



DEPARTMENT OF THE NAVY
HEADQUARTERS UNITED STATES MARINE CORPS
3000 MARINE CORPS PENTAGON
WASHINGTON DC 20350-3000

MCO 4400.200A
LPC
20 MAY 2020

From: Commandant of the Marine Corps
To: Distribution List

Subj: MARINE CORPS COORDINATED SECONDARY REPARABLE MANAGEMENT
(CSM) PROGRAM

Ref: (a) CDI ltr 3500 C06, "Coordinated Secondary Reparable Management (CSM)," 23 January, 2006
(b) DOD 4140.01, "DOD Supply Chain Materiel Management Regulation," February, 2014
(c) MCO 4400.201
(d) MCO P4400.151B
(e) SECNAV M-5210.1 CH-1
(f) MCO 4790.25
(g) MCO 4105.2
(h) UM 4000.125
(i) MCO 5210.11F
(j) 5 U.S.C. 552a
(k) SECNAVINST 5211.5F

Encl: (1) Definitions

1. Situation. This Order is in accordance with references (a) through (l). This Order provides policy for the coordinated management of all Marine Corps retail Secondary Reparable (SECREP) in support of ground equipment.

2. Cancellation. MCO 4400.200

3. Mission. To establish policy for the Coordinated Secondary Reparable Management (CSM) Program, per reference (a). Commanding General, Marine Corps Logistics Command (CG MARCORLOGCOM) is the Executive Agent (EA) with authority to advise operational commanders regarding management of SECREP materiel, and, as necessary, coordinate materiel redistribution. References (b) through (f) provide specific SECREP inventory management policy and are not superseded by this Order. Reference (g) provides policy and assigns responsibilities for

DISTRIBUTION STATEMENT A: Approved for public release;
distribution is unlimited.

the management and execution of the Marine Corps Warranty Program.

4. Execution

a. Commander's Intent and Concept of Operations

(1) Commander's Intent. To provide a coordinated SECREP management program that, in coordination with the Marine Forces (MARFOR) and Supporting Establishments (SE), supports increased equipment readiness and operational availability while balancing the operational risk each MARFOR and supported organization faces independently through optimizing and positioning inventory across the enterprise. This includes the development and oversight of policy and procedures that modernize Marine Corps-wide SECREP management and enhance SECREP support to the MARFORs and supported organizations through:

(a) Enterprise coordinated processes that reduce inventory excesses and deficiencies, decrease customer wait time, and improve fill rates.

(b) Enduring MARCORLOGCOM workforce embedded within the Reparable Issue Points (RIP) that provide SECREP management advice focused on inventory management, training, and support of deployed operations.

(c) Designation of the CG MARCORLOGCOM, as the Marine Corps' EA for CSM.

(d) A clear, coordinated, and concise Marine Corps Planning, Programming, Budgeting, and Execution (PPBE) oversight process for SECREP materiel supported by CSM and led by DC I&L.

(2) Concept of Operations

(a) MARCORLOGCOM will collaborate with MARFORs/SEs with respect to SECREP inventory management, allowance management, sourcing and distribution, backorder management, procurement, and technical data to maximize SECREP availability and responsiveness at the field level while optimizing enterprise resource investments.

(b) To ensure CSM principles and business rules remain valid and are adhered to, and to ensure issues related to SECREP management are properly addressed, a Headquarters Marine Corps (HQMC)- led CSM Working Integrated Product Team (WIPT)

will be established as a standing, formal body with permanent representation by HQMC I&L, MARCORLOGCOM, Marine Forces Command (MARFORCOM), Marine Forces Pacific (MARFORPAC), Marine Forces Reserve (MARFORRES), Marine Forces Special Operations Command (MARFORSOC), Training and Education Command (TECOM), and Marine Corps Systems Command (MARCORSYSCOM). Other MARFORs and SE activities will be represented as requirements dictate. When assessing programmatic issues, the WIPT will consider the following:

1. Updates to Service policy.
2. Development and management of SECREP Business rules.
3. Development and management of standardized SECREP Inventory management and performance metrics.
4. RIP inventory recommendations and annual inventory recomputations.
5. Assess SECREP inventory requirement to support contingency operations.
6. Assist MARFORs and DC I&L with determining SECREP resource requirements for Program Objective Memorandum (POM) or supplemental budget calls.

(c) CSM enables the Marine Corps to benefit from an enterprise managed process (improved inventory efficiency, effectiveness, and enhanced visibility into operations and overall performance) while enabling the operating forces to retain financial resourcing responsibilities (more effective allocation of resources, better control and supervision of execution) and control of SECREP materiel. Under this construct, SECREPS are provided by supporting commanders (COMMARFORCOM, COMMARFORPAC, and COMMARFORRES) to supported commanders based on inventory availability. Resourcing by supporting commanders enable more effective use of available financial resources, either through POM or supplemental budgeting such as Overseas Contingency Operations (OCO) funding. As part of the CSM Program, supporting / supported relationships will be established in which MARFORCOM/PAC/RES are responsible for identifying SECREP requirements for assigned forces, as well as supported organizations and Maritime Prepositioning Ships, and ensuring resource requirements are programmed in each command's POM submission. SECREP materiel distribution to

Marine Corps units and activities will occur based on the location of the requesting unit or activity, and availability of materiel.

b. Tasks

(1) Deputy Commandant, Installations and Logistics (DC I&L)

(a) Establish and maintain policy for the Marine Corps CSM Program.

(b) Review policy and provide guidance as necessary in support of the CSM Program.

(c) Serve as the resource advocate for Marine Corps CSM Program and SECREP Replenishment Program, to include annual Sustainment Program Evaluation Board SECREP program reviews, and programming and budgeting for Operation and Maintenance, Marine Corps funding.

(d) Formally establish, lead, and maintain a SECREP WIPT with MARFORs/SE and HQMC participation to ensure CSM principles and business rules remain valid and are adhered to, and to ensure other SECREP issues are properly addressed.

(2) Commanding General, Marine Corps Logistics Command (CG MARCORLOGCOM)

(a) Serve as the EA for the Marine Corps CSM Program.

(b) By coordinating with MARCORSYSCOM, provide enterprise process oversight to the MARFORs/SE to coordinate the requisition, distribution, location, and storage of reparable items throughout the Marine Corps SECREP supply chain, monitor SECREP related business decisions of RIP activities, and promote the leveraging and linking of SECREP inventory across the enterprise.

(c) Implement, review, and refine the CSM business rules and procedures in coordination with MARFORs/SE.

(d) Maintain CSM procedures in a format that is available to all stakeholders and has change control.

(e) Execute supply chain management oversight for retail reparable items owned by the Marine Corps and be responsible for SECREP supply chain management from source of supply issue to the point of customer acceptance and carcass return.

(f) Provide direct operational support at RIPS for critical support functions via MARCORLOGCOM RIP Site Managers, RIP functional support personnel, and Naval Logistics Integration (NLI) initiatives (i.e., Technical Assistance for Reparable Processing (TARP) and Advanced Traceability and Control (ATAC)) to support MARFORs/SE at home stations and during deployed operations.

(g) Conduct RIP site visits to provide SECREP inventory management training and support Annual Inventory and Item Review requirements.

(h) Assist the MARFORs/SE in conducting the Annual Item Review (Stock Allowance Recomputation) with major command concurrence, and modify retail reparable item allowances accordingly.

(i) Review and approve the MARFOR's annual validation of SECREP requirements for the War Reserve and the Maritime Prepositioning Ships Programs.

(j) Participate in operational planning and execution processes, in coordination with MARFORs/SE, to ensure RIP operations, to include Preservation, Packaging, and Packing (P3) and retrograde plans, NLI initiatives (i.e., TARP and ATAC), and other deployed SECREP management capabilities are addressed in Annex D of operation plans.

(k) Coordinate with MARFORs/SE to provide continuous process improvement of retail SECREP management through standardized data collection, performance measurement and analysis, process analysis and mapping, and implementation of process changes.

(l) Report Marine Corps SECREP performance and capabilities in support of internal and/or external requirements (i.e., data calls, metrics reporting).

(m) Coordinate with MARFORs/SE and HQMC on the establishment and deactivation of main and subordinate RIPS.

(n) Develop and execute a budget in support of CSM Program Office requirements and assist in the annual budget formulation between the MARFORs and supported organizations.

(o) Coordinate with MARFORs/SE to review Marine Corps policies related to retail SECREP management, and provide recommended changes to DC I&L.

(p) Identify and define to DC I&L emerging CSM Program requirements and issues.

(q) Establish and maintain a Contractor Logistics Support (CLS) capability through a service-based contract which enables the MARFORs/SE to induct select secondary reparables for commercial Repair, Overhaul and Rebuild (ROR) through the use of a single integrator that provides maintenance services using multiple commercial vendors. MARCORLOGCOM has contract management responsibility while supported command (MARFORCOM, MARFORPAC, TECOM and MARFORRES) provide funding to the contract periodically, as needed to execute repair services with considerations given to Intermediate Maintenance Activity (IMA) repair capacity, Source of Supply supportability, expected wait times and availability of funds.

(r) In accordance with ref (h), determine whether a failed SECREP repair is necessary to support enterprise inventory. Collaborate with the RIP OIC and the local IMA to make a recommended Code F (Unserviceable) Decision and IMA Induction decision in accordance with Unserviceable SECREP Procedures. If requirement does not exist, then the LOGCOM Site Manager will either proceed directly to "Code F Decision Process (E2)" or coordinate with IMA to determine if there is a more degraded SECREP for disposition in place of the newly inducted SECREP. The LOGCOM Site Manager, RIP OIC, and Maintenance personnel will follow a collaborative process to support the Code F and IMA induction decision; however, the RIP OIC has the final IMA induction decision authority. LOGCOM Site Manager, in collaboration with the RIP and IMA, determines whether or not there is a requirement for the SECREP by evaluating a combination of local asset posture, enterprise asset posture, phase-in / phase-out plans, Diminishing Manufacturing Sources Materiel and Shortages(DMSMS), obsolescence, and IMA skill set retention requirements. If requirement for the SECREP exists and no excess is available in the enterprise, then induct asset for repair.

(s) Code F/Disposition Process

1. In accordance with ref (h), if it was decided that there is no enterprise requirement for the SECREP or if IMA determines that the repair exceeds its capability or capacity, then the LOGCOM Site Manager, in collaboration with the RIP OIC, will determine the specific action to be taken on the Code F carcass (i.e., contracted repair, material returns program, or disposal).

2. Requirement Exists for Stock Replenishment. If it is determined that there is a stock replenishment requirement for the SECREP, then the LOGCOM Site Manager will determine whether to induct for commercial repair under the integrator support contract, induct for CLS warranty claim under the integrator support contract, or request disposition and replenishment via the material return program.

(t) Assist MARFORs, Maritime Prepositioning Ships, and supported commands with development of SECREP requirements in order to support programming, POM and budget execution.

(3) Commander, Marine Forces Command (COMMARFORCOM), Commander, Marine Forces Pacific (COMMARFORPAC), and Commander, Marine Forces Reserves (COMMARFORRES)

(a) Serve as supporting commanders, responsible for SECREP property accountability and programming resource requirements to support Continental United States (CONUS)-based Marine Corps activities through regional RIPS assigned to each subordinate Marine Expeditionary Forces (MEFs).

(b) Provide support to assigned forces deployed Outside Continental United States (OCONUS) in support of rotational force requirements or contingency operations, unless the supported MARFOR already has an established theater support capability established.

(c) Validate policy and procedural recommendations.

(d) Develop and implement internal command policies and procedures to facilitate the execution of this Order.

(e) Coordinate with DC I&L, MARCORLOGCOM and supported organizations to ensure sufficient resources are programmed and budgeted.

20 MAY 2020

(f) Maintain oversight of SECREP obligation rates utilizing data from Global Combat Support System - Marine Corps (GCSS-MC) data and provide routine reports to supported organizations.

(g) Monitor SECREP budget execution and identify current year deficiency requirements as warranted.

(h) In coordination with MARCORLOGCOM CSM, execute SECREP materiel redistribution to supported organizations in accordance with established CSM procedures.

(i) Direct subordinate Commands to determine, on a case by case basis, if a repair is necessary to support enterprise inventory.

(4) Commanders, Marine Forces Reserve (MARFORRES), Marine Special Operations Command (MARSOB), Marine Central Command (MARCENT), Marine Forces Europe/Africa (MARFOREUR/AF), Marine Corps Forces Cyberspace Command (MARFORCYBER), and Commanding General, Training and Education Command (CG TECOM)

(a) Coordinate with appropriate supporting commanders as applicable to ensure resource requirements are properly identified for programming.

(b) Validate policy and procedural recommendations.

(c) Develop and implement internal command policies and procedures to facilitate the execution of this Order.

(d) Coordinate with MARFORCOM/PAC to support programming and budgeting requirements.

(5) Commander, Marine Corps Systems Command (MARCORSSCOM)

(a) Validate policy and procedural recommendations.

(b) Develop and implement internal command policies and procedures to facilitate the execution of this Order.

(c) Coordinate with MARCORLOGCOM prior to the procurement of all SECREPs, in order to ensure that Program Offices are procuring the "right number/size" of SECREPs to support the two year demand development period.

(d) In conjunction with MARCORLOGCOM, provide enterprise process oversight to the MARFORs/SE to coordinate the requisition, distribution, location, and storage of reparable items throughout the Marine Corps SECREP supply chain, monitor SECREP related business decisions of RIP activities, and promote the leveraging and linking of SECREP inventory across the enterprise.

c. Coordinating Instructions. Supporting procedures will be developed and published separately.

5. Administration and Logistics

a. Directives issued by the Commandant of the Marine Corps are published electronically and can be accessed via the Marine Corps homepage at: <http://www.marines.mil>

b. Access to an on-line medium shall suffice for directives that can be obtained from the internet, Compact Disk-Read-Only Memory (CD-ROM), or other sources. For the purpose of inspection, electronic files shall suffice and need not be printed. For commands without access to the internet, hard copy and CD-ROM versions of Marine Corps directives can be obtained through the Marine Corps Publications Distribution System.

c. Records Management. Records created as a result of this Order shall be managed according to National Archives and Records Administration (NARA)-approved dispositions per reference (e) to ensure proper maintenance, use, accessibility and preservation, regardless of format or medium. Records disposition schedules are located on the Department of 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 reference (i) for Marine Corps records management policy and procedures.

d. Privacy Act. Any misuse or unauthorized disclosure of Personally Identifiable Information (PII) may result in both civil and criminal penalties. The 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

20 MAY 2020

unwarranted invasion of privacy. All collection, use, maintenance, or dissemination of PII shall be in accordance with the Privacy Act of 1974, as amended (reference (j)) and implemented per reference (k).

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.

A handwritten signature in black ink, appearing to read 'C.G. CHIAROTTI', with a long horizontal stroke extending to the right.

C.G. CHIAROTTI
Deputy Commandant for
Installations and Logistics

DISTRIBUTION: 10202047400

Definitions

Consumer Level Inventory. Inventory usually of limited range and depth held only by the final element in an established supply distribution system for the sole purpose of internal consumption within that final element. A consumer-level inventory is independent of echelon of command and can exist at any level whether strategic, operational, or tactical.

End-User. That individual or organizational element authorized to use supply items. That individual or element is normally the terminal point in the logistics systems at which action is initiated to obtain materiel required for the accomplishment of an assigned mission or task.

Executive Agent (EA). A term used in Department of Defense (DoD) and Service regulations to indicate a delegation of authority by a superior to a subordinate to act on behalf of the superior. An agreement between equals does not create an EA. For example, a Service cannot become a DoD EA for a particular matter with simply the agreement of the other Services. Such authority must be delegated by the Secretary of Defense. Designation as EA, in and of itself, confers no authority. The exact nature and scope of the authority delegated must be stated in the document designating the EA. An EA may be limited to providing only administration and support or coordinating common functions; or it may be delegated authority, direction, and control over specified resources for specified purposes.

Geographical Area Support Concept. A concept in which Marine Forces Command/Pacific will provide SECREP support to supported organizations. SE MARFORPAC will provide all OCONUS and west of the Mississippi CONUS support. MARFORCOM will provide all east of the Mississippi CONUS support and support to MARFOREUR/AF. MARFORRES will provide support to reserve organizations.

Intermediate Level Inventory. An inventory required between the consumer and wholesale levels of inventory for support of a defined geographic area or for tailored support of specific consumer organizations or activities.

Item Review. The Item Review (Recomputation) is conducted annually. The purpose of the Item Review is to determine demand based Requisition Objectives (RO) and validate allowances (Special and Initial Issue Provisioning) for retail SECREPs. Mount Out (War Reserve) allowances are also reviewed and inducted during the Item Review.

Preservation, Packaging, and Packing (P3). Encompasses the life cycle of the material from development and attainment of requisite protection at time of procurement, cyclic preservation maintenance of material during term of storage, preparation for shipment to using organizations, and the retrograde movement of serviceable and unserviceable reparable assets.

Reparable Inventory. A type of OM&S or inventory which consists of items that can be repaired economically and for which repair (at either field or depot level) is considered in meeting computed inventory requirements. DoD authorizes supply management activity groups to finance reparable items, including their transportation, acquisition, overhaul, progressive maintenance, renovation, rework, repair, manufacture, reclamation, alteration, and/or software support. Reparables can also be in an unserviceable condition when furnished to the contractor for repair, modification, or overhaul. Unserviceable reparables are often referred to as carcasses.

Resource Advocate. A HQMC section which is aware of resource requirements and takes steps to fulfill them.

Retail Inventory. Supplies/materiel held below the wholesale level (the intermediate and consumer levels of inventory).

Secondary Item. An item of supply that is not defined as a principal item and includes reparable components, subsystems, and assemblies, consumable repair parts, bulk items and material, subsistence, and expendable end items, including clothing and other personal gear.

Supply Chain Management. The added value produced for the end user or ultimate consumer by integrating the processes involved in managing the flow of products, services, and information from supplier to the end user. The process of orchestrating the end-to-end plan, source, make, deliver, return process within the supply chain, and establishing the collaborative processes between the organizations supplier's supplier and its customer's customer.

Wholesale. The highest level of organized DoD supply, and as such, procures, repairs, and maintains stocks to resupply the retail levels of supply. The terms "wholesale supply," "wholesale level of supply," and "wholesale echelon" are synonymous.

20 MAY 2020

Wholesale Stock. Stock, regardless of funding sources, over which the Item Material Manager has asset knowledge and exercises unrestricted asset control to meet worldwide inventory management responsibilities. Synonymous with national inventory.

APPENDIX A

Glossary of Terms and Abbreviations

CG	
CD-ROM	Compact Disk-Read-Only Memory
CLS	Contracted Logistics Support
CSM	Coordinated Secondary Reparable Management
DoD	Department of Defense
DON	Department of the Navy
DMSMS	Diminishing Manufacturing Sources Materiel and Shortages
EA	Executive Agent
GCSS-MC	Global Combat Support System - Marine Corps
IMA	Intermediate Maintenance Activity
MEFs	Marine Expeditionary Forces
MARCORLOGCOM	Marine Corps Logistics Command
MARFORRES	Marine Forces Reserve
MARFORPAC	Marine Forces Pacific
MARFORSOC	Marine Forces Special Operations Command
MARCORSYSCOM	Marine Corps Systems Command
NARA	National Archives and Records Administration
PII	Personally Identifiable Information
PPBE	Planning, Programming, Budgeting, and Execution
P3	Preservation, Packaging, and Packing
RIP	Reparable Issue Points
ROR	Repair, Overhaul and Rebuild
SE	Supporting Establishments
TECOM	Training and Education Command
WIPT	Working Integrated Product Team