply Chain Sub-BMA Manager, develop, execute, and/or track CAPS to mitigate any identified internal control weaknesses in assigned functional areas, programs, or operations.

(5) Commander, Marine Corps Systems Command (COMMARCORSYSCOM) and Affiliated Program Executive Office (Land Systems) (PEO (LS))

(a) Serve as the Logistics and Supply Chain Sub-BMA Manager responsible for design, annual review, and submission of artifacts to the Logistics and Supply Chain BMA Manager functional level BPNs for functional areas under COMMARCORSYSCOM Contracting authority.

(b) Provide SMEs to assist the Logistics and Supply Chain Sub-BMA Managers in the designing, annual review, and submitting to the Logistics and Supply Chain BMA Manager functional level BPNs.

(c) Serve as a member of the Risk Management Committee to identify, assess, and manage Logistic and Supply Chain BMA risks.

(d) In coordination with Logistic and Supply Chain BMA Manager, develop, execute, and/or track CAPS to mitigate any identified internal control weaknesses in assigned functional areas, programs, or operations.

4. Administration and Logistics

a. Records Management. Records created as a result of this directive shall be managed according to National Archives and Records Administration (NARA)-approved dispositions per SECNAV M-5210.1 CH-1 to ensure proper maintenance, use, accessibility and preservation, regardless of format or medium. Records disposition schedules are located on the Department of the Navy/Assistant for Administration (DON/AA), Directives and Records Management Division (DRMD) portal page at: <https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-and-Information-Management/Approved%20Record%20Schedules/Forms/AllItems.aspx>. Refer to MCO 5210.11F for Marine Corps records management policy and procedures.

b. Privacy Act. Any misuse or unauthorized disclosure of Personally Identifiable Information (PII) may result in both civil and criminal penalties. The Department of the Navy (DON) recognizes that the privacy of an individual is a personal and fundamental right that shall be respected and protected. The DON's need to collect, use, maintain, or disseminate PII about individuals for purposes of discharging its statutory responsibilities shall be balanced against the individuals' right to be protected against unwarranted invasion of privacy. All collection, use, maintenance, or dissemination of PII shall be in accordance with the Privacy Act of 1974, as amended (5 U.S.C. 552a) and implemented per SECNAVINST 5211.5F.

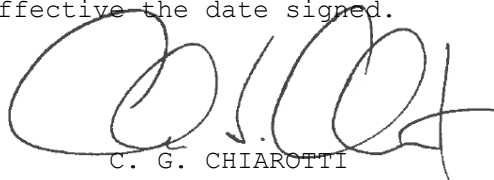
c. Recommendations. Recommendations concerning the contents of this Order are invited and should be submitted to the Branch Head, LPS via the appropriate chain of command.

d. The official and current version of this Order will be posted to Marine Corps Publications Electronic Library (MCPEL)
<http://www.marines.mil/News/Publications/ELECTRONICLIBRARY.aspx>.

6. Command and Signal

a. Command. This Order is applicable to the Marine Corps Total Force.

b. Signal. This Order is effective the date signed.



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Key Terms and Definitions

1. Acquire-to-Retire (A2R). The E2E business flow/process which encompasses all business functions necessary to obtain, manage, and dispose accountable and reportable property (capitalized and non-capitalized assets) through their entire life-cycle. This includes such functions as requirements identification, sourcing, contract management, purchasing, payment management, general Plant, Property and Equipment (PP&E) management and retirement.

2. Business Mission Area (BMA). Reference (c) identifies four interdependent mission areas within the DoD enterprise architecture. The mission areas are warfighting (WMA), business (BMA), DoD portion of intelligence (DIMA), and enterprise information environment (EIE). The role of the BMA is to deliver products and services required by the WMA to accomplish assigned objectives. The Logistics and Supply Chain E2E processes fall under the BMA. The seven E2E business flows/process aligned to the BMA include: Acquire to Retire (A2R), Procure to Pay (P2P), Order to Cash (O2C), Plan to Stock (P2S), Deployment to Redeployment/Retrograde (D2RR), Environmental Liabilities (EL), and Service Request to Resolution (SR2R).

3. Deployment-to-Redeployment/Retrograde (D2RR). The E2E business flow/process which encompasses all business functions necessary to plan, notify, deploy, sustain, recall and reset tactical units to and from theaters of engagement.

4. End to End (E2E) Business Flow (also referred to as E2E business process). An end-to-end (E2E) business flow/process represents a set of integrated business processes that are aligned with the native capabilities of support systems to fulfill a need identified by the organization. By its nature an E2E business flow is cross functional, cutting across organizational boundaries from an enterprise perspective. These processes are a combination of commercial best practices and DoD specific functions.

5. Environmental Liabilities (EL). The E2E business flow/process which encompasses all business functions necessary to identify environmental cleanup, closure, or disposal issues that represent an environmental liability of the DoD, to develop cost estimates and expenditures related to the actions required to eliminate identified EL, and to report appropriate financial information about the EL.

6. Internal Control. Process effected by an entity's oversight body, management, and other personnel that provides reasonable assurance that the objectives of an entity will be achieved.

7. Intragovernmental Transaction. The transactions that result from business activities conducted by two different federal government entities included in the Financial Report of the United States Government.

8. Logistics and Supply Chain Business Mission Area Manager. The business process owner who has the ongoing responsibility for the successful design, development, execution, and performance of a complete E2E business process.

9. Logistics and Supply Chain Sub-Business Mission Area Manager. The functional process owner who has the ongoing responsibility for the successful design, development, execution, and performance of a functional

processes. Functional processes within the BMAs include logistics, acquisition, property, financial management, and human resource management.

10. Order-to-Cash (O2C). The E2E business flow/process which encompasses all business functions necessary to accept and process customer orders for services and/or inventory held for sale. This includes such functions as managing customers, accepting orders, prioritization of orders, fulfilling orders, performing distribution, managing receivables, and managing cash collections.

11. Plan-to-Stock (P2S). The E2E business flow/process which encompasses all business functions necessary to plan, procure, produce, inventory, and stock materials used both in operations and maintenance (O&M) as well as for sale (i.e., working capital funds (WCF)).

12. Process areas. The major process areas that comprise the E2E business flow. Represent the scope of life-cycle activities that may take place for a particular E2E business flow. These process areas are generic in nature and are not meant to represent specific business scenarios or specific configurations of a given process area. These are defined by DoD.

13. Procure-to-Pay (P2P). The E2E business flow/process which encompasses all business functions necessary to obtain goods and services using procurement processes and procedures including: executing procurement requirements, strategy, procurement award and management, receipt and acceptance, entitlement, disbursement and closeout

14. Service Request-to-Resolution (SR2R). The E2E business flow/process of performing maintenance on materiel/assets requiring repair or complete rebuild of parts, assemblies, subassemblies, and end-items, including the manufacture of parts, modifications, testing, and reclamation as required. Depot maintenance serves to support all asset categories of maintenance by providing technical/enhancement assistance and performing required defined maintenance beyond their respective depreciable life. It also includes the process whereby buildings and other fixed facilities are maintained and renovated during their life cycle.