



**DEPARTMENT OF DEFENSE**  
**Defense Commissary Agency**  
**Fort Lee, VA 23801-1800**

# **DIRECTIVE**

## **Grocery Department Operations**

**DeCAD 40-5**  
**May 11, 2012**

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Sales, Marketing and Policy  
OPR: DeCA/MPO

References: See Enclosure 1

**1. PURPOSE.** This Directive:

a. Replaces Defense Commissary Agency Directive (DeCAD) 40-5, "Grocery Department Operations," (Reference (a)) and, establishes DeCA Manual (DeCAM) 40-5.1, "Grocery Department Operations," (Reference (b)).

b. Is established in compliance with DoD Directive 5105.55, "Defense Commissary Agency (DeCA)," (Reference (c)) and DeCA Directive 70-2, "Internal Control Program," (Reference (d)).

c. Implements policies which are further defined in DeCAM 40-5.1 (Reference (b)), which provides detailed step-by-step procedures for carrying out the policy, assigns responsibilities, and provides guidance and procedures for operating all activities in DeCA.

**2. APPLICABILITY.** This Directive applies to all DeCA activities.

**3. POLICY.** It is DeCA policy that:

a. Management. Store director and store management must ensure compliance with the guidance set forth in the policies and procedures that are used to operate DeCA commissary grocery departments. It includes all aspects of accountability, shelf stocking, receiving, personnel training, shelf space management, merchandising, reordering, monitoring vendor stockers, shelf label management, processing damaged merchandise, spot checks on the accuracy of shelf prices, tobacco, and other associated functions.

b. Ordering. The store director is responsible for ensuring resale merchandise is ordered in sufficient quantities to support store sales. The store director will appoint, by letter, personnel authorized to approve vendor recommended orders. Orders are placed with the supplier for authorized items from the appropriate distribution source. Commissaries will continue to operate with existing automated systems, in accordance with (IAW) DeCA policies and procedures.

c. Receiving. Receiving starts the accountability process. It is vitally important that all receiving be accomplished accurately, thoroughly, and according to procedures appropriate to each type of receipt and to each individual locality. The primary purpose of receiving is to ensure DeCA pays for only those goods which have been contracted, ordered, or requested, and that such goods have actually been delivered, ensuring DeCA assets are safeguarded.

d. Backroom Management. Whether managed by in-store personnel, or managed jointly with contract workers, the backroom will be neat, clean, and well organized at all times. Store management is responsible for providing a backroom storage location plan to the commercial activities (CA) contractor, at contract award, and throughout the life of the contract, as changes occur. A structured backroom will assist in the reduction of not-in-stock, inventory control, and allow better visibility of stock on hand.

e. Stock Management. Authorized items for stocking in DeCA commissaries will be based on store size, as determined by DeCA's Sales Directorate or authorized buyers. Allocation of items by store size and commodity will be appropriately coded in the DeCA Interactive Business System (DIBS).

f. Shelf Labels. An accurate shelf label, whether electronic or paper, is the tool for communicating prices to customers. An outstanding shelf label management program conveys a positive image of the store to the patron and is essential to inventory accountability.

g. Pricing Verification. Pricing accuracy is a fundamental element of inventory accountability. It will be accomplished by comparing the prices in DIBS, Commissary On-Line Product Pricing System (COPPS), the point-of-sale (POS), and the shelf labels or display signage.

h. Freeze and Chill Section. Grocery and contractor personnel will make every effort to store all merchandise within the appropriate storage locations, within 15 minutes of completion of the receiving process. Product is required to be rotated properly using the First In, First Out method. Code dates will be checked when receiving, to ensure products have sufficient shelf life remaining for rotation and sale prior to expiration date.

i. Sanitation. Ensure the highest standards of sanitation exist, within the grocery department, at all times. Sanitation practices in all DeCA stores and central distribution centers will be IAW the current edition of the "Food Code, U.S. Department of Health and Human Services" (References (e)) and the standards set forth in the CA contract, for specified contractor responsible areas. Management will inspect the entire grocery and bakery department, including all equipment, at least once a week for overall general compliance; however, quality assurance evaluators (QAE) will inspect contractor responsible areas to ensure specified standards are met, IAW the CA contract.

j. Damaged/Distressed Merchandise. Commissaries will only sell food products that are in good, safe, and edible condition. Edible food items, when approved by a medical food inspector (MFI), may be sold at a reduced price, if the product can be used as originally intended.

k. Merchandise on Medical Hold. Store directors, in conjunction with medical food inspectors, will ensure merchandise identified in a recall is removed from store shelves and placed in an area designated by the store director.

l. Vendor Credit Memorandum (VCM). VCMs will be used by Industry at store level to reduce the price of an item or to credit DeCA for the item entirely.

m. Food Donation Program. Commissaries may donate unmarketable, unsalable, nonperishable, and perishable foods, which have been certified as edible by the MFI, to the following groups: (1) a charitable not-for-profit food bank designated by the Secretary of Defense as authorized to receive such donations; (2) a state or local agency that is designated by the Secretary of Defense as authorized to receive such donations; (3) a chapter or other local unit of a recognized national veterans' organization that provides services to persons without adequate shelter, or (4) a not-for-profit organization that provides care for homeless veterans and is designated by the Secretary of Veteran Affairs as authorized to receive such donations.

n. Tobacco. As the result of the Department of Defense (DoD) policy change, effective November 1, 1996, tobacco products are an exchange category in commissaries, and are sold as consigned exchange inventory at exchange prices.

o. Prizes, Gifts, and Donations. DeCA employees, baggers, sales representatives, vendor stockers, other employees, contractors and their employees, or any family member are not authorized to enter Industry-sponsored promotional contests in commissaries; nor are they permitted to accept promotional proceeds from any commissary promotional activity.

p. Promotional Program and Displays. Promotional programs drive overall store sales and greatly increase the sales lift of items selected for promotion. Maximum participation in promotional programs is expected for all stores. Proper execution of the sales promotions involves proper preplanning, ordering, building attractive displays, and product on display throughout the entire period.

#### **4. RESPONSIBILITIES.**

a. Area directors are accountable for the implementation of this Directive in all commissary activities assigned to their designated geographical areas. This Directive may be supplemented, as necessary, to provide additional guidance, with prior approval from HQ DeCA Operations and Policy Directorate.

b. Commissary management will implement this Directive and provide required reports and other information, as directed.

c. Numerous management positions, such as assistant store director, store administrator, perishable manager, semi-perishable manager, store manager, supervisory store associate, and grocery manager supervise the grocery department. For purposes of this Directive, the term "grocery manager" will be used. All grocery management personnel must ensure they are good stewards of government funds, and safeguard government property, equipment, and goods for sale in the store.

d. The grocery manager is responsible for the operation of the largest department in the commissary and supervises government personnel engaged in a myriad of duties. While the duties are extremely varied and complex, several responsibilities such as inventory control, merchandising, shelf stocking, sanitation, safety, and security are critical to the overall operation of the commissary. Safety requirements contained in DeCAD 30-17, "Safety and Occupational Health Program," and DeCAM 30-17.1, "Safety and Occupational Health Program Manual," (References (f) and (g)), and security requirements contained in DeCAD 30-18 w/C5, "Defense Commissary Agency Security Programs," (Reference (h)), must be adhered to.

e. Managers will wear a two-line name tag containing full name and position title. All civilian employees who work in the sales store area will wear a name tag containing their first name. Contract employees and vendor stockers will wear DeCA-provided badges, which clearly identifies them as contractor employees or vendor stockers, working within the commissary, regardless of the location within the store they are working. Clip on badges are acceptable. Government employees assigned exclusively to back-up storage areas will be exempt from wearing name tags with metal pins on the back, for safety reasons.

**5. MANAGEMENT CONTROL SYSTEM.** This Directive contains internal management control provisions that are subject to evaluation and testing as required by DeCAD 70-2, "Internal Control Program," (Reference (d)).

**6. RELEASABILITY – UNLIMITED.** This Directive is approved for public release and is located on DeCA's OneNet, Resource Center, DeCA Publications, Directives/Manuals/Handbooks.

**7. EFFECTIVE DATE.** By order of the Director of DeCA, this Directive is effective immediately.



Teena P. Standard  
Chief, Executive Services Division

Enclosures

1. References
2. Acronyms

**ENCLOSURE 1**

**REFERENCES**

- (a) DeCAD 40-5, "Grocery Department Operations," November 2008, (Rescinded)
- (b) DeCAM 40-5.1, "Grocery Department Operation Manual," May 11, 2012
- (c) DoD Directive 5105.55, "Defense Commissary Agency (DeCA)," March 12, 2008
- (d) DeCAD 70-2, "Internal Control Program," December 17, 2007
- (e) "Food Code, U.S. Department of Health and Human Services," 2009
- (f) DeCAD 30-17, "Safety and Occupational Health Program," February 2010
- (g) DeCAM 30-17.1, "Safety and Occupational Health Program Manual," February 2010
- (h) DeCAD 30-18w/C5, "Defense Commissary Agency Security Programs," March 2006

**ENCLOSURE 2**

**ACRONYMS**

CA	commercial activities
COPPS	Commissary On-Line Product Pricing and System
DeCA	Defense Commissary Agency
DeCAD	Defense Commissary Agency directive
DeCAM	Defense Commissary Agency manual
DIBS	DeCA Interactive Business System
DoD	Department of Defense
HQ	headquarters
IAW	in accordance with
MFI	medical food inspector
POS	point-of-sale
QAE	quality assurance evaluator
VCM	Vendor Credit Memorandum