Follow-up on Internal Audit: Mission Transition (MT)—Materiel Deployed in Afghanistan

November 2011

7053-74-2 (CRS)
## Caveat

Some of the analysis of this report relies on prices recorded in the Canadian Forces Supply System (CFSS). Previous Chief Review Services (CRS) audits have highlighted inaccuracies in this pricing. As a result, no assertion is made as to the accuracy of the reported values, and caution must be exercised in using these results for management decision making without further confirmation.

The audit follow-up provides a high level of assurance in accordance with the Institute of Internal Audit Standards.
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Acronyms and Abbreviations

ADM(Fin CS)  Assistant Deputy Minister (Finance and Corporate Services)
ADM(Mat)  Assistant Deputy Minister (Materiel)
CANOSCOM  Canadian Operational Support Command
CEFCOM  Canadian Expeditionary Forces Command
CF  Canadian Forces
CFSS  Canadian Forces Supply System
CO  Commanding Officer
C Prog  Chief of Programme
CRS  Chief Review Services
CSU  Canadian Support Unit
DDSM  Director Defence Strategy Management
DEP  Director Expeditionary Plans
DMPP  Director Materiel Policy and Procedures
DND  Department of National Defence
DOS SJS  Director of Staff – Strategic Joint Staff
IRM  Integrated Risk Management
IS  Identification of Stock Code
LCMM  Life Cycle Materiel Manager
LM  Locally Managed
MAP  Management Action Plan
MDU  Materiel Disposal Unit
MIDD  Materiel and Infrastructure Disposition Directive
MMIB  Mission Materiel and Infrastructure Board
MT  Mission Transition
MTTF  Mission Transition Task Force
OP  Operation
RFID  Radio Frequency Identification
RSAT  Rotation Staff Assistance Team
SCA  Supply Customer Account
TFA  Task Force Afghanistan
VCDS  Vice Chief of the Defence Staff
Introduction

In accordance with Treasury Board internal audit policy, CRS is obligated to undertake audit follow-ups to assess the implementation status of management action plans (MAP) developed in response to previous CRS audit recommendations.

The CRS audit of MT—Materiel Deployed in Afghanistan and the MAP was approved by the Departmental Audit Committee in March 2011. As the MT was to commence in July 2011, it was imperative that the MAP (Annex A) be implemented as soon as possible.

Background

The objective of the MT—Materiel Deployed in Afghanistan audit was to determine whether governance, risk management and control processes have been adequately considered in the MT planning for the Task Force Afghanistan (TFA) materiel. Since operation (OP) ATHENA began in 2003, a significant amount of materiel and equipment was deployed to Afghanistan to support the mission. According to the CFSS, the materiel supply system of the Department of National Defence (DND), over $1.3 billion worth of materiel and equipment was held in Afghanistan at the time of the audit. The withdrawal of the TFA materiel from Afghanistan by December 2011 is a complex operation that relies on detailed planning. Hence, the Mission Materiel and Infrastructure Board (MMIB) was established in September 2009 to provide MT governance and resulted in the early release of the MT Operational Plan in July 2010 with frequent updates.

Objectives

The audit follow-up objective was to assess the implementation status of the MAP developed in response to the CRS recommendations of the MT—Materiel Deployed in Afghanistan audit.

Scope

As a result of the CRS audit, six recommendations (Annex A) were made. The audit follow-up scope was limited to the MAP implementation for the three recommendations that would have the greatest impact on the MT:

- Continue to update the Materiel and Infrastructure Disposition Directive (MIDD) to improve materiel disposition guidance;
- Implement a more risk-based stocktaking approach to improve efficiency and provide assurance on the amount of materiel to be repatriated; and
- Improve risk management practices to align with the DND Integrated Risk Management (IRM) guidelines.

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2 TFA holdings as recorded in the CFSS. Includes major combat systems, spares, ammunition, etc.
Methodology

- Review of the latest version of the MIDD annex to the Operational Plan and all associated appendices;
- Review of the MMIB Action Items Log and the last three MMIB Records of Decisions;
- Interviews with key personnel of Canadian Expeditionary Forces Command (CEFCOM) and Canadian Operational Support Command (CANOSCOM); and
- Review monthly reports on CFSS adjustment activities of TFA accounts that were provided by the audit team to CANOSCOM staff.
Overall Assessment

In response to the Chief Review Services (CRS) audit of Mission Transition (MT) – Materiel Deployed in Afghanistan, there has been significant progress in the planning and implementation of the MT in accordance with the CANOSCOM March 2011 action plan. The conduct of the CRS audit follow-up took place between June and July 2011. Since July 2010, there have been 12 significant amendments to the MIDD, an annex to the MT operational plan. However, there remain issues that may impede the effective execution of the MT within the set time frame. CANOSCOM intends to update the MIDD to reflect recent discussions on the disposition of materiel. As well, the action plan to improve supply discipline in order to provide greater assurance of the amount of materiel to be repatriated to Canada has not yet been fully implemented. There remains a weakness in inventory adjustment controls.

Disposal Approval. At the time of the audit follow-up, only 30 percent of the line items that were identified as potential candidates for disposal had disposition guidance specified in the MIDD. There were also some types of materiel worth $19.3 million that would qualify for donation but that had not been included in the MIDD. Given the volume of materiel pending disposition decisions, the Mission Transition Task Force (MTTF) could experience a backlog of disposal unless the Commanding Officer (CO) of MDU is delegated disposal authority for some centrally managed items. Recently, ADM(Mat) has delegated disposal authority to the CO of MDU for centrally managed locally procured materiel to assist the disposal process.

Inventory Adjustments. Adjustment transactions are created to correct discrepancies between the CFSS records and the actual quantities of the materiel held. It was found in the CRS MT audit that the CFSS does not allow reason codes to be recorded for any upward adjustment of Supply Customer Account (SCA). In light of the sizable SCA adjustment transactions with no reason code provided, since March 2011, CRS has been providing CANOSCOM staff the monthly CFSS adjustment transactions summary report. During the follow-up the audit team found that 45 percent of the March through July 2011 SCA adjustment transactions, with a recorded value of $74 million, were lacking reason codes. There are plans to undertake a risk-based review of a sample of “blank” adjustment transactions created by the last rotation of troops in Afghanistan.

Good Practices

- Sought an alternate line of communication with potential cost avoidance of $25 to $30 million.
- Established a Materiel Disposal Unit (MDU) in theatre to streamline the disposal process of material and equipment.
- Seeking Assistant Deputy Minister (Materiel) (ADM(Mat)) disposal authority for complete categories of low-value materiel.

3 In the March 2010 CRS audit of MT—Materiel Deployed in Afghanistan, 3,976 line items with a recorded value of $19.3 million could be considered for donation. The type of materiel was only found in the terms of reference of the CO of MDU and in a recent version of the Disposal of Surplus Materiel Guidance from ADM(Mat).
4 In the March 2010 CRS audit of MT—Materiel Deployed in Afghanistan, one third of SCAs’ adjustment transactions over a one-year period, with recorded value of $91.7 million, were found with no reason codes provided.
5 Most of the blank reason code transactions were upward holding adjustments worth $68.4 million.
MAP Implementation Progress

Governance and Planning

Although amendments were made to the MIDD in accordance with the CANOSCOM action plan prior to the target date of April 2011, these revisions did not address all of the CRS observations made at the time of the audit. The MIDD still needs more specific and consistent direction to ensure an efficient and economical disposition of TFA materiel. At the time of the audit follow-up, July 2011, it was the intention of CANOSCOM to update the MIDD on a regular basis to keep it current with ongoing decisions regarding the disposition of materiel.

The MIDD is set out in a MT Operational Plan annex that provides direction on the disposition and redeployment of TFA materiel and infrastructure. For the most part, it is to be executed by the MTTF that is in theatre for the last six months of OP ATHENA. The audit identified areas of improvement in the MIDD that would enhance the effective execution of the MT. At the time of follow-up, however, certain details remained unresolved.

Reconstitution Plans Deadline

Reconstitution of materiel, the last phase of MT, will reset the Canadian Forces (CF) capabilities to meet CF force readiness requirements. Reconstitution plans provide specific direction as to where the materiel will be distributed and set disposition priorities. It is understood that the plans are being revised but a deadline for these plans was still not included in the MIDD at the time of audit follow-up. It is important to establish this milestone in order to optimize transportation resources and ensure materiel is delivered when required.

Materiel Direct to Canada

Classified materiel or materiel that requires specific handling is to be flown directly to Canada; the amount of materiel would determine the number and scheduling of flights as well as time slot requirements at Kandahar Air Field. At the time of audit follow-up, a milestone had still not been set to identify this material. Due to the limited number of time slots available at the airfield, it is important that a deadline be established as to when the materiel must be identified in order to facilitate the flow of sensitive materiel and equipment out of Afghanistan.

Asset Visibility

The MIDD revisions since the time of audit do not address the need to establish priorities for the limited number of the Radio Frequency Identification (RFID) tags (500). As well, the guidance for in-transit visibility of returning materiel and equipment was found to be inconsistent. Manual or RFID means were prescribed in the MIDD to achieve in-transit visibility, but the MIDD also stated that “RFID will not be used for OP ATHENA MT.” If repatriation of materiel includes in-transit staging areas that use allied facilities, then RFID tags will be used to provide improved visibility of container holdings. CANOSCOM intends to revise the MIDD accordingly.
Destruction Authority

Authority, with certain exceptions, to condemn land technical equipment with a replacement value up to $2,000 had been delegated to the TFA maintenance officer by Director General Land Equipment Program Management in 2007. However, the MIDD revisions since the time of the audit still did not include this delegation. Rather, the MIDD provides direction that all destruction requests for centrally managed materiel must be approved by the Life Cycle Materiel Manager (LCMM) at National Defence Headquarters. This may lead to confusion or inconsistent effort when destruction authority is sought.

Items Eligible for Donation

The MIDD revisions since the time of audit did not include the type of materiel that may be donated in theatre. With the exception of centrally managed items listed in the MIDD, “4P” items and consumables, centrally managed materiel must first be declared surplus by the applicable LCMM in Canada before a CF1303 Disposal Certificate can be approved to initiate sales or donation in theatre. The CO of MDU in TFA has been delegated authority for donations of some types of materiel that have not been specified in the MIDD. The audit identified 3,976 line items, worth $19.3 million, as potential candidates for donation where MIDD disposition guidance was to be provided.
Stocktaking, Supply Account Verifications and Adjustments

Recognizing the challenge of supply account verifications done by units in theatre during a high operational tempo, the CANOSCOM management action was to exercise rigorous and continuous supply discipline. However, there has been no substantial improvement in the inventory adjustment controls for those materiel holdings that must be repatriated to Canada.

When discrepancies are found between the CFSS inventory records and the actual quantities of the materiel held, adjustment entries are created to correct the differences. There are 30 different reason codes in the CFSS that are used to justify an adjustment. During stocktaking, there are 10 reason codes that are used to record a surplus or deficiency in a CF152 Report of Write-Off. Regardless of the value of item, write-off\(^9\) approval from the delegated authority is required when the actual quantities of materiel are deficient for reasons other than normal wear and tear or recording error. The other 20 reason codes are used for other adjustments that do not require approval by a delegated authority. A CRS audit on inventory management\(^{10}\) in 2008 recommended that adjustment authorization should be based on dollar value not simply on the rationale of the adjustments. Currently, high-value SCA adjustments require much lower levels of delegation authority than does a Report of Write-off.\(^{11}\)

Adjustment Transactions without Reason Codes

The MT audit found that the CFSS does not allow reason codes to be recorded at the SCA level to substantiate upward adjustments. As a result, one-third of the adjustment transactions in one year, with recorded value of $91.7 million, had “blank” reason codes where the purpose of the adjustment could not be readily explained.

For the purpose of continuous monitoring, CRS has been providing CANOSCOM staff the monthly CFSS adjustment transactions summary reports since March 2011. Although the action plan target date was May 2011 to improve supply discipline, during the audit follow-up, the proportion of “blank” reason codes increased from 33 to 45 percent of all inventory adjustment transactions.

Between March and July 2011, SCA holdings adjustments were three times the average holding as indicated in Table 1 (complete adjustment transaction summary report is reflected in Annex B). While a higher volume of adjustments should be anticipated during closeout, it was not possible to appraise the legitimacy of 4,714 adjustments (45 percent of all adjustments), with a recorded absolute value of $73.95 million, because there was no reason code provided as portrayed in Table 1.

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\(^9\) Stocktaking surpluses also require CF152 approval and are recorded as Write-on (CFSS reason code “WU”); source: Canadian Forces Supply Manual.

\(^{10}\) CRS Internal Audit of Inventory Management: Stocktaking, Adjustments & Write-offs, October 2008.

\(^{11}\) Supply Manual 3-3B-002 para 8 allows the delegation of adjustments to the rank of sergeant, but a Report of Write-off requires authorization by at least a CO depending on the dollar value.
Table 1. SCA CFSS Adjustment Summary from March to July 2011. The quantities of adjustments with no reason codes (2,772,138) represents 66 percent of the total quantity adjusted.

<table>
<thead>
<tr>
<th>SCA Holdings/Adjustments</th>
<th># of Transactions</th>
<th>Absolute Quantity</th>
<th>Negative Quantity</th>
<th>Absolute Value (SM)</th>
<th>Negative Value (SM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Holding</td>
<td>N/A</td>
<td>1,316,965</td>
<td>17,305</td>
<td>$334.74</td>
<td>$14.05</td>
</tr>
<tr>
<td>Total Adjustment</td>
<td>10,436</td>
<td>4,195,475</td>
<td>1,936,536</td>
<td>$120.44</td>
<td>$52.08</td>
</tr>
<tr>
<td>“Blank” Adjustment</td>
<td>4,714</td>
<td>2,772,138</td>
<td>513,199</td>
<td>$73.95</td>
<td>$5.59</td>
</tr>
</tbody>
</table>

To improve oversight of adjustments in the CFSS, a review of recent MTTF “blank” adjustments was done in theatre due to observations in the audit follow-up. There was evidence that controls have recently improved, resulting in fewer blank reason codes for downward adjustments.¹²

For TFA supply documents that have been returned to Canada, a summary of the TFA adjustment history up to 2009 was done by 3 Canadian Support Unit (CSU) during the audit follow-up. A sample of blank adjustments was identified that will be given a more thorough review by 3 CSU.

¹² Only 92 downward adjustments were found in SCAs without a reason code but each transaction had a DND 2227 supply document to justify the adjustment.
The Integrated Risk Management Framework

Register of Operational Risks

Although the CEFCOM action plan stated the intention to align the MT operational risk register with the IRM framework by April 2011, the target date was not met. Given the little time remaining in the MT, operational concerns will be treated as immediate action items.

During the CRS audit it was observed that the CEFCOM operational risk register did not align with the DND IRM framework. In particular, only three levels of risk severity were identified rather than the five levels specified in the DND IRM framework and the probability of each risk was not considered. The CRS audit recommended that the risk register be updated to align with the IRM framework in order to improve risk management practices. The CEFCOM target date for the implementation of this recommendation was April 2011.

CRS was unable to obtain an updated risk register during the audit follow-up. The benefit that would be derived from a risk register has decreased significantly as most issues are no longer long-term uncertainties given the mission will end by December 2011. Consequently, it was decided in September 2011 to forego bringing the risk register into alignment with the DND IRM framework.

MMIB Action Items

Rather than treating longer-term MMIB action items as risks and managing them in accordance with the IRM framework, CANOSCOM revised its action plan and incorporated these risks into the MIDD. Since December 2010, all outstanding issues have been incorporated into the MIDD rather than the MIBB action items log. However, the audit follow-up observed that risk mitigation measures associated with non-catalogued items and disposal authority were still lacking.

Non-Catalogued Items. Over the years, a significant amount of materiel was locally procured or shipped directly from the original equipment manufacturer to the theatre of operations without being brought-on-charge to the CFSS. Although the MIDD required the cataloguing of these items by July 2011, there remained a large volume of non-catalogued locally procured materiel that could be disposed of locally. Consequently, the task of identifying, cataloguing and accounting for the materiel may divert the limited resources of the MTTF from other responsibilities, which potentially increases risk to the MT schedule.

Disposal Authorities. In addition to the non-catalogued materiel, the audit identified 3,468 centrally managed line items worth $17.5 million\(^{13}\) that were to be disposed of in theatre. In order to expedite materiel disposal, processes have been established through the joint effort of ADM(Mat), CEFCOM and CANOSCOM staffs, to coordinate and

\(^{13}\) The quantity for 3,468 centrally managed line items totals 1,246,691, which represents an average unit price of $14.04.
synchronize materiel disposition during the MT. However, unless the CO of MDU is delegated with sufficient authority to dispose of a large volume of low-value materiel, the MT may result in delays as more time will be necessary to seek approval from higher authority while a disposal backlog accumulates.

To reduce delays in disposal, NDHQ Equipment Program Managers have recently delegated disposal authority for centrally managed locally procured items to the MDU. However, at the time of follow-up, only 1,096 of the centrally managed line items had disposition guidance specified in the MIDD. It could not be determined if disposition guidance for the remaining line items has been provided directly to the supply staff in theatre. The large amount of materiel pending disposition approval could cause bottlenecks and a disposal backlog in-theatre. As the MT is fast approaching the exit date, delays in disposition guidance could also result in insufficient time for the sale of surplus material. Recently, the requirement to attempt sales prior to donation has been waived in order to expedite the disposal process.
Annex A—MAP from 2011 MT—Materiel Deployed in Afghanistan Audit Report

Governance and Planning

CRS Recommendation

1. Continue to update the MIDD to improve materiel disposition guidance.

Management Action

Following the initial management letter from CRS in November 2010, several measures have been taken so that the MIDD can better reflect what actions are to be taken for the materiel held in the TFA district. Recently, there have been 12 significant amendments to four of the MIDD appendices. The ADM(Mat) Disposal Directive has been incorporated in the MIDD—the cornerstone of the MT approval processes for materiel and equipment disposal. More specific direction has been given on 6,757 line items of LM/procured materiel, worth $21.7 million, of which most will be disposed in theatre. A cost benefit analysis will confirm the Environmental Chiefs of Staff’s interest for the small percentage of LM that may be returned to Canada. With respect to centrally managed consumable materiel, CANOSCOM has initiated efforts to obtain the Equipment Project Managers disposition prior to the MTTF entering theatre in order to reduce the volume of MTTF CF1303s.14

OPI: CANOSCOM
Target Date: April 2011

Mission Transition Cost Estimates

CRS Recommendation

2. In conjunction with ADM(Fin CS), allocate redeployment funding with consideration of the opportunities to reduce anticipated costs.

Management Action

With more detailed planning information, the estimates have been reduced by 35.6 percent from the original Close-out, Redeployment and Reconstitution cost estimate submitted to the government in December 2010. Most of the cost avoidance has been due to a reduced number of vehicles and sea containers returning to Canada than originally planned, the use of | | | | | | | | | | | | | | | | | | | | | | | | | | | | | when possible, greater use of CF airlift, and optimizing the use of resupply flights.

OPI: VCDS/DDS
Target Date: Complete

14 A CF1303 is a certificate to authorize the disposal of assets by the supply manager.
Stocktaking, Supply Accounts Verification and Adjustments

CRS Recommendation

3. Implement a more risk-based stocktaking approach to improve efficiency and provide assurance on the amount of materiel to be repatriated.

Management Action

The Rotation Staff Assistance Team (RSAT) will continue with a risk-based approach; however, the challenge resides in the TFA unit accounts verification performed in theatre prior to the RSAT’s independent inspection. The high operational tempo combined with the nature of tasks performed in Kandahar cannot be overlooked and will undoubtedly be reflected over the theatre account holdings. Success will reside in a continuous and rigorous supply discipline that shall be applied by all stakeholders.

OPI: CANOSCOM
Target Date: May 2011

Delegation of Authority

CRS Recommendation

4. Increase current delegation of authority for write-off and condemnation thresholds that will align with historical escalation with due consideration for deployed operations.

Management Action

Increased write-off thresholds in the delegation of authority for financial administration were calculated and forwarded to ADM(Fin CS) for submission to the Departmental Senior Executive for approval in January 2011.

OPI: ADM(Mat)/DMPP
Target Date: Closed
Readiness Planning

CRS Recommendation

5. The readiness affordability estimates of a proposed force structure include detailed information to enable more flexible readiness planning.

Management Action

As requested by C Prog, detailed costing of the proposed directive “CF Force Posture July 2011” is required as soon as possible.

OPI: DOS SJS/DEP
Target Date: Ongoing

Risk Management

CRS Recommendation

6. Improve risk management practices to align with the DND IRM guidelines.

Management Action

CEFCOM’s register of operational risks for MT will be reviewed to align with the DND IRM framework. For upcoming MMIBs, the longer-term issues will be treated as risk with the appropriate assessment of impact and probability of each risk by all working group chairs. CH-147 Chinook disposal plans, infrastructure disposal and materiel cataloguing are examples of such issues to be better defined as risks along with mitigation.

OPI: CANOSCOM/CEFCOM
Target Date: April 2011
Annex B—CFSS Adjustments Summary\textsuperscript{15} from March to July 2011

<table>
<thead>
<tr>
<th>Ser</th>
<th>Holding/Adjustment</th>
<th># of Transactions</th>
<th>Absolute Quantity</th>
<th>Positive Quantity</th>
<th>Negative Quantity</th>
<th>Net Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Average SCA Holding</td>
<td>N/A</td>
<td>1,316,965</td>
<td>1,299,660</td>
<td>17,305</td>
<td>1,282,355</td>
</tr>
<tr>
<td>2.</td>
<td>SCA Total Adjustments</td>
<td>10,436</td>
<td>4,195,475</td>
<td>2,258,939</td>
<td>1,936,536</td>
<td>322,403</td>
</tr>
<tr>
<td>3.</td>
<td>SCA “Blank” Adjustments</td>
<td>4,714</td>
<td>2,772,138</td>
<td>2,258,939</td>
<td>513,199</td>
<td>1,745,740</td>
</tr>
<tr>
<td>4.</td>
<td>SCA “Identification of Stock Code (IS)” Adjustments</td>
<td>499</td>
<td>1,504</td>
<td>0</td>
<td>1,504</td>
<td>-1,504</td>
</tr>
<tr>
<td>5.</td>
<td>Average Warehouse Holding</td>
<td>N/A</td>
<td>3,347,971</td>
<td>3,347,494</td>
<td>477</td>
<td>3,347,016</td>
</tr>
<tr>
<td>6.</td>
<td>Warehouse Total Adjustments</td>
<td>8,496</td>
<td>136,360</td>
<td>84,305</td>
<td>52,055</td>
<td>32,250</td>
</tr>
<tr>
<td>7.</td>
<td>Warehouse “Blank” Adjustments</td>
<td>N/A</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>8.</td>
<td>Warehouse “IS” Adjustments</td>
<td>794</td>
<td>6,901</td>
<td>3,524</td>
<td>3,377</td>
<td>147</td>
</tr>
</tbody>
</table>

Table 2. CFSS Adjustment Quantity Summary from March to July 2011. The highlighted rows (rows 1 and 5) indicate that holding data is the average of holding between March and July 2011; holding data does not include some major weapons systems.

<table>
<thead>
<tr>
<th>Ser</th>
<th>Holding/Adjustment</th>
<th># of Transactions</th>
<th>Absolute Value ($M)</th>
<th>Positive Value ($M)</th>
<th>Negative Value ($M)</th>
<th>Net Value ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Average SCA Holding</td>
<td>N/A</td>
<td>$334.74</td>
<td>$320.69</td>
<td>$14.05</td>
<td>$306.64</td>
</tr>
<tr>
<td>2.</td>
<td>SCA Total Adjustments</td>
<td>10,436</td>
<td>$120.44</td>
<td>$68.37</td>
<td>$52.08</td>
<td>$16.29</td>
</tr>
<tr>
<td>3.</td>
<td>SCA “Blank” Adjustments</td>
<td>4,714</td>
<td>$73.95</td>
<td>$68.37</td>
<td>$5.59</td>
<td>$62.78</td>
</tr>
<tr>
<td>4.</td>
<td>SCA “IS” Adjustments</td>
<td>499</td>
<td>$1.59</td>
<td>$0.00</td>
<td>$1.59</td>
<td>-$1.59</td>
</tr>
<tr>
<td>5.</td>
<td>Average Warehouse Holding</td>
<td>N/A</td>
<td>$218.14</td>
<td>$217.08</td>
<td>$1.06</td>
<td>$216.02</td>
</tr>
<tr>
<td>6.</td>
<td>Warehouse Total Adjustments</td>
<td>8,496</td>
<td>$27.34</td>
<td>$10.49</td>
<td>$16.83</td>
<td>-$6.34</td>
</tr>
<tr>
<td>7.</td>
<td>Warehouse “Blank” Adjustments</td>
<td>N/A</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>8.</td>
<td>Warehouse “IS” Adjustments</td>
<td>794</td>
<td>$3.23</td>
<td>$1.40</td>
<td>$1.82</td>
<td>-$0.42</td>
</tr>
</tbody>
</table>

Table 3. CFSS Adjustment Value Summary from March to July 2011. The highlighted rows (rows 1 and 5) indicate that holding data is the average of holding between March and July 2011; holding data does not include some major weapons systems.

\textsuperscript{15} CFSS – M901 adjustments by month.