

procurement. Such data includes considerations of the item's shelf life, the time needed to obtain an item, and the mobilization as well as operational (quantity) requirements. The supply control study, and the levels of approval that it goes through (depending on dollar values involved) becomes a backup document for DD form 1348 (DOD single line item requisition system document) used as the formal purchase request, which is forwarded from the DPSC Medical Supply Operations Division through the Medical Technical Operations Division, to the DPSC Procurement and Production Directorate (Medical Procurement Division) to obtain system stocks.

When a new item is adopted, and the item is not replacing an existing item, services estimate their initial requirements, and their 12 months replenishment requirements. These estimates are used to assist in determining the initial procurement quantity. Subsequent procurements are based on actual demands placed by customers. In the case of new items replacing items already in the system, requirements are computed from the demands applicable to the items being replaced. The announcement of the availability for issue of new items in the supply system is made to the services upon award of a contract and designation of a firm delivery date. This permits sufficient time for the services to disseminate the information to customers through service publications.

Once an item is stocked, the computation of future requirements is based on orders or demands received, as adjusted by accumulated professional information. DPSC receives an average of 3,500 to 4,000 requisitions daily from a total of about 3,700 military customers. On the basis of these demands, a monthly computerized demand forecast is constructed, and is used to compute projected system supply levels and requirements. For items centrally managed, procured, and stocked and issued, a 2-month safety level stock is needed to prevent possible depletion of inventory resulting from unavoidable delays in deliveries and/or due to surges in demands. A procurement cycle (PC) factor represents the periods between successive replenishments, or procurement frequency for an item, and takes into consideration the economic order quantity concept. The PC factor normally represents the quantity to be procured at the time the item reaches the reorder point. The procurement leadtime is expressed in months of demands anticipated to occur from dates of purchase requests to the point of delivery on the contract. When assets on hand and on order reach the level of the quantitative sum of demands anticipated during the safety level and the procurement leadtime periods, DPSC normally buys the procurement cycle quantity. Therefore, under an ideal situation, stocks should be received into the system when the quantity remaining on hand is at or just above the computed safety level quantities.

TECHNICAL OPERATIONS

The primary responsibility of the Division of Technical Operations is to conduct an effective quality assurance program to assure that medical materiel of suitable quality is procured, stocked, stored, and issued. To conduct this program effectively, it is necessary to prepare comprehensive and definitive specifications, perform preaward facility surveys of prospective contractors, analyze preaward samples to determine potential capability, participate with defense contract administration service in product inspections at contractors' plants, evaluate field complaints, and maintain an active liaison with the depots and military medical services.

DMMB provides the selection of items and the EC's to technical operations as the specification preparing activity. The Technical Operations Division seeks specification information from industry, the Food and Drug Administration, National Institutes of Health, professional committees of compendia such as the U. S. Pharmacopeia (USP) and National Formulary (NF), published literature, and military activities such as specialized service laboratories. DPSC is assisted in obtaining such data from other Government departments by using the lateral contacts developed under the Intragovernmental Professional Advisory Council on Drugs and Devices (IPADD). Required data includes, for example, chemical and physical characteristics of raw materials, dosage forms, stability and clinical studies or reports.

In the preparation of medical specifications, every effort is made to delineate the essential needs of the Government in an effort to procure pure, safe, and therapeutically effective drug products, yet minimizing efforts to seek competitive procurement. It must be recognized that military needs frequently in-