

CHAPTER 17  
RETAIL OPERATIONS DIVISION MANAGEMENT

1700 Retail Operations Division Management. The Retail Operations division plays a key role in the crew's morale and well-being onboard CVNs. It serves as a reliable source of articles at the lowest practical price. Retail Operations also generate funds used by the crew for recreation. Procedures set forth in this chapter are intended to supplement the NAVSUP P-487 and other applicable instructions.

1700.1 Ship's Store Assistance. Direct requests for ship's store assistance visits to CNAP N4122 and provide a detailed description of the scope and level of expertise desired with the request. Copy CNAP N4122 on all assistance requests to activities external to CNAP/CNAL. Commands are encouraged to take advantage of assistance listed below.

a. CNAP N4122 Afloat Services. This team includes members of COMNAVAIRPAC N41228 for West Coast CVN ships COMM: (619) 545-1029 or DSN 735-1029 and CNAL N412F for East Coast CVN ships COMM: (757) 444-8280 or DSN 564-8280. Contact them for any procedural problems on merchandise stocking, records balancing, inventory, stock control or ROM prior to seeking assistance from outside activities.

b. Navy Exchange Service Command (NEXCOM). NEXCOM has Fleet Assistance Teams (FAT) positioned in major ports to provide technical assistance for Ship's Store operations. For CVNs that require assistance, request a visit from the local FAT and provide information copy to CNAP N41228/CNAL N412F.

1700.2 Management Objectives. The Ship's Store Officer is responsible for accountability and service. Follow the management objectives below for desired operating results:

a. Stock Turn. The maximum inventory allowed is a three month supply of Ship's Store stock. Ideally, the inventory is expended one and one third times during each accounting period. A stock turn of 1.33 per accounting period results in a 4.0 stock turn per year. If stock turn is not attained in any accounting period, a letter to CNAP N41228/CNAL N412F is required to provide action taken or plan of action to improve the Ship's Store stock turn ratio.

b. Unmatched Expenditures. No un-worked unmatched expenditures (UME) outside of the current fiscal year.

c. Emblematic Inventory. Emblematic inventory must be maintained at less than 15% of total inventory.

d. 90-Day Load. Maintain a ninety day load of necessary inventory as outlined in the NEXCOM Pub-81.

- e. Stock Identification on the Sales Floor. Clearly annotate item descriptions and unit prices on placards adjacent to all merchandise.
- f. Bulk Inventory Validity. 100% bulk inventory validity.
- g. Gross Profit (Ship's Store). Maintain gross profit percentage between 10-20% that does not vary +/- 2 percentage points between periods without justification.
- h. Gross Profit (Canned soda machines). Maintain vending gross profit percentage between 35-55%.
- i. Gross Profit (Beverage Bar). Maintain beverage bar profit percentage at 50% to 80%.
- j. Morale, Welfare and Recreation (MWR) Funding. Utilize MWR projected requirements to forecast sales and provide funds to MWR.
- k. Training and OJT. On the job training (OJT) and in-rate proficiency training with focus on proper accountability and service must enhance skills and improve morale and service to the crew.

1700.3 Ship's Store Retail and Service Excellence Award and Best of Class Award. Commander, Naval Supply Systems Command (COMNAVSUPSYSCOM) and NEXCOM established the Excellence Award and the Best of Class Award programs to recognize outstanding operations. Each ship must be evaluated for the Excellence Award during the SMA or SMI when the benchmarks set forth in the NEXCOMINST 4067.5 series are met. The evaluation must be forwarded to NEXCOM Ships Store Program Code A for further appraisal and decision. At the end of the fiscal year, excellence award winners must be evaluated for the Best of Class Award. One ship from each coast must be nominated by the TYCOM for this award. Nomination for the award must be based on evaluation criteria set forth in the NEXCOMINST 4067.5 series.

1700.4 Standards of Service. Because the Ship's Store and services strongly impacts the crew's moral, quality service is essential. Therefore, if manning levels permit, offer the following services:

- a. Operating Hours. Implement Ship's Store and service facility hours that enable optimal service to the crew as prescribed by the Supply Officer and approved by the Commanding Officer.
- b. Merchandise Selection. The merchandise available for sale to the crew should provide variety, maximize profits and be available in the retail stores and in vending machines at all times. Per NAVSUP P-487, paragraph 3105, healthy selections must be made available. CVNs are required to use NEXCOM Pub-81, Model Stock Plan, when ordering for their retail outlets.

1700.5 Standards of Conduct. All personnel are required to receive semi-annual Standards of Conduct training contained in Department of Defense (DOD) Directive 5500.7, SECNAVINST 5370.2 series. NAVSUP P-487, Appendix D provides further guidance on standards of conduct for ships store retail and service personnel.

1701 Retail Operations Division Organization. The NAVSUP P-487, paragraph 1004 delineates the Retail Operations Division organization. Onboard CVNs S-3 Division operates the retail outlets and storerooms and maintains its records and files. Retail outlets include the ship's stores, coffee kiosks, and vending machines.

1701.1 Assignment of Accountable Personnel. The Ship's Store Officer must ensure personnel assigned as Deputy Ship's Store Officer and Cash Collection Agent (CCA) are indoctrinated in the duties and responsibilities of their positions including space security, cash handling, receipt and inspection, inventory, and auditing procedures. These positions must be designated in writing.

1702 Security for Accountable Spaces (Group III). Group III spaces contain merchandise, funds, or both. This includes bulk storerooms, sales outlets, vending machines, amusement machines, snack bars and cash handling offices. In addition to the security requirements contained in the NAVSUP P-487, two locks are required on all Group III spaces onboard CVNs. That is one high security key-less combination padlock and a deadbolt. When this becomes impractical, a high grade security padlock may be used in place for either lock or both.

1702.1 Additional Security Requirements. In addition to security requirements contained in the NAVSUP P-487, paragraph 1201, the following security requirements are required:

a. Locks. Change combinations to keyless combination padlocks every accounting period and upon relief of the Ship's Store Officer or the responsible custodian. If a high security key lock is used in place of combination lock, change the lock randomly and as often as necessary.

b. Hasps. Hasps used on Group III spaces must be made of case hardened steel and installed with tamper-proof bolts (or welded). Pop rivets are prohibited.

c. Keys. When a Group III space is secured for the day, stow the working keys in an individual, glass-fronted locker located in the Retail Operation's office or Supply office. The operator maintains a key to the locker at all times. If multiple operators are assigned, use a car seal on the locker. The Ship's Store Officer or designated individual, other than the operators, maintains the key. Place the second key in a signed sealed envelope in the Retail Operations Officer's safe.

d. Alarm System. A 24-hour alarm system is required on all retail outlets, ready-issue rooms, bulk storerooms and CCA office spaces that sounds in the affected space when activated. Test these alarms monthly and annotate the results in a dated log.

e. Security Bill. A ship's security bill delineating security measures and instructions, if a break-in occurs, is required for retail spaces.

f. Lighting. Retail spaces, bulk storerooms, and adjacent passageways must be kept lighted at all times.

g. Security Watches. Security watches are required to check Ship's Store accountable spaces at varying intervals. In addition, the Duty Supply Officer must randomly inspect accountable spaces at least once daily after normal working hours.

h. Securing Spaces. After Ship's Store spaces are secured for the day, they must remain secured and not utilized for personal reasons. Do not store personal belongings in Ship's Store spaces. If after working hours business warrants reentering a Ship's Store space that has been secured, personnel must first obtain authorization from the Ship's Store Officer, Duty Supply Officer or the Supply Officer.

i. Escort Policy. Establish a written escort policy enlisting the service of the ship's Master at Arms (MAA) security force for movement of cash.

j. Phone Card Machines. Phone card machines must be managed by a Chief Petty Officer (CPO) or above and the contents inventoried twice weekly. Install a lockable restraining bar or hasp in addition to the original door lock for security. For additional information refer to paragraph 1705.1 of this manual.

k. Car Seals. The use of car seals is mandatory for Group III spaces after working hours. Place numbered, self-locking, metal car seals (stock number 5340-00-081-3381) on all external locks after space is secured for the day. The Ship's Store Officer or designated assistant must record the car seal number in a Car Seal Number Log.

l. ROM Daily Backup. The ROM daily backup is secured and accessible only to the record keepers and Ship's Store Officer.

1703 Sanitation Requirements. NAVMED P-5010 contains basic guidance for sanitation requirements: Chapter 1 for Food Preparation, Chapter 2 for Barber and Laundry requirements, and Chapter 3 for Heat Stress.

a. Regulations. Post sanitary regulations signed by the Medical Officer in all service and retail spaces.

b. Skin Condition. Retail operators must immediately report any skin condition or suspected exposure to diseases and be cleared by the Medical Department prior to returning to work.

c. Daily Sanitation Inspection. The Ship's Store Officer, Senior Enlisted SH or the Principal Assistant for Services (PAS) is required to conduct daily sanitation inspections of Ship's Store spaces.

(1) Beverage bar servers must be considered as food service workers and the standards for health and personal hygiene must apply to them. All personnel assigned to the beverage bar including supervisors must receive sanitation training from a qualified sanitation instructor as food handlers and acquire a Food Handler's card from the Medical Department prior to commencement of work. All food service workers and supervisors must receive a minimum of four hours initial training and four hours annual refresher food sanitation training. Food service training certificates must be tracked and annotated in the individual's training record.

(2) The Ship's Store Officer, Senior Enlisted SH, or the PAS must conduct an inspection of the beverage bar daily and initial the daily inspection sheet.

d. Food. Food for consumption of operators is not allowed in retail outlets and storerooms at any time.

1704 Retail. The following amplifies various aspects of the Retail Operations.

1704.1 Pricing Policy. Twenty percent is the maximum overall profit permitted. This limit applies to overall sales, not to individual items. The NAVSUP P-487, paragraph 2100 has revised markup policy for toiletries, sundries and commercial uniform items to allow 6%; Navy policy requires tobacco products to be priced in accordance with NEXCOM's current price bulletin; and a 15% markup is recommended for other departments, except for drink vending machines, which have a 35% to 55% markup and 50% to 80% markup for beverage bar.

1704.2 Multiple Outlet Operators. CVNs are authorized to use more than one operator per retail outlet because of the size of their operation; however, maintain only the number of operators in each outlet required to meet the workload demands.

1704.3 Special Orders. The Ship's Store Officer should actively promote special orders to expand the variety of merchandise available to customers and increase profits without expanding inventory. The use of the Navy Exchange web site is encouraged and overseas ships are encouraged to use the Armed Forces Exchange web site as well. For special orders the NAVSUP P-487, paragraph 4300-4302 outlines required procedures.

1704.4 Vending and Electronic Machines. Operational and sanitation requirements for vending machines are contained in the NAVSUP P-487 and NAVMED P-5010. Procure and fund machines in accordance with the NAVSUP P-487, Chapter 4.

1704.5 Beverage Bar. Refer to the policy and procedures contained in NEXCOMINST 4067.9 for operation of a beverage bar. When authorized for installation, it will be established as a "Non-Electronic Point of Sale (EPOS)" store, as store 9100.

a. Type of machines. Espresso and cold mix (blender) machines will be operated as part of the Ship's Store operation.

b. Beverage Bar Service. Beverage bars should include only the basic service such as the sales of coffee products and limited items, e.g. coffee mugs or ready to eat snacks.

c. Prices. The retail price set for any produced must include the cost of all ingredients. The selling price should be cheaper than comparable products ashore. Pricelist should be comprehensive, legible, and prominently posted.

d. Cost Controls/Reports. The Retail Store Officer must establish a system of cost control. Each item sold must have a cost control card that reflects the cost, retail price and profit. Retail operations may compute these numbers either using a manual or electronic sheet. Cost control is available through NEXCOMINST 4067.9 (Electronic Spread Sheets).

(1) Operating Goal. Due to beverage products generating different gross margins, a fixed range of gross profit is established for the operation of no lower than 50% and no higher than 80%.

(2) Non-EPOS Outlet. Store 9100 must be established in ROM constant by the Retail Officer. The profit generated must be based on what is sold. When the item is needed in the beverage bar, the case pack must be broken out to the store 9100, but charged as a "Cost of Ops-retail" item. The cost of each item must be expended against total retail profit.

(3) Profitability Report. The beverage bar must have no inventory as no beverage products or supplies will be transferred to the store or inventoried at the end of the month. All consumable items used must be expended as "Cost of ops-retail" and the cost must show in the B22 caption of the NC-153. The Resource CD must have an electronic version and NEXCOMINST 4067.9 enclosures have the manual computation.

e. Cash Controls. The amount recorded in the K22 or collected must be recorded separately from sales in other retail stores and vending machines. A locally prepared Daily Sales log must be maintained daily by the operator. The confirmed Sales per Day information must be compared to the funds turned in, and must be kept in the AO file, and later be filed along with the applicable retained returns. For sample, see exhibit 17-1.

f. Procurement of Beverage Bar Supplies. Items used in the production of the beverage product must be ordered from contract listings as any other Ship's Store item. Items are not available from prime vendors overseas. Shelf-life of these products is normally six months from

manufacture date. Prior to purchasing coffee products, a stock record card for each must be created. Department category S1 is established for beverage bar supplies. Some products can be acquired from the Food Service division onboard. A DD-1149 must be utilized to transfer dairy products, sugar and other items from S-2 to S-3. It must be received into the bulk storeroom. The stock record cards must look like any other ship's store merchandise except the selling price is the same as the cost price.

g. Posting Receipts. Upon receipt of beverage products, the records keeper posts the receipt in Store #99. All receipt data including transportation charges must be entered in ROM as outlined in the ROM User's Guide. The total value of the receipt must be posted to the Journal of Receipts.

h. Intra-Store Transfer. A breakout must show transfer from Store #99 to Store #9100. For audit procedures, see NEXCOMINST 4067.9 and enclosures.

i. Gross Profit (Beverage Bar). Maintain beverage bar profit percentage between 50% to 80%.

j. Audits. The Principal Assistant for Services is responsible for ensuring all required audits are held accurately and timely.

1704.6 Hangar Bay Sales. Hangar bay sales and other special sales events not conducted in the existing retail outlet locations must be conducted as a separate non-EPOS activity store #9400. If items are to be sold at a different price for the event, a price adjustment must be completed prior to and after the sale. All merchandise must be inventoried prior to and immediately after the conclusion of the sales event to completely balance the activity. Any discrepancies must be investigated and resolved. Breakout documents must be utilized to move merchandise to and from store activity #9400.

1704.7 Cash and Navy Cash Collection and Handling Procedures. The Supply Officer must promulgate a written instruction for cash and E-Cash collection and handling procedures incorporating the provisions of the NAVSUP P-487, paragraph 2200-2232 and Navy Cash Standard Operating Procedures, NAVSUP P-727. The Supply Officer must ensure all parties assigned to cash handling and collections (Ship's Store Officer, collection agent and retail operators) understand and comply with the instruction by signing the cover sheet. The instruction must contain the following:

a. Security. When neither the person responsible for collection nor the Ship's Store Officer is available to collect cash, the operator must place the cash in a locked money bag and deliver to an approved night depository box. If there is none available, turn the money bag over to the Duty Supply Officer or any Supply Corps Officer on duty for safekeeping.

b. Cash Register Operation. Do not place money in the cash register without the custodian ringing it up as a sale. Do not process sales in the Ship's Store after it is secured for the day. Ensure operation of a cash register is limited to one custodian at a time.

c. Credit. Under no circumstances may a retail operator extend credit to a customer.

d. Collection of Cash. Cash from all activities, including the change fund, must be collected at the end of each business day. Leave the cash register empty and open overnight. Collect cash from vending machines daily, however, if a machine does not exceed daily sales of \$100, the machine may be collected twice a week. Collections must be entered into ROM at the end of the month prior to closeout, but if desired ships may enter collections more frequently.

e. Money Transfer. The CCA is required to have an escort when transferring monies from the Cash Collection Office to the Disbursing Office.

f. Returned Checks. When Disbursing receives a returned check, funds are provided for the amount of the check from the activity that accepted it and an entry is entered in the NAVSUP 469 indicating the amount of the check. The CCA collects the check and places it in the AO file where it remains until settlement.

g. Cash Receipt and Cash Register Books. At the end of each month prior to preparing the Cash Sales Requisition and Invoice/Shipping Document (DD Form 1149), all cash receipts and register record books are closed out and balanced with the ROM records by the Ship's Store Officer or designated collection agent. All retail operators and CCA cash books must be audited daily and each entry in the cash books must be checked and initialed by the Ship's Store Officer. The Ship's Store Officer must review the NAVSUP Form 469 and 470 at least twice weekly. Differences of \$5 or more must be investigated and outcome reported. Other reviews may be delegated to a Ship Serviceman Chief (SHC) or above. In addition, the CO2, CO3, and CO4 reports must be compared with the collection books at least once weekly. Other audits may be delegated to a SHC or above.

h. Safe Combinations. Only the accountable custodian who is responsible for a safe containing a change fund is permitted to have the combination to that safe. The Ship's Store Officer is not allowed a copy of the combination to a safe containing a change fund that is signed over to the CCA.

i. Navy Cash (NC). The Ship's Store Officer must review the Navy Cash End of Day, End of Month and Monthly Transactions Summary Reports and compare them with the ROM reports. Differences between these reports and the ROM reports must be investigated, documented and signed by the Ship's Store Officer. For unresolved differences, a letter of investigation must also be signed by the Ship's Store Officer and filed in file CO2.



1705 Ship's Store Stock. Limit items for sale in the Ship's Store to those necessary to meet the crew's day-to-day living requirements listed in the Afloat Contract Bulletin (ACB) and semi-luxury items listed in the Afloat Stock Listing (ASL) authorized by NAVSUP P-487, paragraph 3005. It is a requirement to use NEXCOM Pub-81, Model Stock Plan, to determine what to stock in the Ship's Store. In order to maintain inventory control and meet the required stock turn each accounting period, a ninety day stock level is recommended unless the ship has authority from CNAP N4122 for other stocking plans. Review CVN Services goals listed in Chapter 1 of this instruction and plan accordingly.

1705.1 Basic Stock. Stock the Ship's Store based on the 80%/20% rule. Stock eighty percent of the basic necessity items from the ACB catalog and twenty percent semi-luxury items selected from the ASL listing.

1705.2 Phone Cards.

a. Non-activated Phone Cards. Non-activated phone cards are highly pilferable. Upon receipt, the Ship's Store Officer must record the total number of cards received and the p-account/series numbers in a separate log, stow them in a secure location, and closely monitor the on-hand quantity.

b. Activated Phone Cards. Upon receipt of activated phone cards, the records keeper posts the receipt in Store #9900, immediately stows the p-account and series activated in a Group III space, preferably in the Ship's Store Officer's safe or the designated assistant's safe.

c. Intra-Store Transfer and Inventory. A breakout must show transfer from Store #9900 to either Store #9200 if sold through a phone card machine or to Store #1 or #2 if sold through a Ship's Store. An inventory of unsold activated phone cards must be accomplished twice per week with differences investigated by the Ship's Store Officer/PAS. For internal audit procedures, see exhibit 17-2.

1705.3 Emblematic Items. Emblematic items must be procured in accordance with the NAVSUP P-487, paragraph 3100-3104. Route orders for emblematic merchandise via CNAP N41228/CNAL N412F to NEXCOM.

a. Purchase Orders. Purchase orders for emblematic items must be signed by the Supply Officer and have the following certification: "This purchase is made as per the NAVSUP P-487 for stock for anticipated sales not to exceed a ninety day period".

b. Emblematic Stocks. Limit Ship's Store emblematic stocks to ninety days supply and not to exceed 15% of the inventory. For permission to carry a quantity in excess of this limit, submit a waiver to CNAP N41228/CNAL N412F with justification.

1705.4 U.S. Postage Stamps. Manage postal stamps in accordance with NAVSUP P487 paragraph 3400-3404. Monitor on-hand quantities closely and re-order with enough time to restock prior to running out. Send purchase orders for postage stamps to NEXCOM Ships Store Program headquarters in accordance with procedures in NAVSUP P487 paragraph 4203.

1705.5 Tax Free Tobacco Products. See NAVSUP P487 paragraph 3110-3112 for tax-free tobacco products policy and procedures.

1705.6 Foreign Merchandise. Maintain strict controls in accordance with NAVSUP P-487, paragraph 3200-3220, to prevent overstocking foreign merchandise. The Supply Officer must sign purchase orders for foreign merchandise. A Department code F8 must be used on stock record cards for easy identification of this merchandise in ROM.

1706 Receipts. A designated receipt inspector inspects all merchandise upon delivery for quantity and quality. The receipt inspector annotates on the receipt document the quantity received if the merchandise quality is satisfactory. The inspector also annotates the case or carton with the receipt date and stock number. Do not accept unsatisfactory merchandise. To complete the purchase order, print the Shipping and Billing Form 857 (electronic invoice in ROM) from the vendor and verify the received quantity, price and shipping charges prior to posting. Attach the Form 857 to the DD-1155 for filing.

1706.1 Reconciliation of Ship's Stores Purchase Orders. Monthly review of Ship's Store purchase orders, receipts and exchange and credits is the responsibility of the Ship's Store Officer. This review must ensure these transactions are promptly and accurately processed and reconciled. For vendor's responsibilities see NAVSUP P487 paragraph 5400-5403.

1706.2 Ship's Store Unmatched Expenditure (UMEX) Listing. Process the UMEX listing forwarded by DFAS according to NAVSUP P-487 paragraph 5305, and return to DFAS via email to [shipstores@dfas.mil](mailto:shipstores@dfas.mil). Maintain a copy of the worked UMEX list in the Military Correspondence File. The goal is not to have unworked UMEX outside of the current fiscal year.

1706.3 Stowage of Ship's Store Stock. Stow Ship's Store stock in accordance with the NAVSUP P-487, paragraph 6000-6007. Procedures are as follows:

a. Storage. Store like merchandise together and in case lots. Arrangement and preservation procedures should be strictly adhered to.

b. Stock Rotation. Rotate stock using first-in-first-out (FIFO) method. When open cases are received in bulk, break these items out to the outlets, immediately.

1706.4 Stowage of Flammable Ship's Store Stock.

- a. Flammable Stock. Stow flammable Ship's Store stock in a flammable storeroom or an approved storage locker. Post the list of flammable stock outside the storage area.
- b. Label Flammable Stock. Upon receipt, check condition, ensure proper identification by labeling flammable stock on the boxes, and flag the stock record cards.
- c. Weekly Examination. Weekly, examine flammable stock in the Ship's Store and in storerooms for leakage.
- d. Excess Stock. Estimate requirements carefully to prevent excess stock. If long period of excess stock is anticipated, take immediate action to accomplish transfer to Other Supply Officers (OSO) or return to vendor.
- e. Extinguisher. Ensure the proper fire extinguisher is placed in the immediate area of the flammable stock.

1707 Expenditures. Process all expenditures from bulk storerooms, (i.e., returns to vendors and OSO transfers). Transfers from sales outlets are prohibited.

1707.1 Special Requirements for Transfers to Other Government Departments or Foreign Government. Requests for transfer of Ship's Store merchandise from other government departments or foreign government must be handled in accordance with the NAVSUP P-487, paragraph 7300.

1707.2 Issues to Ship's Use. When there is no alternative source of supply, certain items in the Ship's Store may be issued for ship's use.

- a. Ship's Store Stock. Should be limited to flashlights, batteries, padlocks, and soap.
- b. Emblematic Items. The use of OPTAR funds to procure emblematic items is limited by SECNAVINST 3590.4 series. The NAVSUP P-487, paragraph 7406 outlines procedures for issue of emblematic items.

1707.3 Issues to the General Mess. Prior to conducting an issue to the General Mess, ensure TYCOM/BUPERS has approved the transfer. Process issues of beverages and individual size serving of food items to the Food Service Division on the DD Form 1149 utilizing the General Mess accounting data. Report these issues on Caption B-10 of NAVCOMPT Form 153 at the end of the applicable accounting period as per NAVSUP P-487, paragraph 7405.

1707.4 Items Returned for Exchange, Credit, or Cash Refund. Forward credit memos at the end of the month to DFAS with the receipt transmittal as a negative receipt. If at the end of the

accounting period, or after 60 days, the credit memorandum or cash refund has not been received, request assistance from the NEXCOM Ship's Store Program. The quantity of merchandise returned to the vendor must be carried in the inventory until credit memorandum or cash refund is received and processed.

1708 Ship's Store Inventory Procedures. Conduct inventories in accordance with the NAVSUP P-487, paragraph 9000- 9011. Key inventory requirements are as follows:

a. Spot (validity) Inventories. The Ship's Store Officer must conduct weekly unannounced spot inventories of 10% of stock in bulk storerooms and retail outlets. Activities with EPOS conduct inventories after the end of day sales have been posted into ROM and prior to any new sales. Spot inventories are required for all issue refusals or quantity differences.

b. Perpetual Inventories. Perform perpetual inventories in bulk storerooms using the nomenclature column on the breakout document. 100% inventory validity is required in bulk storerooms. Differences must be investigated by the Ship's Store Officer.

c. Non-EPOS Activities. Non-EPOS activities conduct a wall-to-wall inventory at the end of each month to balance the activity.

d. EPOS Activities. Conduct an unannounced wall-to-wall inventory during the course of reporting periods to determine the financial standing of the activity.

e. Inventory Count Sheets. After the inventory, print the Inventory Count Sheets from ROM, for the space and file the signed count sheets in the accountability file (AO B28). Additional copies may be provided to accountable custodians, but are not required.

f. Level 2 and Level 3 Financial Difference. When a Level 2 (over 1% and \$1,500 but less than 3% and \$3,000) or Level 3 (3% and \$3,000 or more) financial difference exists, perform required action in accordance with the NAVSUP P-487 paragraph 9102, U. S. Navy Regulations paragraph 9173, the Judge Advocate General (JAG) Manual and the SECNAVINST 5430.13 (Series). Exhibit 17-3 provides the message format for reporting.

1709 Sale of Merchandise by Other Than the Ship's Store. In accordance with the NAVSUP P-487, paragraph 1101, the Ship's Store is the sole authorized sales outlet on Navy ships. OPNAVINST 4060.4B, Establishment of Auxiliary Resale Outlets (AROs) also applies. Competitive resale outlets are counter-productive to providing MWR funds for services to the crew. It is necessary to limit sales of merchandise by private organizations (e.g., Wives' Club) to a one time occasional fund raisings. Sales by departments or squadrons can only be accomplished if they are within the following guidelines:

a. Soda Messes. Soda messes are encouraged for the convenience and morale of the crew. The Supply Officer and the Medical Officer must approve all soda messes and soda must be procured through the Ship's Store at the current retail price.

b. Emblematic Merchandise. Emblematic merchandise must be sold by embarked squadrons or departments to foster camaraderie. These items must not be sold in the Ship's Store. Items must not compete with the ship's store merchandise and may not be sold for profit to support unauthorized funds.

1710 Audit of Ship's Store Operations. The Ship's Store Officer must audit all aspects of the retail operations. A weekly schedule of audits to be performed must be prepared by the Ship's Store Officer. Exhibit 17-2 provides an example of an internal audit program. Maintain completed audits and use data to complete the monthly Ship's Store Management Report to Commanding Officer. This report includes discrepancies and corrective actions.

1711 Reporting. Exhibit 17-4 summarizes Ship's Store reports required by CNAP/CNAL N41228/N412F.

1711.1 Commanding Officers Ship's Store Management Report. The primary purpose of the Commanding Officer's Ship's Store Management Report is to provide the CO a monthly summary of the Ship's Store operation and key indicators. The report highlights sales, inventory, cash handling, services and other data that may reflect significant changes and/or problems in the operation. Exhibit 17-5 is a sample of the report.

1711.2 End of the Month Services Goals. Services goals are designed to support applicable publication standards, remote monitoring, and CNAP/CNAL on-site TAV/SMA/SMI visits. A report is submitted by the Supply Officer to TYCOM at the end of each month. When goals are not met the report includes justification and corrective action POAM. Reporting criteria are found in Chapter 1 of this instruction.

1711.3 Ship's Store Fiscal Year Planning Report. Utilize sales history to produce an effective plan to manage the Ship's Store inventory and to achieve stock turn during operational cycles. To assist in this planning effort, CVNs must submit a Ship's Store Fiscal Year Planning Report to CNAPN41228/CNAF N412F by 30 September of each year. This report must be compared and evaluated against other Ship's Store planning reports with similar operational commitments. Exhibit 17-6 is a sample of this report. Include the following in the Fiscal Year Planning Report:

a. Authorized Inventory. Authorized Inventory is the total dollar value that the NAVSUP P-487 recommends for inventory held at various points in the CVN operational cycle. This dollar value may fluctuate during operational cycles. For instance, a CVN without the attached Air Wing has approximately 3,000 members onboard; therefore, the authorized inventory level is 3,000 times \$102 or \$306,000.

- b. Inventory at Cost. The value of the inventory on-hand or expected to be on-hand.
- c. Receipts. The total of all outstanding orders to be received on board during the month.
- d. Expenditures. All sales, transfers, bulk sales, surveys and markdowns below cost during the month.

1711.4 Ship's Store Balance Sheet and Profit and Loss Statement. Ships must forward two copies of the Ship's Store Balance Sheet and Profit and Loss Statement (NAVCOMPT Form 153), front and back sides, to DFAS and a copy to CNAP N41228/CNAL N412F whenever Ship's Store returns are rendered in accordance with the NAVSUP P-487, paragraph 9300-9501.2(b). For beverage bar information (Store 9100), refer to NEXCOMINST 4067.9.

1711.5 Ship's Store Returns. The Ship's Store Officer must prepare Ship's Store returns in accordance with NAVSUP P-487, Chapter 9 and submit them to DFAS no later than the tenth day following the end of the accounting period. Forward an electronic copy of the NAVCOMPT Form 153 to CNAP N41228/CNAL N412F.

1712 Authorized Inventory Levels. Ensure maximum inventory values are properly computed and reported on the Ship's Store NAVCOMPT Form 153 in accordance with the NAVSUP P-487, paragraph 9301. Deployed CVNs use the standard figure for embarked personnel assigned. While in port, the Personnel Office must provide the number of assigned personnel. The Food Service Officer can also provide the number of personnel from the NAVSUP Form 1359.

1713 Ship's Store Excess Stock. Forward a list of excess stock to ships in the local area and a copy to CNAP N41228/CNAL N412F including the nomenclature, description and quantity of the Ship's Store merchandise. Excesses must not be transferred to another ship if it creates excess for the receiving ship. Include the sell by, best buy, or expiration date of each product. No merchandise past these dates must be included in the excess stock list.

1713.1 Forwarding of Excess Lists. Forward excess lists of Ship's Store stock within 30 days from the close of each accounting period and as early as 45 days prior to the completion of a deployment. To the maximum extent possible, excesses must be requisitioned from other carriers prior to procuring items from vendors.

1714 Ship's Store Profits. Payment of the entire amount of the retail operation net profit to the recreation fund is not mandatory and full payment is not authorized when funds are required to cover anticipated expenses and assumed liabilities, (such as unmatched expenditures, slow moving/dead stock disposition, loan payment, purchase of new equipment, etc.). Pay only the amount reported on line C24B of the NAVCOMPT Form 153 to the recreation fund and submit this payment within 15 days following submission of the returns.

a. Transfer of Funds Prior to the End of the Period. If it is necessary to transfer ship's store profits to the recreation fund prior to close out of an accounting period. Submit a letter of request to NEXCOM with a copy to CNAP N41228/CNAL N412F and DFAS. Include in the letter, as separate line items, the total monthly collections to date for the retail, drink vending operations and anticipated expenses. NEXCOM must respond via e-mail with an info copy to CNAP N41228/CNAL N412F and DFAS. Upon approval of the transfer, the Ship's Store Officer must process the transfer and enter the amount in ROM. The SF 1034 must be kept in the AO file with the retained returns.

b. Grant and Loans. The NAVSUP P-487, paragraph 8102 provides procedures to request loans and grants from NEXCOM. Loans and grants are provided by NEXCOM to accomplish the following:

(1) Modernization and Improvement. Fund the cost of materiel for modernization and improvement of resale outlets.

(2) Equipment Costs. Fund the cost of equipment purchase (i.e. vending machines).

(3) Cover Losses. Fund the Ship's Store losses such as surveys, markdowns below cost or to zero when there are not enough profits generated to offset the loss.

(4) Beverage Bar Equipment. NEXCOMINST 4067.9 contains basic guidance for grants for equipment purchased by NEXCOM, Code A.

1715 Retail Operations Management (ROM). ROM assists Ship's Store Officers in managing the Ship's Store inventory. It also produces required reports and returns for submission to DFAS, CNAP/CNAL and NEXCOM.

1715.1 Weekly Reports. The following reports must be generated and utilized in the management of the ROM system. Copies of these weekly reports must be maintained in the AO file.

a. Profitability Report. Shows the gross financial position of a retail outlet based on comparison of quantity sold as posted in the stock record cards and the cash reported as sales in ROM.

b. Cash +/- Summary Report. Shows cash position by POS activities for a specified period of time.

c. Scanned but not found Report. This report lists all Universal Product Codes (UPCs) scanned but not listed in the merchandise database.

d. Gains/Loss by Inventory Detailed Report. This report provides specific control numbers showing shortages and gains during inventories.

1716 ROM System Security. Adhere to the following security procedures for the ROM system:

a. Back-up Disks. Maintain ROM implementation software and update disks, including system back-ups, in the Ship's Store Officer's safe along with the hard copy of the updated Security Access Rights List.

b. Daily Backups. The records keeper must perform system backups on properly labeled disks, daily, and keep the disks under lock and key.

c. Trouble Reports. Forward ROM trouble reports to NEXCOM FAT (Norfolk or San Diego) with a copy to CNAP N41228/CNAL N412F.

1717 Completion of Prepared Planned Incremental Availability (PIA). Two weeks prior to moving retail services onboard the ship, the Ship's Store Officer must ensure the following items are up-to-date, tested, in place and operational:

a. Letters of Authority.

b. Basic and Never Out Inventory.

c. EPOS and ROM Back Office System equipment.

d. Vending machines.

e. Navy Cash K-22 and Card Acceptance Devices (CADs).

1718 Assessment Checklist. Appendix D is the checklist used to assess the Ship's Store and service activities during SMA and SMI. However, not achieving stock turn for three consecutive accounting periods; unreported excessive differences or undiscovered disproportional losses; or any major security violation results in a grade no higher than GOOD.



## BEVERAGE BAR DAILY SALES WORKSHEET

[illegible]

SHIP'S STORE INTERNAL AUDIT PROGRAM

1. Receipts. Use the receipt documents in the AO file to audit the records as follows:
  - a. Verify the receipt number, document number, company and dollar amount match on the BO1/BO5 Report & Receipt Transmittal. Ensure all three documents support each other.
  - b. Verify that the BO1 and BO5 Reports match the appropriate line on the NAVCOMPT Form 153.
  - c. Review Stock Record Cards. Check quantity, price and document number of receipts and balance in storeroom.
  - d. Review Purchase Order Log and Requisition Log. Ensure all lines are updated and the information matches the receipt documents.
  - e. Audit Purchase Order and Requisition Files:
    - (1) Outstanding. Check for document copies in the receipt inspector file.
    - (2) Completed. Check the receipt signature, date of receipt, and circled quantities. Compare invoice prices, invoice quantities, and total invoice dollar amount with the amounts on the DD-1155. Ensure certification statements are correct and transportation charges are included when applicable.
  - f. Observe receipt processing on the pier in bulk and in retail outlets regularly. Ensure proper receipt procedures are followed.
2. Breakouts. Use the breakout documents in the "RR #1 File" to audit records as follows:
  - a. Breakout Document.
    - (1) Check all columns are completed and the document is signed by the responsible personnel.
    - (2) Ensure perpetual inventories are conducted and recorded on the breakout/breakback documents.
  - b. Stock Record Detail Record. Check perpetual inventory quantity, price and breakout number.

### SHIP'S STORE INTERNAL AUDIT PROGRAM

c. Observe a Breakout. Ensure the breakout document is properly distributed; the perpetual inventory is documented by the bulk storeroom custodian upon completion of the breakout; the retail operators count each item upon delivery; the records keeper carefully compares the retail operator's and bulk custodian's copy of the breakout document for completeness of required signatures and dates, as well as matching quantities prior to posting.

3. Cash Handling/E-CASH (Navy Cash, Credit Card). There is no difference between cash and E-cash; therefore, treat both as cash and audit both daily. Audit the cash collection agent's and retail operator's records (NAVSUP 469/470) daily. The Ship's Store Officer accomplishes at least one audit per week. Others may be delegated to a SHC or above. Areas included in the audit:

a. Cash Records.

(1) Entries are legible, errors properly lined out and initialed.

(2) Cash sales in all outlets and vending machines exceeding \$100 are collected and posted daily.

(3) Daily deposits with Disbursing are conducted.

(4) Refund vouchers are attached to cash register record books.

(5) Daily entries are signed and amounts of cash collected are verified.

(6) Overages and shortages greater than \$5 are investigated and each entry is initialed by the Ship's Store Officer on the NAVSUP Form 469. Frequent overages and shortages greater than \$5 may indicate cash register or vending machine malfunction, lack of training for operators, lack of attention to detail by operators or theft. Consideration must be given to relief of Ship's Store operators in cases of frequent overages and shortages. At the end of the month, ensure all cash collection books are closed out properly. For further guidance refer to the ROM User's Guide. The total amount collected must equal the total deposited with the Disbursing Officer.

b. Review the AO's Bad Check File to ensure all returned checks are worked to recoup funds and that proper procedures are utilized. Ensure documented actions are kept on file.

c. Once a month, audit the complete operation including cash and records. This audit will be conducted by the Ship's Store Officer and include the counting of all cash and funds.

Exhibit 17-2 (Continued)

SHIP'S STORE INTERNAL AUDIT PROGRAM

d. E-Cash

(1) The Ship's Store Officer and Disbursing Officer will determine and agree when the ROM and Navy Cash systems will be closed out each day to complete the End of Day (EOD) process and reporting.

(2) All totals for Navy Cash sales in the Ship's Store must be compared to the EOD merchant summary report. Any differences must be investigated following procedures in the NAVSUP P-727, Chapter 7. Once verification has been made, the sales total from the Navy Cash merchant summary report will be entered and posted by the designated assistant into the ROM back office system. The designated assistant will print out the ROM overage and shortage report.

(3) The Ship's Store Officer or designated assistant is responsible for comparing the Navy Cash Daily Transaction Detailed Reports from shore with the ROM daily transaction reports to verify accuracy. The shore reports are generated automatically by the Navy Cash EOD process and sent to the ship when the EOD is completed.

(4) If a difference over \$5.00 occurs, an investigation will be conducted and the amount will be circled and initialed by the Ship's Store Officer on the report. All reports must be signed by the Ship's Store Officer and filed in the RK CO2/CO3/CO4 file.

4. Bulk Storeroom.

a. Spot Inventory. Ten percent of stock is inventoried each week and matches the stock record cards.

b. Investigate any discrepancy found in the perpetual inventory.

c. Check for proper stowage procedures:

(1) Merchandise is not stored on or near steam lines.

(2) Flammable items are properly stowed in accordance with the P-487, paragraph 6007.

(3) Like merchandise are stored together.

(4) Single location for each type of merchandise.

Exhibit 17-2 (Continued)

SHIP'S STORE INTERNAL AUDIT PROGRAM

- (5) Pallet stacking when viable.
  - (6) Proper storage aids utilized to maximize cube.
  - d. Check for damaged, expired, slow moving or excess seasonal items.
  - e. Merchandise is annotated with the receipt date, stock number and UPC on each case.
  - f. Merchandise located in bulk is available in the retail outlets.
5. Ship's Store.
- a. Merchandise.
    - (1) Check for damaged, expired, slow moving, or excess seasonal items.
    - (2) All merchandise located in bulk are 100% available in the retail outlets.
    - (3) Like merchandise are co-located in a designated area.
    - (4) Item descriptions and unit price/UPC labels are legible and properly assigned for all merchandise.
    - (5) Merchandise is displayed attractively in distinct sectional layout.
  - b. Ten percent of stock is inventoried each week. Spot inventories are conducted after the END OF SESSION has been posted and prior to OPENING OF NEW BUSINESS DAY.
  - c. Shelves are clean and in excellent material condition. Aisle ways are unobstructed.
  - d. Store provides the customer a friendly and respectful atmosphere.
  - e. Required signs are posted and a suggestion box is available to the crew.
  - f. Observe cash register operation.
    - (1) The cashier is friendly and respectful.
    - (2) Cashier offers each patron a paper receipt.

Exhibit 17-2 (Continued)

SHIP'S STORE INTERNAL AUDIT PROGRAM

- (3) Refund procedures are followed.
- g. Observe cash collections at least weekly, on a surprise basis.
- 6. Inventory.
  - a. When there are outstanding credit memorandums, returned checks, and other pending transactions for which merchandise have been expended, the quantity of those items must be included in the inventory until completed.
  - b. Ensure all required inventories are properly conducted by assigned personnel.
  - c. Check inventory documents for completeness of entries and signatures.
- 7. Vending Machines.
  - a. Check inside of all vending machines weekly to ensure:
    - (1) Compressor is clean of lint, syrup and maintaining the proper temperature
    - (2) Gaskets are clean of syrup and seal the machine properly
  - b. Customer Service.
    - (1) Check stock availability at infrequent times during the day and night.
    - (2) Is the customer receiving what they requested and at the proper price?
    - (3) Is there a refund policy in place?
  - c. Observe cash collection procedures on a surprise basis.
    - (1) Are funds properly secured?
    - (2) Are both the operator and collection agent present?
    - (3) Is cash collected as required?

Exhibit 17-2 (Continued)

SHIP'S STORE INTERNAL AUDIT PROGRAM

8. Phone Card Machines. The Ship's Store Officer or designated assistant conducts an audit at least twice per week. One of these audits must be performed by the Ship's Store Officer.

a. All Phone Card Machines must be numbered (i.e., #9501, #9502 and so on).

b. A locally prepared log contains the following columns;

(1) Date,

(2) Machine #,

(3) Inventory (Qty),

(4) Short/Over,

(5) Inv. By,

(6) Remarks/comments

c. Utilize the Daily Transaction Detail Ledger Report – Vending to determine electronic funds collected for the period audited.

Use the information above daily to properly balance the Phone Card Machines.

Note 1: (a) Write the date when inventory was taken.

(b) Write the number of the machine inventoried.

(c) Subtract the new inventory from the previous inventory, the difference should equal the cards sold.

Note 2: Any difference must be investigated. If necessary verify all activated cards on hand and receipts.

Exhibit 17-2 (Continued)

SHIP'S STORE INTERNAL AUDIT PROGRAM

9. Bi-Weekly Review of Vending Machine Operation for Malfunction.

a. To determine if the machine is functioning properly, the Ship's Store Officer captures the meter reading a minimum of twice weekly from each vending machine using a locally prepared form. The differences between the current meter reading and the previous meter reading times the retail selling price should equal the total e-cash collected from the Navy Cash system.

b. Overages and Shortages. The Ship's Store Officer examines all overages and shortages of \$5.00 or more between meter readings and Navy Cash reports. Corrective actions must be taken as appropriate. A difference of \$5.00 or more must be investigated and initialed by the Ship's Store Officer.

Exhibit 17-2 (Concluded)



MESSAGE FORMAT FOR  
REPORTING DISPROPORTIONATE DIFFERENCES

P (TRANSMIT BY PRIORITY MESSAGE)  
FM (SHIP'S NAME)  
TO COMNAVAIRXXXX XXXXXXXX XX//N4XXX//  
INFO COMXXXFLT XXXXXXXX XX//NXX/  
NEXCOM NORFOLK VA//A//  
UNCLAS//N04067//  
MSGID/GENADMIN/ (SHIP'S NAME) //  
SUBJ/DISPROPORTIONATE (GAIN/LOSS) IN THE SHIP'S STORE  
OPERATION//  
REF/A/DOC/COMNAVAIRFORINST 4440.2 SERIES//  
REF/B/DOC/NAVSUP P-487//  
REF/C/DOC/NAVREGS PAR 0719//  
REF/D/DOC/JAG MANUAL//  
RMKS/1. IN ACCORDANCE WITH REF A, A DISPROPORTIONATE RECAP AS  
FOLLOWS: (PROVIDE DATA FOR ALL RETAIL OUTLETS OPERATED AND BULK  
STOREROOM).  
ACTIVITY                      SALES                      GAIN OR LOSS  
RETAIL OUTLET #1  
RETAIL OUTLET #2  
DRINK VENDING MACHINES  
CANDY VENDING MACHINES  
CIGARETTE VENDING MACHINES  
STANDARD NAVY CLOTHING  
BULK STOREROOM                      N/A  
TOTAL  
2. THE REPORT REQUIRED BY REF B PARAGRAPH. 9102.4E (WAS/WILL BE) MAILED  
ON (DATE).  
3. STATE CAUSE OF DISPROPORTIONATE (LOSS/GAIN - IF KNOWN).  
4. JAG MANUAL INVESTIGATION (HAS/HAS NOT) BEEN INITIATED AS  
REQUIRED BY REFS C AND D AT THIS TIME.  
5. FOR COMNAVAIRXXXX, STAFF ASSISTANCE (IS/IS NOT) REQUESTED.//  
BT

SUMMARY OF SHIP'S STORE REPORTS

1. Commanding Officer Ship's Store Management Report  
Form: Letter from Ship's Store Officer to CO  
Distribution: Commanding Officer  
Due Date: Monthly; By the 5<sup>th</sup> of the Month  
Reference: COMNAVAIRFORINST 4440.2 Series, NAVSUP P-487
2. Ship's Store Fiscal Year Planning Report  
Form: COMNAVAIRFORINST 4440.2 Series  
Distribution: Commanding Officer (via Supply Officer) and a copy to CNAP/CNAL N41228/ N412F  
Due Date: 01 October  
Reference: COMNAVAIRFORINST 4440.2 Series
3. Ship's Store Balance Sheet and Profit and Loss Statement:  
Form: NAVCOMPT Form 153  
Distribution: DFAS, CNAP/CNAL N41228/ N412F  
Navy Supply Corps School (NSCS), Newport, RI  
Due Date: End of Accounting Period  
Reference: NAVSUP P-487, paragraph 9102
4. EXCESSIVE/DISPROPORTIONATE Differences:  
Form: Naval Message  
Distribution: CNAP/CNAL N41228/ N412F, DFAS, NEXCOM  
Due Date: As soon as investigation is completed  
Reference: NAVSUP P-487, paragraph 9102
5. Theft/Fraud or Other Dishonest Act:  
Form: Letter  
Distribution: CNAP/CNAL N41228/ N412F, DFAS, NEXCOM  
Due Date: Upon completion of investigation  
Reference: NAVSUP P-487, paragraph 1205
6. Excess Inventory:  
Form: Letter  
Distribution: CNAP/CNAL N41228/ N412F  
Due Date: One Month prior to End of Accounting Period and 45 days prior to End of Deployment  
Reference: COMNAVAIRFORINST 4440.2 Series

Exhibit 17-4

SUMMARY OF SHIP'S STORE REPORTS

7. Transfer of Foreign Merchandise Between Ships:
  - Form: Letter
  - Distribution: Appropriate Ship, CNAP/CNAL N41228/ N412F
  - Due Date: Upon transfer of merchandise
  - Reference: COMNAVAIRFORINST 4440.2 Series
  
8. Replies to DFAS Ship's Store Reconciliation Letters and Unmatched Expenditure List:
  - Form: Letter
  - Distribution: DFAS, CNAP/CNAL N41228/ N412F
  - Due Date: Within 30 Days after Receipt
  - Reference: NAVCOMPT Manual, paragraph 085132

Exhibit 17-4 (Concluded)

COMMANDING OFFICER SHIP'S STORE MANAGEMENT REPORT FOR \_\_\_\_\_

Date

MEMORANDUM

From: Supply Officer  
To: Commanding Officer  
Via: Executive Officer

Subj: COMMANDING OFFICER SHIP'S STORE MANAGEMENT REPORT

Encl: (1) Ships Store Management Report

1. Enclosure (1) is forwarded for your information.

Very respectfully,

\_\_\_\_\_  
Supply Officer

Date

FIRST ENDORSEMENT on CO SHIP'S STORE MANAGEMENT REPORT

From: Executive Officer  
To: Commanding Officer

1. Forwarded.

Very respectfully,

\_\_\_\_\_  
Executive Officer

COMNAVAIRFORINST 4440.2D  
27 FEB 2017

COMMANDING OFFICER SHIP'S STORE MANAGEMENT REPORT FOR \_\_\_\_\_

Date

SECOND ENDORSEMENT on CO SHIP'S STORE MANAGEMENT REPORT

From: Commanding Officer  
To: Supply Officer

1. I have reviewed the report and enclosure (1) is returned for filing.

\ Respectfully,

\_\_\_\_\_  
Commanding Officer

Exhibit 17-5 (Continued)

COMMANDING OFFICER SHIP'S STORE MANAGEMENT REPORT FOR: \_\_\_\_\_

1. SALES	CURRENT MONTH	ACCOUNTING PERIOD TO DATE
a. Cash from sales retail	\$ _____	\$ _____
b. Estimated profits	\$ _____	\$ _____
c. Contributions	\$ _____	\$ _____
d. Amusement machines	\$ _____	\$ _____

2. DRINK VENDING	CURRENT MONTH	ACCOUNTING PERIOD TO DATE
a. Sales	\$ _____	\$ _____
b. Profits	\$ _____	\$ _____
c. Profits percentage	_____ %	_____ %

Profit Percentage Objective: 35% - 55% for Can Drink Machines.

TOTAL SALES:	\$ _____	\$ _____
--------------	----------	----------

3. INVENTORY

a. Over/under Inventory, Total Authorized Inventory Balance Inventory minus	\$ _____ \$ _____
Over/Under (Circle one) equals	\$ _____

b. Stock Turn	Month 1	Month 2	Month 3	Month 4
GOAL	.33	.67	1.00	1.33

c. Spot Inventory of Bulk Storeroom  
Number of Items Checked \_\_\_\_\_ Inventory Accuracy 100%

d. Spot Inventory of POS Activities  
Number of Items Checked \_\_\_\_\_ Inventory Accuracy 100%

Minimum of 10% of line items carried checked (Bulk Storeroom Accuracy Objective: 100%)  
(POS Accuracy Objective: 100%)

e. Last Physical Inventory taken on (Date) \_\_\_\_\_

Exhibit 17-5 (Continued)

COMMANDING OFFICER SHIP'S STORE MANAGEMENT REPORT FOR: \_\_\_\_\_

f. Emblematic Items:

Percent of emblematic stock on hand \_\_\_\_\_ (not to exceed 15% without authorization).

4. CASH COLLECTION

a. Cash collection books audited twice weekly by Ship's Store Officer.

YES NO

b. EPOS cash over/short detail reports were audited against the Cash Register Book(s)(NAVSUP Form 469) twice weekly by Ship's Store Officer.

YES NO

c. Cash Receipt Book (NAVSUP Form 470) indicates cash was turned over to the Disbursing Officer daily and as required by NAVSUP P-487.

YES NO

d. An all inclusive audit of the cash collection operation was conducted on \_\_\_\_\_ with the following findings.

e. Returned Personal checks on hand # \_\_\_\_\_ value \$ \_\_\_\_\_

5. RECEIPTS AND PRICING

a. All receipt documents for the current month were forwarded to DFAS as indicated on the lines BO1 and BO5 report.

YES NO

b. Random spot checks of the posted selling price and product information were posted for patron utilization and were correct. Objective: zero errors

6. PROFIT (Complete at the end of the accounting period only)

Current Accounting Period	Previous Accounting Period	Objective
---------------------------------	----------------------------------	-----------

Exhibit 17-5 (Continued)

COMMANDING OFFICER SHIP'S STORE MANAGEMENT REPORT FOR: \_\_\_\_\_

- a. Gross Profit \_\_\_\_\_ 10%-20%
- b. Operating Profit \_\_\_\_\_ 6%
- c. Survey (SSPN) \_\_\_\_\_ <1%

7. All DFAS letters on unpaid dealer's bills and other correspondences regarding reconciliation have been answered. YES NO

The value of the DFAS UNMEX over 12 months old. \_\_\_\_\_

COMMANDING OFFICER SHIP'S STORE MANAGEMENT REPORT FOR: \_\_\_\_\_

8. SAFETY, SECURITY AND MATERIEL DISCREPANCIES

a. Last inspection of ship's store spaces conducted on \_\_\_\_\_ YES NO

b. All stores, storerooms and other spaces had proper locks and the emergency entry procedures posted as required by NAVSUP P-487?

<u>Space</u>	<u>Discrepancy</u>	<u>Status</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

9. Comments:

Exhibit 17-5 (Concluded)



SAMPLE FISCAL YEAR PLANNING REPORT

USS CVN Fiscal Year 0\_ Planning Report

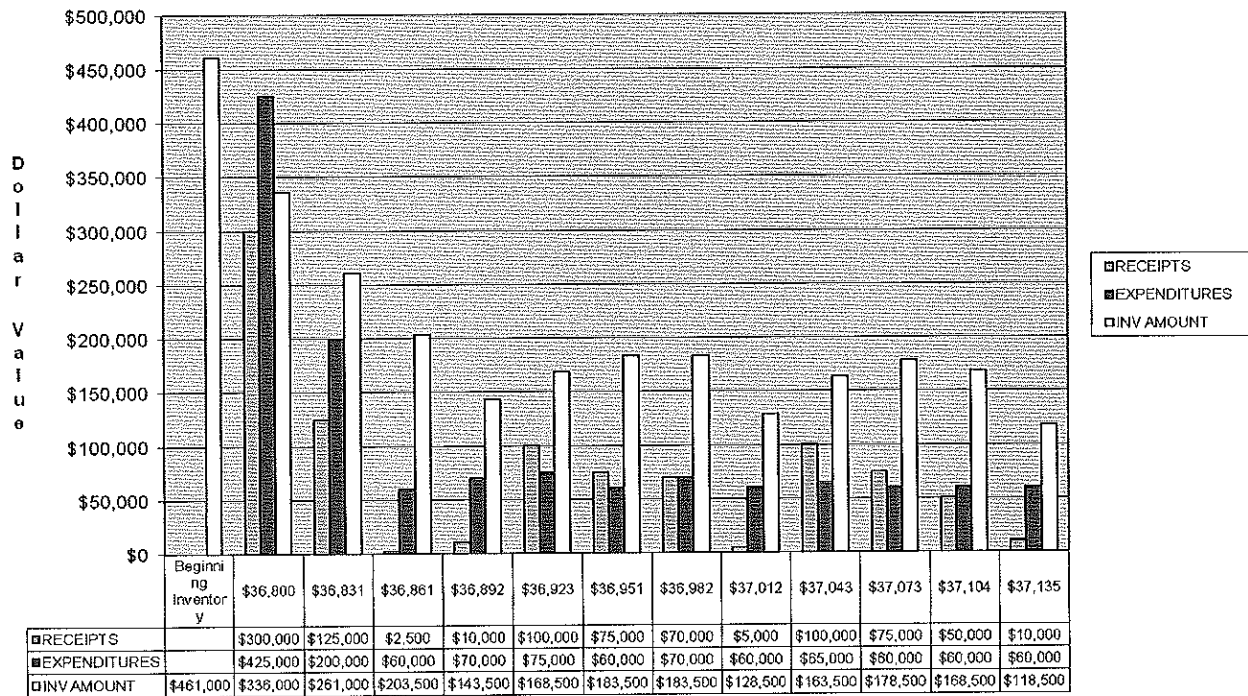


Exhibit 17-6

COMNAVAIRFORINST 4440.2D  
27 FEB 2017

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APPENDIX D  
RETAIL OPERATIONS (S-3) CHECKLIST

COMNAVIAIRFORINST 4440.2D  
27 FEB 2017

ITEM No.	TOPIC AREA & EVALUATOR FINDING	REFERENCE	Available Points	Points Assessed
	I: OPERATIONS			
	A. RETAIL OUTLET		75	75
	B. VENDING MACHINE OPERATION		73	73
	C. BEVERAGE BAR		68	68
	D. STORAGE		50	50
	E. SECURITY		45	45
	II: MANAGEMENT		98	98
	III: RECORDS			
	A. FILES / FORMS / PUBLICATIONS / LOGS		58	58
	B. MERCHANDISE PLANNING & INVENTORY CONTROL		81	81
	C. PROCUREMENT ACTIONS		35	35
	D. RECEIPTS / PRICING		75	75
	E. EXPENDITURES		59	59
	F. ACCOUNTING & RETURNS		50	50
	G. CASH AND NAVY CASH (NC) ACCOUNTS		98	98
	IV: ACCOUNTABILITY AND CREW SUPPORT PULSE POINTS		230	230
		GRAND TOTAL	1095	1095

APPENDIX D  
RETAIL OPERATIONS (S-3) CHECKLIST

COMNAVAIRFORINST 4440.2D  
27 FEB 2017

ITEM No.	TOPIC AREA & EVALUATOR FINDING	REFERENCE	Available Points	Points Assessed
	I. OPERATIONS			
	A. RETAIL OUTLETS			
RO-001	A Suggestion box is installed and accessible.	NAVSUP P-487 App C	3	3
RO-002	Shelves are clean and dusted and aisle ways are unobstructed.	NAVSUP P-487 App C & PUB 90-33	10	10
RO-003	No expired or shelf worn merchandise.	NAVSUP P-487 App C	3	3
RO-004	Marked down items are clearly identified.	NAVSUP P-487 App C & PUB 90-33	3	3
RO-005	Store merchandise is arranged by like items. A location is designated on the sales floor for every item carried.	NAVSUP P-487 App C, NEXCOM Pubs. 81 and 90-33	10	10
RO-006	Hours of operation are prominently posted.	NAVSUP P-487 App C	3	3
RO-007	All merchandise have matching UPC labels or price tags assigned on the shelves and peg hooks. UPC labels are legible.	SOM Para 1708 & NAVSUP P-487 Para 2103	25	25
RO-008	Visual merchandising display aids are utilized in store, as well as in display cases and windows.	NEXCOM Pub 90-33	5	5
RO-009	Display end caps and sectional merchandise layout of products are maintained.	NAVSUP P-487, App C, NEXCOM PUB 90-33	10	10
RO-010	Visual Merchandising Publications available for reference.	NAVSUP P-487 Para 1106	3	3

APPENDIX D  
RETAIL OPERATIONS (S-3) CHECKLIST

COMNAVAIRFORINST 4440.2D  
27 FEB 2017

ITEM No.	TOPIC AREA & EVALUATOR FINDING	REFERENCE	Available Points	Points Assessed
	<b>B. VENDING MACHINE OPERATION</b>			
RO-011	Items in the storeroom are arranged to facilitate breakouts, inventory, and proper rotation (i.e., all like items in one location, new stock and old stock are not mixed).	NAVSUP P-487 Para 6000 & NEXCOM Pub 90-33	10	10
RO-012	Ship's Store Officer checks for damaged and deteriorated stock. Damaged or deteriorated stock are set aside for expenditure.	NAVSUP P-487 Para 6004	3	3
RO-013	No expired/shelf worn merchandise in vending machines.	NAVSUP P-487 App C	5	5
RO-014	Selections identified with a neat price and slot number. Healthy choice selections are distinctively marked.	NAVSUP P-487, Para 3105, App C	5	5
RO-015*	Vending machines are well stocked and operating properly.	NAVSUP P-487 App C	10	10
RO-016*	Proper security of machines is being maintained.	SOM Para 1702	10	10
RO-017	PHONE CARD machine is managed by S-3 KHAKI and the required auditing procedure is enforced and followed.	SOM Para 1702.2 & Exhibit 17-1	10	10
RO-018*	Sanitation procedures are posted and followed. Medical inspection records are kept in WF3 file.	NAVSUP P-487 Para 2324, NAVMED 5010 CH 1	10	10
RO-019	Ship has and utilizes a refund policy.	NAVSUP P-487 2206	5	5
RO-020*	Lighting is operational and effective.	NAVSUP P-487 App C	5	5
	<b>C. BEVERAGE BAR</b>			
RO-021	Sales per day or daily sales worksheet is maintained and reviewed by the Ship's Store Officer and kept in the AO file.	NEXCOMINST 4067.9, SOM Para 1704.5, NAVSUP P-487, Para 2325	10	10

APPENDIX D  
RETAIL OPERATIONS (S-3) CHECKLIST

COMNAVAIRFORINST 4440.2D  
27 FEB 2017

ITEM No.	TOPIC AREA & EVALUATOR FINDING	REFERENCE	Available Points	Points Assessed
RO-022	Pricelist is comprehensive, legible, and prominently posted.	SOM Para 1704.5 & NAVSUP P-487 Para 2325	10	10
RO-023	Sanitation procedures are posted and followed. Medical inspection records are kept in WF3 file.	NAVSUP P-487, Para 2325, NAVMED P-5010, Chap 1	10	10
RO-024	All personnel assigned to the beverage bar have a current food handler's card on file.	NAVSUP P-487, Para 2325, NAVMED P-5010, Chap 1	10	10
RO-025	No expired or overaged merchandise.	NAVSUP P-487 App C	5	5
RO-026	Hours of operation are prominently posted.	NVSUP P-487 App C	3	3
RO-027	Recipes are followed to ensure proper portion controls are used to prepare beverage.	NAVSUP P-487, Para 2325, NAVMED P-5010, Chap 1	10	10
RO-028	Ship's Store Officer or Services Officer conducts daily walk thru inspection of the Beverage bar and signs the inspection sheet.	SOM Para 1703, NAVSUP P-487, App C	10	10
<b>C. STORAGE</b>				
RO-029	Boxes are marked at point of receipt with stock number, UPC, and month and year of receipt.	NAVSUP P-487 Para 6000	10	10
RO-030	Items are stored in a manner to facilitate proper inventory, all like items are in one location and arranged for effective utilization of space.	NAVSUP P-487 Para 6000, NEXCOM Pub 90-33	10	10

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ITEM No.	TOPIC AREA & EVALUATOR FINDING	REFERENCE	Available Points	Points Assessed
RO-031	Flammable items are stored properly and are flagged on the stock record cards.	NAVSUP P-487 Para 6007	10	10
RO-032*	Lighting is operational and effective.	SOM Para 1702.1	5	5
RO-033	Shelf life is checked and identified for proper rotation of stock.	NAVSUP P-487, Para 6105	5	5
RO-034	Cases are stacked on deck grating and away from fixtures accumulating moisture to minimize damage or loss.	NAVSUP P-487, Para 6000	5	5
RO-035	Ship's Store Officer checks spaces for damaged or deteriorated stock.	SOM Exhibit 17-1	5	5
	<b>D. SECURITY</b>			
RO-036	Proper Group security is maintained in all spaces.	NAVSUP P-487, Para 1200-1206, SOM Para 1702	10	10
RO-037	Alarms function properly. Monthly testing is documented.	SOM Para 1702.1	10	10
RO-038	Numbered car seals are placed on retail spaces when closed. A car seal log is maintained.	NAVSUP P-487 Para 1204 & SOM Para 1702.1	5	5
RO-039*	Lighting operational and effective in Group III spaces at all times.	NAVSUP P-487 App C & SOM Para 1702.1	5	5
RO-040	When retail spaces are secured the working keys are kept in individual key boxes and the key to the box is in the custody of the Ship's Store Officer or designated key custodian.	SOM Para 1702.1	5	5
RO-041	Combinations to keyless padlocks, change keys, and duplicate keys are in a sealed envelopes and placed in the Retail Officer's safe and have been changed within the last 6 months.	NAVSUP P-487, Para 1201, SOM Para 1702.1	10	10
	<b>II. MANAGEMENT</b>			
RO-042	Emblematic merchandise inventory did not exceed 15% of total ships store inventory at cost.	NAVSUP P-487 Para 3100, SOM Para 1705.3	10	10

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RO-043	Retail Gross profit does not exceed 20% and do not vary +/- 2 pts. between periods without justification.	NAVSUP P-487 Para 8003, SOM Para 1700.2	10	10
RO-044	Vending gross profit percentage between 35-55%.	NAVSUP P-487 Para 8003, SOM Para 1700.2	10	10
RO-045	Beverage bar gross margin is within prescribed limitations (50%-80%).	NEXCOMINST 4067.9, SOM Para 1700.2	10	10
RO-046	The Principal Assistant for Services (PAS) ensures all required audits are performed accurately and in a timely manner.	SOM Para 1704.5j	10	10
RO-047	Publications are up to date and accessible.	NAVSUP P-487 Para 1106	3	3
RO-048	Retail Officer is utilizing MWR's projected requirements to forecast sales.	SOM Para 1700.2	3	3
RO-049	Retained copy or e-mail return receipt of monthly reconciliation of Ship's Store Unmatched Expenditure listing were available for review.	NAVSUP P-487 Para 5305 & SOM Para 1706.2	5	5
RO-050	No unreconciled invoices outside of the current fiscal year.	NEXCOMINST 4067.5, SOM Para 1706.2	10	10
RO-051	Copies of weekly reports maintained in the AO file. (i.e. Profitability, Cash +/-, Gains/Loss by Inv. Detail Report, Spot Inventory Count Sheets, Scan but not Found Report, and the ROM Operator Security Listing).	SOM Para 1715.1	3	3
RO-052	Retail Officer and Records Keeper can explain how to utilize the Profitability Report.	ROM II USERS GUIDE, Chap 12, SOM Para 1715.1	3	3
RO-053	Ship's Store Review Board meeting minutes available for review.	NAVSUP P-487, App C	3	3



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RO-054	Special order program is available and offered to the crew.	NAVSUP P-487, App C & SOM Para 1704.3	3	3
RO-055	Letter on file designating a third party to open/close and maintain the key to retail operation outlets with multiple operators.	NAVSUP P-487 Para 1201 & SOM Para 1702.1	5	5
RO-056	Letter of assignment for the Cash Collection Agent is current and maintained in the correspondence file (WF3).	NAVSUP P-487, Para 1007	5	5
RO-057	When stock turn was not attained, a POAM was developed and followed, a copy of the POAM including action taken to resolve issues was forwarded to TYCOM.	NAVSUP P-487, Para 3300-3301, SOM Para 1700.2	5	5
	III. RECORDS			
	A. FILES / FORMS / PUBLICATIONS & LOGS			
RO-058	Ship's Store Files are properly utilized.	NAVSUP P-487 Para 1106	5	5
RO-059	BO1 and BO5 files are maintained in separate folders in sequential order of 10 documents per folder.	NAVSUP P-487 Para 1106, Appendix B	10	10
RO-060	ROM back-up is performed as required and back up media is properly secured.	NAVSUP P-487 Para 1107	5	5
RO-061	Accountable Officer (AO) and Records Keeper (RK) files are properly maintained and documents are accurate.	NAVSUP P-487 Para 1106	10	10
RO-062	Purchase Order and Requisition logs are properly maintained.	NAVSUP P-487 Para 4001	5	5
RO-063	Guidance publications listed in the NAVSUP P-487 are available and current.	NAVSUP P-487 Para 1106	3	3
RO-064	Cost control data for all coffee bar products are accurately maintained and are available for review.	NAVSUP P-487 Para 2325, SOM Para 1704.5	10	10

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ITEM No.	TOPIC AREA & EVALUATOR FINDING	REFERENCE	Available Points	Points Assessed
RO-065	Beverage bar sales per day record is reviewed by the Ship's Store Officer and kept in the AO file.	NAVSUP P-487 Para 2325, SOM Para 1704.5	5	5
RO-066	Responses to DFAS reports and inquiries pertaining to ships store returns and receipt transmittals are forwarded in a timely manner.	NAVSUP P-487 Para 5303 & 9201	5	5
<b>B. MERCHANDISE PLANNING &amp; INVENTORY CONTROL</b>				
RO-067	Stock records reflect correct department, UPC, and stock numbers.	NAVSUP P-487 Para 3005-3006	5	5
RO-068	All manufactured beverage bar products are established as S1 Department Code and listed under Store #9100.	NEXCOMINST 4067.9, SOM Para 1704.5	10	10
RO-069	Documented evidence of appropriate action taken to obtain excessive inventory from other ships are available for review.	NAVSUP P-487 Para 3332, 4000 & SOM 1713.1	3	3
RO-070	The UPC Cross Reference Listing is being utilized.	ROM II USER'S GUIDE	3	3
RO-071	Fiscal Year Planning Report is being utilized to manage the overall inventory and to project sales and achieve stock turn goal.	SOM Para 1711.3	10	10
RO-072	Opening inventory for current accounting period is correct.	NAVSUP P-487 Para 9310.3	10	10
RO-073	Weekly inventory spot checks are being conducted at retail activities and bulk locations. Documents are kept and available for review	NAVSUP P-487 Para 9001, SOM 1708, 1710	10	10
RO-074	Inventories were performed with authorized personnel.	NAVSUP P-487 Para 9000-9002, SOM 1708	10	10
RO-075	When there is excess stock, assistance from other ships was requested and a list with description, quantity, and expiration date is forwarded and copied to the Fleet Assistance Team and TYCOM.	SOM Para 1713	10	10

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ITEM No.	TOPIC AREA & EVALUATOR FINDING	REFERENCE	Available Points	Points Assessed
RO-076	Stock and inventory controls observed and followed.	NAVSUP P-487 Para 3000, SOM 1711.2	5	5
RO-077	Perpetual inventories were conducted by the responsible custodian and stated on the breakout documents.	SOM Para 1708 & Exhibit 17-1	5	5
<b>C. PROCUREMENT</b>				
RO-078	Purchase Orders were properly prepared with all applicable blocks completed and the correct appropriation was used.	NAVSUP P-487, Para 4000-4430	10	10
RO-079	Procurement of Emblematic items are signed by Senior Supply Officer.	NAVSUP P-487, Para 3101	5	5
RO-080	Requisitions were prepared properly with correct line of accounting and applicable functional accounts cited.	NAVSUP P-487, Para 4103	10	10
RO-081	NO unauthorized purchase of merchandise was made.	NAVSUP P-487 Chapter 4 & Para 3001	10	10
<b>D. RECEIPTS/PRICING</b>				
RO-082	When a simplified purchase order was submitted and approved by NEXCOM, the confirmation was attached to the accountable receipt document.	NAVSUP P-487, Para 4203	5	5
RO-083	ROM posted receipts were verified for accuracy against the Journal of Receipts (BO1/BO5 reports) and the receiving report.	NAVSUP P-487, Para 4203, 4222, 5302	12	12
RO-084	All receipt documents are signed, dated, and quantities received are circled.	NAVSUP P-487, Para 5000	12	12
RO-085	Receipt documents in the BO1/BO5 file are completed with supporting documents attached.	NAVSUP P-487, Para 5200-5201	10	10
RO-086	Receipts are verified against the vendor's invoice (857) and applicable discounts and charges are applied.	NAVSUP P-487, Para 5401-5403 & EDI User's Guide	10	10

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RO-087	Accounting adjustments were prepared for differences in receipt over \$10.00, posted to the Journal of Receipts and transmitted with monthly receipts to DFAS-CL.	NAVSUP P-487, Para 5304, 5305	5	5
RO-088	The unmatched receipts (UMEX) and Fleet Fast Pay listings were processed and required actions were taken to correct discrepancies.	NAVSUP P-487, Para 5304 & DFAS-CL 7200.1	10	10
RO-089	Procedures for partial receipts are followed.	NAVSUP P-487, Para 5102	3	3
RO-090	D-1, D-3, and E-1 departments have a 6% retail price mark up.	NAVSUP P-487, Para 2100	3	3
RO-091	DPSC/Prime Vendor surcharge was correctly picked up and reflected on the receipt cost price.	NAVSUP P-487, Para 4101, 5101 & NEXCOM Bulletin	5	5
<b>E. EXPENDITURES</b>				
RO-092	Charges for commercial repair of ships store equipment were processed and expended properly.	NAVSUP P-487, Para 4205	3	3
RO-093	Survey documents (DD-200) were prepared and posted properly with correct accounting, appropriation, signature, and expenditure data indicated on the expenditure documents.	NAVSUP P-487, Chap 7	10	10
RO-094	Surveys to NWCF included a Surveying Officer and his recommended disposition of the material.	NAVSUP P-487, Para 7101-7104	10	10
RO-095	Entries on confirmed intra store transfer (NAVSUP Form 973) documents matches the bulk custodian and outlet operator's working copies.	NAVSUP P-487, Para 6100-6104	10	10
RO-096	ISSUES to use and general mess were prepared and posted properly with correct accounting, appropriation, signature, and expenditure data indicated on the documents.	NAVSUP P-487, Chap 7	10	10
RO-097	RR1 File contained current breakout and breakback documents with correct data.	NAVSUP P-487, Para 6102, 1106	3	3

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RO-098	Operators can explain breakout procedures.	NAVSUP P-487, Para 6103	3	3
RO-099	Service charges and Transfers to MWR were documented properly and processed in a timely manner.	NAVSUP P-487, Para 4222, 9321	10	10
<b>F. ACCOUNTING &amp; RETURNS</b>				
RO-100	BOI/BO5, Profitability, ROM Over/Short, Gain/Loss by Inventory Detailed Report, and Beverage Bar Daily Sales worksheet were being audited and maintained weekly.	SOM Para 1715.1, NAVSUP P-487, Para 9401-9404	10	10
RO-101	Retained Returns are properly organized and complete with all required substantiating documents.	NAVSUP P-487 Para 9401-9404	20	20
RO-102	The NAVCOMPT 153 was audited for accuracy and all entries were substantiated with the required documents and reports.	NAVSUP P-487, Para 9300-9404	10	10
RO-103	All required corrections were reflected in the retained returns and DFAS audit letters are attached.	NAVSUP P-487, Para 9201	10	10
<b>G. CASH AND NAVY CASH ACCOUNTS</b>				
RO-104	Operators have knowledge of policy concerning cash turn in when Cash Collection Agent or Disbursing is not available for movement of funds.	NAVSUP P-487 App G Para 2201-2204, 2230-2231	3	3
RO-105	Cash Register Record (NAVSUP 469) is in agreement with totals in ROM and the cash receipt book (Disbursing NS 470).	NAVSUP P-487 App G Para 2221, 2230-2232, 2301-2304, 2311-2312	5	5
RO-106	Cash Register Record (NAVSUP 469) reviewed daily by the Retail Officer, and is properly closed out.	NAVSUP P-487 App G Para 2221	3	3
RO-107	Over-rings / Refunds properly documented.	NAVSUP P-487 App G Para 2206 & 2221	2	2
RO-108	Uncollectible checks are worked with documented action taken to collect.	NAVSUP P-487 App G Para 2203	2	2
RO-109	Overages / Shortages greater than \$5.00 investigated and initialed by Retail Officer.	NAVSUP P-487 App G Para 2221	5	5

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ITEM No.	TOPIC AREA & EVALUATOR FINDING	REFERENCE	Available Points	Points Assessed
R0-110	Collections occur daily or as P-487 mandates.	NAVSUP P-487 App G Para 2230	5	5
R0-111	A separate Cash Register Record (NAVSUP Form 469) for the sale of emblematic items in the hanger bay or pier side is maintained.	NAVSUP P-487 App G Para 2221 & 3104,	3	3
R0-112	Change Funds audit is performed by an officer, monthly. Required processing procedures are enforced.	NAVSUP P-487 App G Para 2210-2212	5	5
R0-113	ROM E-Cash End of Day (EOD) Report matched with the daily Navy Cash Merchant Sales Summary Report.	NAVY CASH SOP CH.7, Para 7.3.8	5	5
R0-114	ROM daily transaction reports are verified against the Navy Cash Daily Transaction Detail reports from shore.	NAVY CASH SOP CH.7, Para 7.3.8	5	5
R0-115	Navy Cash reports were signed by the Ship's Store Officer and filed in the RK CO2/CO3/CO4 file.	NAVY CASH SOP CH.7, Para 7.3.8	5	5
R0-116	Differences between the ROM II EOD report and Merchant Sales Summary report were investigated and action taken and documented.	NAVY CASH SOP CH.7, Para 7.3.9	10	10
R0-117	Merchant Sales Summary report for the month was compared with the ROM EOM report, differences are investigated and action taken and documented.	NAVY CASH SOP CH.7, Para 7.6 - 7.6.4	10	10
R0-118	Cash Sales Memorandum DD-1149 matched with reconciled EOM Navy Cash Merchant Sales Summary report and ROM e-cash EOM report.	NAVY CASH SOP CH.7, Para 7.6.2 - 7.6.5	10	10
R0-119	The Ship's Store Officer or designated assistant approved all refunds and were processed at the Sales Office.	NAVY CASH SOP CH.7, Para 7.5	5	5
R0-120	A locally prepared form is used by the Ship's Store Officer to capture and compare meter readings weekly to determine if vending machines are functioning properly.	NAVY CASH SOP CH.7, Para 7.4.6	5	5
R0-121	EOM closeout of all vending machines is coordinated between Disbursing Officer and Ship's Store Officer and sequence of steps were enforced.	NAVY CASH SOP CH.7, Para 7.6.1	10	10

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	IV. ACCOUNTABILITY AND CREW SUPPORT PULSE POINTS			
R0-122	A minimum of 4.0 Stock Turn for 3 consecutive accounting periods was achieved.	NAVSUP P-487 Para 3301 & NEXCOMINST 4067.5	30	30
R0-123	NO Excessive or Disproportionate difference in any period of operation during the assessment cycle.	NAVSUP P-487 Para 9102 & NEXCOMINST 4067.5	60	60
R0-124	Sample inventory of 50 items in the bulk storerooms compared to the Consolidated Stock Record listing resulted in an inventory accuracy of ____%.	NAVSUP P-487 Para 9001 & NEXCOMINST 4067.5	50	50
R0-125	No security violations have occurred or were discovered.	NAVSUP P-487 Para 1201 & SOM Para 1702.1	30	30
R0-126	There are NO Navy Cash difference report not being worked and resolved within 30 days.	NAVY CASH SOP CH.7, Para 7.3.9	30	30
R0-127	Reconciliation of Ships Store Unmatched Expenditure listing is reported to DFAS in a timely manner. Total UMEX is \$_____.	NAVSUP P-487 Para 5305 & SOM Para 1706.1 - 1706.2	30	30
TOTAL			1095	1095

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	<b>I: BARBER SHOP OPERATION</b>			
	<b>A. MANAGEMENT</b>			
HS-001	Hours of operations and services available posted.	NAVSUP P-487, App C	5	5
HS-002	A locally prepared barbershop appointment list either for individual or division basis is available.	NAVSUP P-487, 2401	3	3
HS-003	Requisitioned using OPTAR funds for the supplies submitted to Stock Control (S-1) in a timely manner.	NAVSUP P-487, 2402	5	5
HS-004	Adequate ventilation, cooling, heating, lighting and hot and cold water provided.	NAVSUP P-487, App C	5	5
HS-005*	Sanitation procedures signed by Medical Dept. Head, posted and followed.	NAVSUP P-487, App C, NAVMED P-5010	10	10
HS-006	"Authorized Grooming Standards for United States Personnel" sign prominently posted.	NAVSUP P-487, App C	3	3
HS-007	"No Tipping" sign posted.	NAVSUP P-487, App C	2	2
	<b>B. TOOLS &amp; MATERIAL CONDITION</b>			
HS-008*	Tools maintained properly and include: 8 combs, 3 scissors (thinning), 3 scissors regular), 3 each clipper blades in sizes 000, 1, and 1 1/2.	NAVEDTRA 10176, NAVSUP P-487, 2501	5	5
HS-009	Barber Chair is in good working order.	GSFS 634	10	10
HS-010	Barber Pole is utilized and in good working order.	NAVSUP P-487, App C	3	3
HS-011*	Lighting operational and effective.	NAVSUP P-487, App C	5	5
HS-012*	No water leaks.	NAVSUP P-487, App C	10	10
HS-013	Barber Mats are clean and are being utilized.	GSFS 634	5	5
	<b>C. SANITATION</b>			
HS-014*	Each barber (s) physical exam properly documented and displayed prior to assuming duties.	NAVSUP P-487, 2501, App C	5	5



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ITEM No.	TOPIC AREA & EVALUATOR FINDING	REFERENCE	Available Points	Points Assessed
HS-015	Barbers dressed in clean washable coats.	NAVSUP P-487, App C	5	5
HS-016	Hairecloths clean at all times. New neck strip used on each customer.	NAVSUP P-487, App C	5	5
HS-017	All instruments, i.e. scissors, combs, clipper blades thoroughly washed and sanitized.	NAVSUP P-487, App C	10	10
	<b>D. CUSTOMER SERVICE</b>			
HS-018	Quality of service provided.	NAVSUP P-487, App C	5	5
HS-019	Barbers indoctrinated in customer courtesy, identification, and complaint procedures.	NAVSUP P-487, App C	5	5
HS-020	Proper utilization of personnel.	NAVSUP P-487, App C	5	5
HS-021	Personal hygiene practiced by all barbers at all times. Deodorants and mouthwash made available and their use by barber encouraged.	NAVSUP P-487, App C	5	5
	<b>II. LAUNDRY OPERATION</b>			
	<b>A. MANAGEMENT</b>			
HS-022	Hours of operations and services available posted.	NAVSUP P-487, App C	5	5
HS-023	Proper utilization of personnel.	NAVSUP P-487, 2411	5	5
HS-024	Quality of service provided.	NAVSUP P-487, App C	5	5
HS-025*	Formulas posted and utilized.	NAVSUP P-487, App C	5	5
HS-026*	MSDS sheets available.	NAV MED 5010	2	2
	<b>B. EQUIPMENT &amp; MATERIAL CONDITION</b>			
HS-027*	Lint filters installed and cleaned as required.	NAVSUP P-487, 2500, NAVEDTRA 14314	5	5

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HS-028*	Ventilation properly functioning.	NAVSUP P-487, 2500, NAVEDTRA 14314	5	5
HS-029*	Lighting operational and effective.	NAVEDTRA 14314	5	5
HS-030*	No exposed/ missing belt guards.	NAVSUP P-487, 2500, NAVEDTRA 14314	15	15
HS-031*	No water and steam leaks.	NAVSUP P-487, 2500, NAVEDTRA 14314	10	10
HS-032*	Hard Plumbed eye wash station provided.	NAVSUP P-487, 2500, NAVEDTRA 14314	5	5
HS-033*	Washers run in automatic.	NAVEDTRA 14314	5	5
HS-034*	Scales are utilized for loading.	NAVEDTRA 14314	5	5
HS-035	Dryer set up with proper time and temperature.	NAVEDTRA 14314	5	5
HS-036	Press heads safeties work.	NAVEDTRA 14314	5	5
HS-037	Press's padded properly.	NAVEDTRA 14314	5	5
HS-038*	Safety precautions for operating machine is prominently posted next to each machine.	NAVSUP P-487, App C	5	5
HS-039	Major Laundry equipment (i.e., washers, dryers) operating below 50% capacity.	NAVSUP P-487, 2500	30	30
<b>C. SANITATION</b>				
HS-040*	Sanitation regulations posted and adhered to.	NAVSUP P-487, App C	10	10
HS-041	Laundries will be inspected frequently by the medical department for proper sanitary methods of operation.	NAVSUP P-487, App C	5	5
HS-042*	Safety precautions for operating machine is prominently posted next to each machine.	NAVSUP P-487, App C	10	10

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	<b>D. RECORDS &amp; LOGS</b>			
HS-043	Locally prepared Bulk Work and Press Deck Logs properly maintained for each day that the laundry is operational.	NAVSUP P-487, 2412	10	10
HS-044	Supplies used to operate the laundry are available.	NAVSUP P-487, App C	5	5
HS-045	Wash deck log maintained properly and neat.	NAVSUP P-487, 2412	5	5
HS-046*	Maintenance Equipment log properly maintained neat and supports 8 o'clock Reports.	NAVSUP P-487, 2500	5	5
HS-047*	Heat stress Log properly maintained.	NAVSUP P-487, 2417	15	15
	<b>E. CUSTOMER SERVICE</b>			
HS-048	Entire customer area, including counter, presents an attractive appearance.	NAVSUP P-487, App C	3	3
HS-049	Counter personnel's appearance and attitude pleasing.	NAVSUP P-487, App C	3	3
HS-050*	Policy to handle claims for lost or damaged customer goods in effect.	NAVSUP P-487, App C	5	5
	<b>III. HOTEL SERVICES</b>			
	<b>A. ADMINISTRATION</b>			
HS-051	Presentation silver custodian maintained records, conducting physical inventory, and submitting required reports. Required cleaning material is available and on hand.	NAVSUP P-486 Volume II, Chap 3	50	50
HS-052	Adequate protection and strict accountability of presentation silver is required to guard against damage or loss, which, if occurring, may cause public criticism of the ship's commanding officer and embarrassment to the Secretary of the Navy.	NAVSUP P-486 Volume II, Chap 3	20	20