DEPARTMENT OF DEFENSE
Defense Contract Management Agency

IMMEDIATE POLICY CHANGE

Deficiency Reports

Quality Assurance Directorate
OPR: DCMA-QAA

DCMA-INST 305 (IPC-1)
July 7, 2015
Administrative Change, July 23, 2015

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1. POLICY. This Immediate Policy Change (IPC) implements changes to DCMA-INST 305, "Deficiency Reports," October 5, 2012.

2. PURPOSE. This IPC is issued to revise Agency Instruction on the procedures and metrics for maintaining an effective and efficient deficiency reporting program. This IPC will be in effect until this Policy is re-released in its entirety per new DoD Instruction 5025.01, "DoD Issuances Program" format standards at a later date.

3. APPLICABILITY. This IPC applies to all DCMA activities.

4. RESPONSIBILITIES. All DCMA activities are to implement this change immediately.

5. BACKGROUND. This change is needed to assure Product Quality Deficiency Report (PQDR) and Supply Discrepancy Report (SDR) are properly processed, managed, investigated and documented.

6. NEW GUIDANCE.

a. Change paragraph 3. to read:

3. MANAGERS' INTERNAL CONTROL PROGRAM. In accordance with DCMA-INST 710, "Managers' Internal Control Program" (MICP) (Reference (d)), this Instruction is subject to evaluation and testing. The process flowcharts ***and key controls*** are located ~~at Appendix A.~~ ***on the Resource Web page.***

b. Change paragraph 2.1.1. to read:

2.1.1. Appoint a deficiency report program manager (DRPM) and notify their respective policy POC of the DRPM appointment. ***The DCMA International (DCMAI) QA Director will appoint a DRPM for outside the continental United States (OCONUS) CMOs.***

c. Add new paragraph 2.2.6.:

2.2.6. DCMAI DRPM duties, identified in the above paragraphs, are centralized and performed within the DCMAI Quality Assurance Division.

d. Add new paragraph 2.4.4.:

2.4.4. QA personnel should verify the contractor has an approved property management system--either by contacting the assigned contracting officer, property administrator, or via the Contract Business Analysis Repository.

e. Change paragraph 3.1.1. to read:

3.1.1. Formal deficiency reports are normally received electronically on a Standard Form (SF) 368, Product Quality Deficiency Report (PQDR) in the PDREP system. ***The DRPM should keep the PQDR status current in the PDREP system to enhance data integrity and accurate reporting. DRPM should manage the PQDR response time in PDREP by suspending the reportable time during pending actions and administration processing of the PQDR. The processing codes to suspend and manage the PQDR status are accessible in PDREP. The PDREP User Guide for DCMA DRPM and QA personnel should be used to the maximum extent possible to ensure data integrity and proper processing of PQDR investigations. PDREP access is available on the Resource Web page.***

f. Change paragraph 3.4.1.1. to read:

3.4.1.1. Determine ~~if the~~ supplier ~~requires~~ ***need for exhibit(s)*** ~~for an~~ ***to conduct*** investigation. ***DCMA QAR/DRPM should review the Contractor Request for Exhibit Letter to determine if the exhibit is necessary to facilitate the investigation of the identified deficiency or in the best interest of the Government. In the case of repeat PQDRs where previously related deficiencies have been investigated and an effective Corrective Action Plan (CAP) has been implemented, the decision to request the subsequent exhibits should be based upon the terms of the initial PQDR CAP (e.g., previous investigation results that are associated with the defect attribute(s) and preventive measures implemented by the contractor).*** The exhibit request or declination shall be accomplished within 7 days using the Contractor Request for Exhibit Letter in PDREP.

7. RELEASABILITY – UNLIMITED. This IPC is approved for public release.

8. EFFECTIVE DATE. This IPC is effective immediately and shall remain in effect until rescinded, superseded, or incorporated in a DCMA policy, whichever is sooner.

Michael E. Shields, Jr.
Executive Director
Quality Assurance

DEPARTMENT OF DEFENSE
Defense Contract Management Agency

INSTRUCTION

Deficiency Reports

Quality Assurance Directorate **DCMA-INST 305**
OPR: DCMA-QA **October 15, 2012**
Validated Current, October 10, 2013

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1. PURPOSE. This Instruction:

a. Reissues and establishes DCMA Product Quality Deficiency Report (PQDR) and Supply Discrepancy Report (SDR) policy in accordance with DoD Directive 5105.64, "Defense Contract Management Agency (DCMA)" (Reference (a)), DCMA-INST 501, "Policy Publications Program" (Reference (b)), and all references listed.

b. Cancels and replaces DCMA Instruction (DCMA-INST), "Customer Complaints - Quality Assurance" (Reference (c)).

c. Establishes policies, assigns roles and responsibilities, and provides procedures and metrics for maintaining an effective and efficient deficiency reporting program for DCMA. This includes establishing a formal mechanism for DCMA Quality Assurance (QA) personnel to follow to assure PQDRs and SDRs are properly processed, managed, investigated and documented.

2. APPLICABILITY. This Instruction applies to all organizational elements of DCMA. Exceptions to this Instruction for classified contracts/programs, due to security requirements, shall be processed in accordance with supplemental instructions maintained by the Special Programs Directorate. For the purposes of this Instruction and ease of referencing, Deficiency Reports (DR) may be used interchangeably to reference either a PQDR or SDR.

3. MANAGERS' INTERNAL CONTROL PROGRAM. In accordance with DCMA-INST 710, "Managers' Internal Control Program" (MICP) (Reference (d)), this Instruction is subject to evaluation and testing. The process flowcharts are located at Appendix A.

4. RELEASABILITY – UNLIMITED. This Instruction is approved for public release.

5. PLAS CODE. 066 – Deficiency Reports

6. POLICY RESOURCE WEB PAGE. Located at https://home.dcma.mil/policy/305r and includes reference links, applicable tools, waiver/deviation register, related correspondence/memorandums, training links and Instruction point of contact (POC).

7. EFFECTIVE DATE. By order of the Director, DCMA, this Instruction is effective immediately.

Michael E. Shields, Jr.
Executive Director
Quality Assurance

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REFERENCES

(a) DoD Directive 5105.64, "Defense Contract Management Agency (DCMA)," January 10, 2013
(b) DCMA-INST 501, "Policy Publications Program," October 1, 2013
(c) DCMA-INST, "Customer Complaints – QA," October 2009 (hereby canceled)
(d) DCMA-INST 710, "Managers' Internal Control Program," September 12, 2011
(e) Defense Logistics Agency Regulation (DLAR) 4155.24, "Product Quality Deficiency Report Program," July 20, 1993
(f) Defense Logistics Management System (DLMS) 4000.25, Volume 2, Chapter 17, "Supply Discrepancy Reporting," June 13, 2012
(g) Federal Acquisition Regulation (FAR), Subpart 46.7, "Warranties"
(h) Defense Federal Acquisition Regulation Supplement (DFARS), Subpart 246.7, "Warranties"
(i) DCMA-INST 313, "International Agreements/International Memoranda of Understanding/ Host Nation Contract Management Services," June 2010
(j) DCMA-INST 318, "QA Development," October 2010
(k) DCMA-INST 316, "Delegate Surveillance – QA," September 2010
(l) DCMA-INST 309, "GCQA Surveillance Planning," February 2012

CHAPTER 1

POLICY

1.1. POLICY. It is DCMA policy that:

1.1.1. This Instruction outlines DCMA's responsibilities contained in the Joint Service Regulation, Defense Logistics Agency Regulation (DLAR) 4155.24, "Product Quality Deficiency Report Program" (Reference (e)), and Defense Logistics Management System (DLMS) 4000.25, Volume 2, Chapter 17, "Supply Discrepancy Reporting" (Reference (f)).

1.1.2. This Instruction establishes processes and procedures to ensure all product quality deficiencies are investigated in a timely manner, adequate replies are submitted to action points, supplier corrective actions are implemented, and Government Contract Quality Assurance (GCQA) surveillance procedures are adjusted, as necessary, to prevent recurrence of defective product.

1.1.3. The Program Data Reporting and Evaluation Program (PDREP) is the automated information system that must be utilized for processing, managing, tracking, and documenting all DR investigation results. PDREP access is available on the Policy Resource Web page.

1.1.4. Deficiency reports for classified programs shall be processed in accordance with supplemental instructions maintained by the Special Programs Directorate.

1.1.5. If the items are covered by warranty, the repair, rework, or replacement and associated cost shall be handled in accordance with the warranty requirement in the contract as applicable to FAR 46.7 (Reference (g)) and DFARS 246.7 (Reference (h)). Investigations of DRs submitted for warranted items shall be handled the same as for any other DR. Contract terms and conditions take precedence over this Instruction.

1.1.6. Corrective action regarding deficiency reports for products procured using a commercial clause are typically limited to product replacement unless a specific contract addendum was imposed.

1.1.7. When operating in a Host Nation environment, QA personnel shall follow policy as outlined in DCMA-INST, "International Agreements/International Memoranda of Understanding/Host Nation Contract Management Services" (Reference (i)) when delegating the performance of the independent investigation to the Host Nation.

1.1.8. All deviation/waiver requests for this Instruction must be in accordance with DCMA-INST 501, "Policy Program," Chapter 7, Request for Deviation/Waiver.

CHAPTER 2

ROLES AND RESPONSIBILITIES

2.1. CMO COMMANDER/DIRECTOR. The CMO commander/director shall:

2.1.1. Appoint a deficiency report program manager (DRPM) and notify their respective policy POC of the DRPM appointment.

2.1.2. Ensure the appointed DRPM possesses the necessary competencies to perform the tasks defined in this Instruction as related to the assigned facility, contract, or product.

2.1.3. Ensure Contract Management Team administrators maintain the accuracy of QA personnel/DRPMs as they change over time.

2.1.4. Approve final responses for Category (Cat) I PQDR investigation reports prior to the DRPM's release to the action point.

2.2. DEFICIENCY REPORT PROGRAM MANAGER (DRPM). The DRPM shall:

2.2.1. Establish a 20-day suspense for Cat I PQDR investigation reports and a 30-day suspense for Cat II PQDR investigation reports. This suspense date shall begin when the PQDR is received and acknowledged by the DRPM.

2.2.2. Collaborate with QA personnel on replies as the DR investigation progresses.

2.2.3. Collaborate with QA personnel to ensure, if required, the exhibit is requested.

2.2.4. Provide the final DR investigation report to the action point.

2.2.5. Request and forward exhibit disposition instructions, if not previously provided.

2.3. FIRST-LEVEL SUPERVISOR (FLS). The FLS shall:

2.3.1. In accordance with DCMA-INST, "QA Development" (Reference (j)), ensure QA personnel possess the necessary competencies to perform the tasks defined in this Instruction as related to the assigned facility, contract, or product.

2.3.2. Review the investigation report for completeness and ensure adequate replies are provided prior to release to the DRPM.

2.4. QA PERSONNEL. QA personnel shall:

2.4.1. Provide the DRPM interim replies in PDREP every 20 days (Cat I) or 30 days (Cat II).

2.4.2. Perform a comprehensive independent investigation and coordinate with the supplier, as required, to identify the following information:

- Root cause(s) of the noted deficiency(ies)
- Corrective and preventive action(s) for both supplier and Government
- Supplier's position with respect to repair or replacement of product(s)

- PQDR Summary Codes to be used in the report of the investigation
- Required adjustments to GCQA Surveillance

2.4.3. Ensure the supplier completes the DR investigation, or requests an extension before the established suspense date.

CHAPTER 3

PROCEDURES

3.1. RECEIVE AND REVIEW DEFICIENCY REPORT.

3.1.1. Formal deficiency reports are normally received electronically on a Standard Form (SF) 368, Product Quality Deficiency Report (PQDR) in the PDREP system.

3.1.2. SF 364, Supply Discrepancy Reports (SDR), also commonly referred to as Reports of Discrepancy (ROD), are used to report shipping or packaging discrepancies attributable to the shipper (including U.S. Government sources and contractors/manufacturers/vendors). SDRs may also be used to document product quality deficiencies from foreign military sales (FMS) customers per Security Assistance Program agreements.

3.1.3. Upon receipt of the PQDR/SDR, the DRPM shall:

3.1.3.1. Review the DR for required information and determine if an investigation is warranted. If the DR is incomplete or missing information that prevents performing an investigation, contact the action point to resolve incomplete or missing information that is easily correctable. If the information is not easily correctable, return the DR to the action point.

3.1.3.2. When DRs are received other than in PDREP, determine if the DR is handled as an information only PQDR/SDR or requires an investigation based on the criticality of the deficiency.

3.1.3.3. When misdirected DRs are received, contact the action point to confirm the DR contains the correct information. A DR sent directly to a subcontractor is considered a misdirected DR even when the subcontractor's location is designated as Place of Performance (PoP) in the contract.

3.1.3.4. Return items that were locally purchased, transportation-type discrepancies, and malfunctions involving ammunition and explosive DRs to the action point. Malfunctions involving ammunition and explosives shall be reported in accordance with individual Component procedures. Deficiencies, other than malfunctions, involving ammunition and explosives must be investigated in accordance with this Instruction.

3.1.3.5. Forward the notification of discrepancy to the appropriate CMO team for investigation.

3.1.3.6. Forward Navy Special Emphasis Operations (NSEO) DRs, for investigation, to the NSEO DRPM for action. Investigation results will be coordinated with the Primary Quality Assurance Representative.

3.2. ACKNOWLEDGE DEFICIENCY REPORT.

3.2.1. The DRPM must acknowledge receipt for Cat I PQDRs within 24 hours and Cat II PQDRS within 3 calendar days in PDREP.

3.2.2. If the period of time for acknowledging receipt of investigation requests to an action point occurs during facility shutdown periods (weekends/holidays), the acknowledgement shall occur on the next business day.

3.3. CONDUCT INITIAL DEFICIENCY REPORT INVESTIGATION.

3.3.1. QA personnel shall conduct an initial investigation which consists of a review of Government records and supplier performance data to determine if there is any previous history regarding the identified deficiency. If a reported deficiency is the same as a previously resolved DR, or the deficiency is currently under investigation, a response shall be provided to the customer indicating any previous or current corrective actions taken by the supplier.

3.3.2. If support is needed at a subcontract level to support an investigation (i.e., verify corrective actions taken by the supplier/subcontractor) QA personnel shall, in accordance with DCMA-INST, "Delegate Surveillance – QA" (Reference (k)), delegate the request for support in PDREP. If the product was produced at a subcontractor facility, the prime CMO retains responsibility for conducting an independent investigation. Delegating support via PDREP does not absolve the prime CMO of their responsibility to conduct an independent investigation.

3.4. DETERMINE NEED FOR DEFICIENCY REPORT EXHIBITS.

3.4.1. QA personnel shall:

3.4.1.1. Determine if the supplier requires exhibits for an investigation. The exhibit request or declination shall be accomplished within 7 days using the Contractor Request for Exhibit Letter in PDREP.

3.4.1.2. Ensure the supplier follows disposition instructions for PQDR exhibits per the instructions received from the action point through the DRPM.

3.4.1.3. Notify the DRPM when the exhibit ships.

3.4.2. When exhibits are requested, PDREP assigns a new suspense date of 25 days for the supplier and QA personnel. The DRPM may extend the suspense date 5 days, at which time either an interim or final reply should be released to the action point.

3.4.3. If the exhibits are not received by the 45-day maximum waiting period, QA personnel shall submit a final report to the DRPM for subsequent release to the action point. The report shall include an assessment of current production and inventory and the results of a record review for both supplier and Government data. Also, the report shall stipulate that the investigation will be reopened when the requested exhibits arrive.

3.5. RECEIVE REQUESTED EXHIBITS.

3.5.1. Upon receipt of a requested exhibit, QA personnel shall witness the opening of the shipping container to assure no damage occurred during shipment. When shipment damage is discovered, QA personnel shall document the findings on the Exhibit Receipt Letter in PDREP and notify the action point and the supplier.

3.5.1.1. Depending on the extent of damage, the DR investigation may be limited to a collaborative review with the supplier.

3.5.1.2. The collaborative review should include: Supplier QA records, DCMA QA records, drawings, specifications and, as required, other contractual requirements to potentially determine a cause.

3.5.2. QA personnel shall keep the action point informed of the status of the PQDR investigation by issuing an Exhibit Receipt Letter from PDREP within 5 days upon receipt of exhibit.

3.5.3. If the PQDR will take longer than 20 days (Cat I) or 30 days (Cat II) to investigate and resolve, QA personnel shall provide interim replies providing, as a minimum, the status of the investigation and an anticipated completion date. **NOTE:** A final report is due, after receipt of the exhibit, within 20 days for Cat I PQDRs and 30 days for Cat II PQDRs.

3.6. CONDUCT DEFICIENCY REPORT INVESTIGATION.

3.6.1. To determine the root cause of the deficiency and/or validate the DR, QA personnel shall:

3.6.1.1. Coordinate the investigation with the supplier and perform a comprehensive independent investigation to identify affected products, processes, and root causes. If technical data or design deficiencies are suspected, coordinate with CMO manufacturing and/or engineering personnel for assistance. Affected product includes: current production, delivered product, and product in inventory.

3.6.1.2. Determine the validity of the DR through independent inspection/test or by witnessing the supplier's evaluation.

3.6.1.3. Ensure the supplier takes effective corrective action to address the root cause of the deficiency and to preclude recurrence. The following should be considered when determining root cause:

- Completeness and clarity of contractual requirements, including the technical data package (TDP)
- Completeness, clarity, and compatibility of supplier product realization documentation, such as work orders, product and process specifications, purchase orders, inspection plans, and test procedures to contractual requirements
- Competencies of manufacturing, inspection, and test personnel
- Adequacy and condition of tooling
- Control of supplier manufacturing, measuring and test equipment
- Adequacy and compatibility of the product verification methods used by both the supplier and the customer
- Adequacy of packaging and handling methods
- Supplier investigations and corrective action responses that attribute nonconformances to "surface causes" such as operator error, poor workmanship, or new employee will be challenged and investigated further

3.6.1.4. When the investigation is complete and the supplier is at fault, evaluate and verify/validate the results of the supplier's investigation and determine the adequacy of actions taken.

3.6.1.5. Determine the supplier's position regarding repair or replacement of affected items. If the item was under warranty, the supplier is still required to take corrective and preventive action.

3.7. DETERMINE NEED FOR ADJUSTMENTS TO QA SURVEILLANCE. As a result of the investigation (or when determined necessary), QA personnel shall in accordance with DCMA-INST, "GCQA Surveillance Planning," (Reference (l)), document adjustments to the intensity/intervals and additional risk causes in the GCQA surveillance plan.

3.8. COMPLETE THE DEFICIENCY REPORT INVESTIGATION.

3.8.1. **NOTE:** If at any time during the investigation the material is suspected to be either counterfeit or an unauthorized product substitution, QA personnel shall immediately contact the Contract Integrity Center (CIC) for additional guidance before proceeding with the investigation. (CIC link is located on the Policy Resource Web page).

3.8.2. QA personnel shall document PQDR investigation results on DLA Form 1227, "Product Quality Deficiency Investigation Report" by following the DLA Form 1227 Instruction Guide supplied in PDREP. Ensure, as applicable, the elements listed below are addressed prior to release to the DRPM:

3.8.2.1. Root cause for the deficiency including whether the reported deficiency was validated during the investigation; include applicable responsibility (e.g., supplier error, maintenance error, procurement error, design, or TDP error), or the reasons responsibility could not be determined.

3.8.2.2. Corrective action(s) taken or planned by the supplier to address the deficiency being investigated, prevent future occurrence of the deficiency, address the supplier's position with regard to repair or replacement, and impact(s) on current production, assets in inventory, or delivered product.

3.8.2.3. Corrective action(s) taken or planned by Government (DCMA) and any adjustments to GCQA surveillance.

3.8.2.4. Ensure applicable cause codes are selected. Cause codes X (undetermined cause) and Z (not applicable) must only be used as a last resort when a thorough investigation does not validate any other cause code. Proper coding of completed PQDR investigations help facilitate the data analysis needed to identify problematic vendors or groups of items.

3.8.3. QA personnel must forward DR investigation results to the FLS or their designee for review prior to release to the DRPM.

3.8.4. After the FLS reviews the DR investigation results, the DRPM shall:

3.8.4.1. Obtain the CMO commander/director's approval for Cat I PQDR responses prior to final release to the action point and document the approval in PDREP.

3.8.4.2. Prior to releasing the final DLA Form 1227 to the action point, concur with or modify (if required), the DCM Data (defect/cause code) entries.

3.8.5. Depending on the results of the investigation, the Government Industry Data Exchange Program (GIDEP) representative for the CMO may issue a GIDEP Alert or other form of Failure Experience Data report. GIDEP access is located on the Policy Resource Web page.

3.8.6. The following process indicators: PQDRs Cat I Closure, PQDRs Cat II Closure, PQDR Cause codes X (undetermined cause) and Z (not applicable), and supplier indicator (Top 3 Problem Suppliers) should be utilized to track, analyze, and improve performance associated with the overall PQDR process. Links to these performance metrics are located on the Policy Resource Web page.

3.9. DISPOSITION OF INVESTIGATION EXHIBITS.

3.9.1. PQDR exhibits are Government Property and require disposition instructions from the action point. If instructions were not received with the report, QA personnel or the DRPM shall request disposition instructions via PDREP.

3.9.2. QA personnel shall provide the supplier with a copy of the disposition instructions and ensure the PQDR exhibit is returned to the Government in accordance with the instructions provided from the action point. If there is loss, damage, or destruction of Government property while in the custody of the supplier or sub-supplier, the DCMA Government Property Administrator shall be notified for appropriate action.

3.9.3. If the supplier determines the exhibit is dispositioned as scrap, QA personnel shall coordinate the handling of the exhibit with the plant clearance officer.

3.9.4. QA personnel shall upload into PDREP the Material Inspection & Receiving Report (replacement items), DD 1149, Requisition and Invoice/Shipping Document (repairs or scrap), or commercial shipping document that indicates the exhibit disposition instructions were executed.

3.9.5. QA personnel shall issue the Exhibit Return Letter from PDREP informing the action point as to the status of the exhibit.

3.9.6. The DRPM should initiate a follow-up request in the event disposition instructions are not received by 30 days following a final investigation reply. If disposition instructions are not received within 30 days after the follow-up request, prepare or request the supplier to prepare a DD Form 1149, Requisition and Invoice/Shipping Document, identifying the transportation control number related to the original shipment and return the exhibit to the place from which it was received and notify the action point of the shipment. In the event the exhibit is obviously scrap materiel, or the supplier fails to return the exhibit, the plant clearance officer will be requested to effect disposition and disposal under FAR 45.6.

3.9.7. The DRPM shall complete the required entries in PDREP after exhibit disposition, to close out the investigation.

3.10. PREPARE OUTGOING PQDRs ON GOVERNMENT FURNISHED EQUIPMENT (GFE) OR GOVERNMENT FURNISHED MATERIAL (GFM).

3.10.1. The SF 368 shall be used to report the receipt of deficient GFE or GFM. The CMO issuing the report shall request the supplier prepare a SF 368. If the supplier cannot or will not initiate the document, QA personnel shall complete the form in PDREP.

3.10.2. For supplier initiated SF 368s, QA personnel shall verify the supplier's Report Control Number (RCN) is constructed properly.

3.10.2.1. The Department of Defense Activity Address Code (DoDAAC) portion of the RCN shall be replaced by the Commercial and Government Entity (CAGE) code of the supplier in receipt of the defective GFM, preceded by the number "0."

3.10.2.2. QA personnel shall verify and annotate concurrence with the supplier's findings in Block 3 of the SF 368.

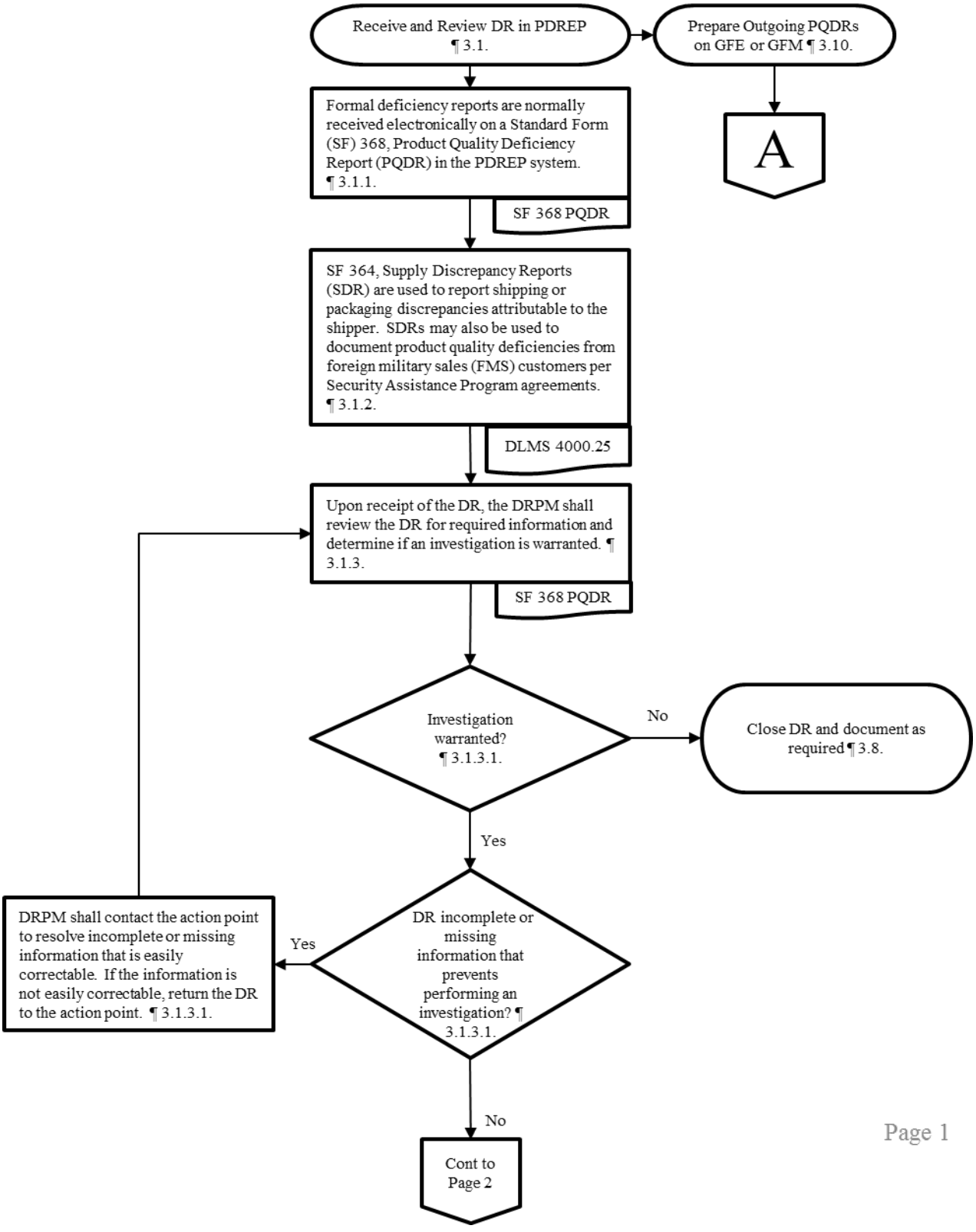
3.10.2.3. QA personnel shall then forward the SF 368 through the administrative contracting officer (ACO) to the procuring contracting officer and copy the DRPM within 5 days of receipt of the SF 368.

3.10.3. Shipping/Packaging/Transportation Deficiencies. When the discrepancy is related to shipping, packaging, or the carrier, QA personnel shall follow the procedures above except the discrepancy will be reported on an SF 364 and distribution shall be as described in DLMS 4000.25 (Reference (f)). If the discrepancy is related to a transportation matter, the Transportation Officer shall be notified.

3.10.4. Industrial Plant Equipment. QA personnel shall follow the shipping/packaging procedure except an SF 364 (in PDREP) is used to document the discrepancy and DLA Aviation at Richmond, VA is the action office. One copy of the SF 364 shall be sent to the ACO and one to the Property Administrator.

APPENDIX A

DEFICIENCY REPORTS FLOWCHART



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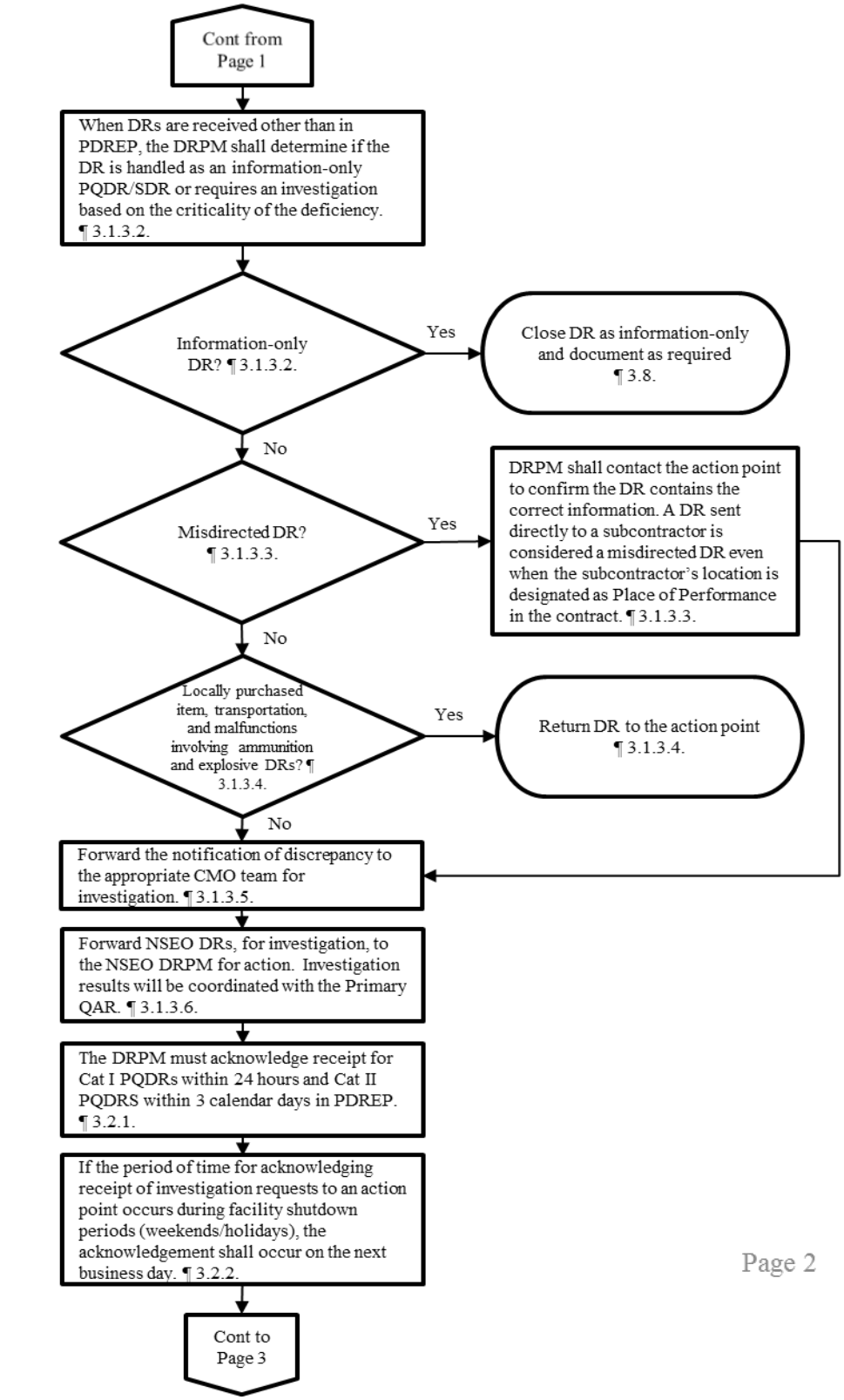

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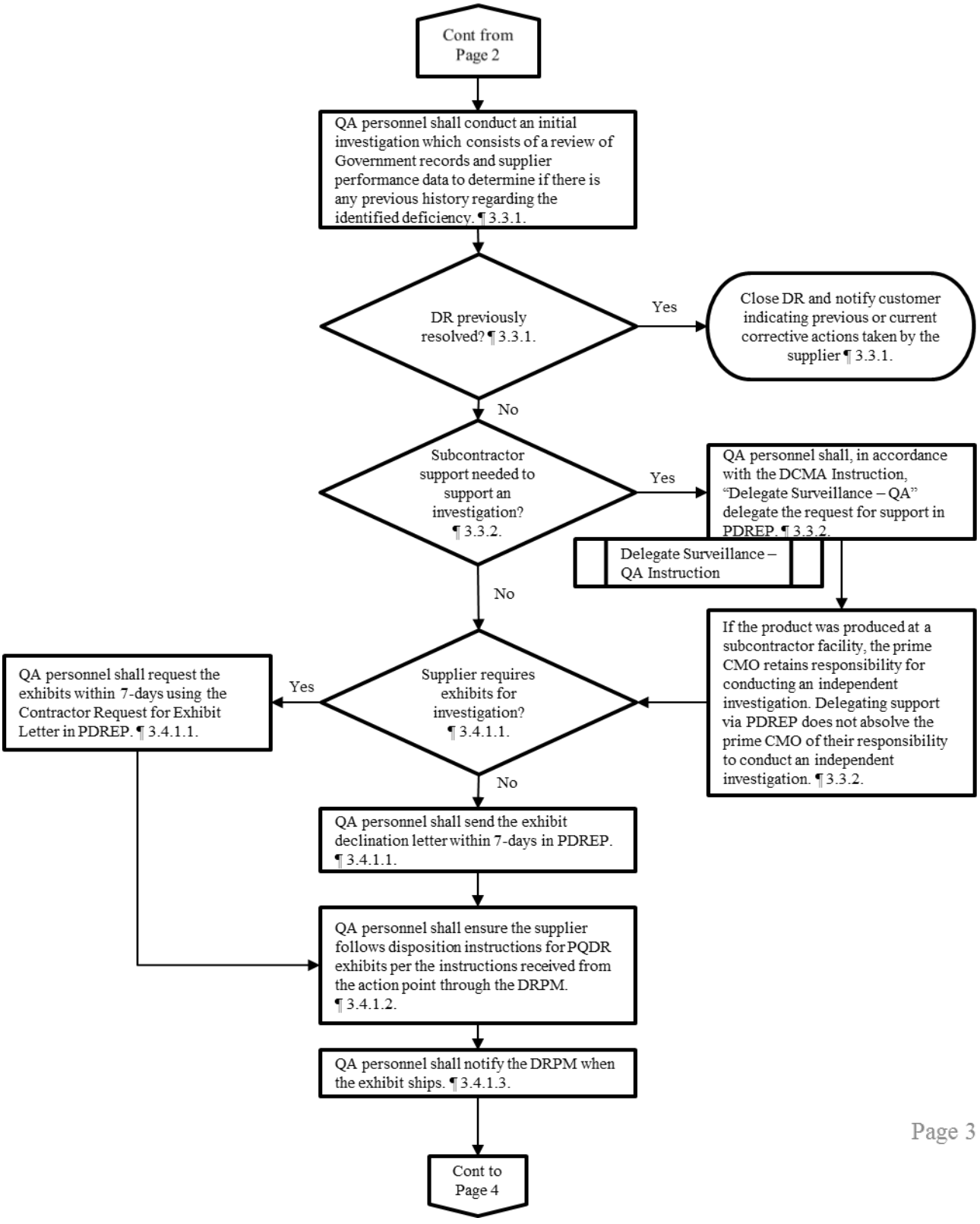

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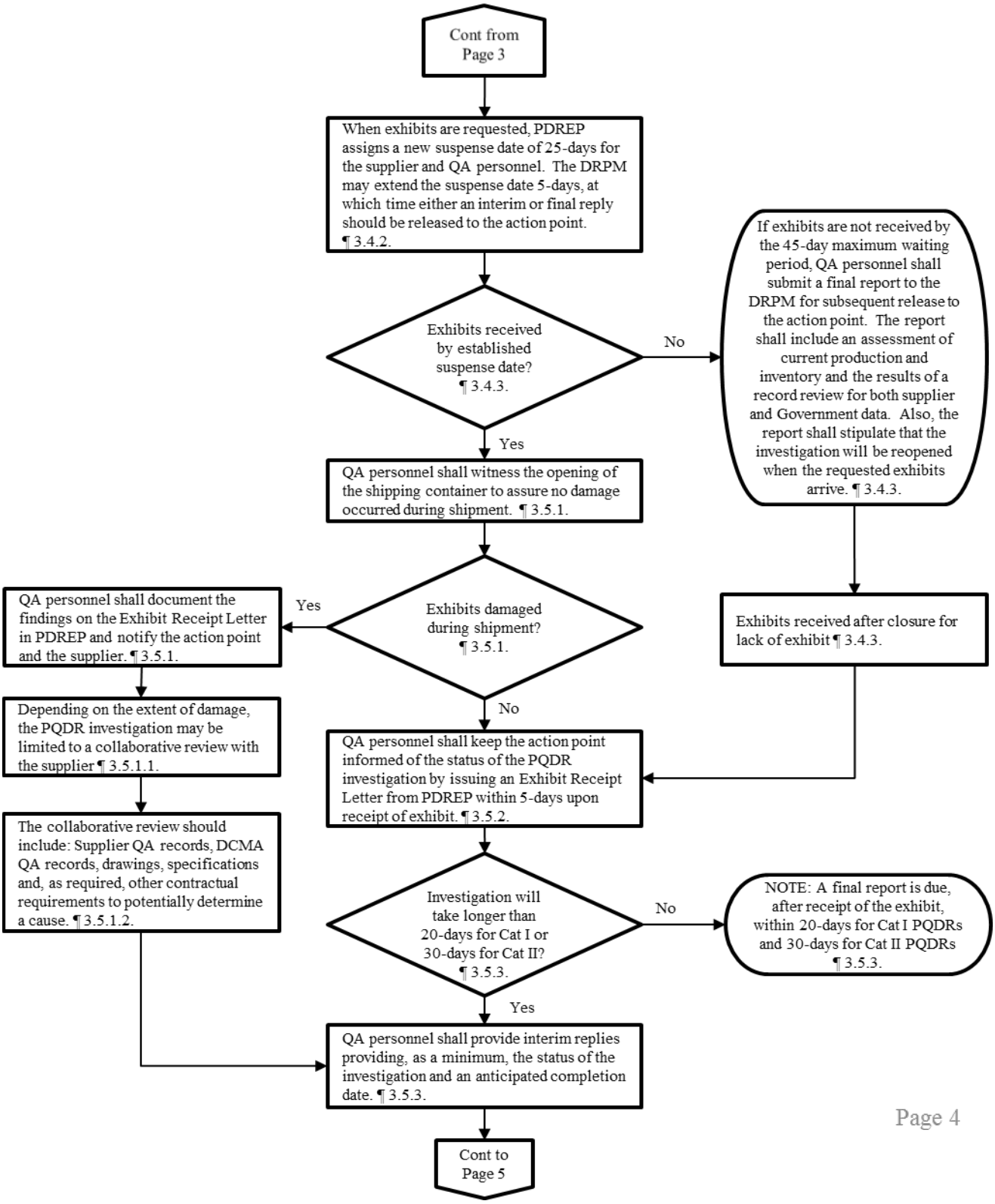
DEFICIENCY REPORTS FLOWCHART (cont.)



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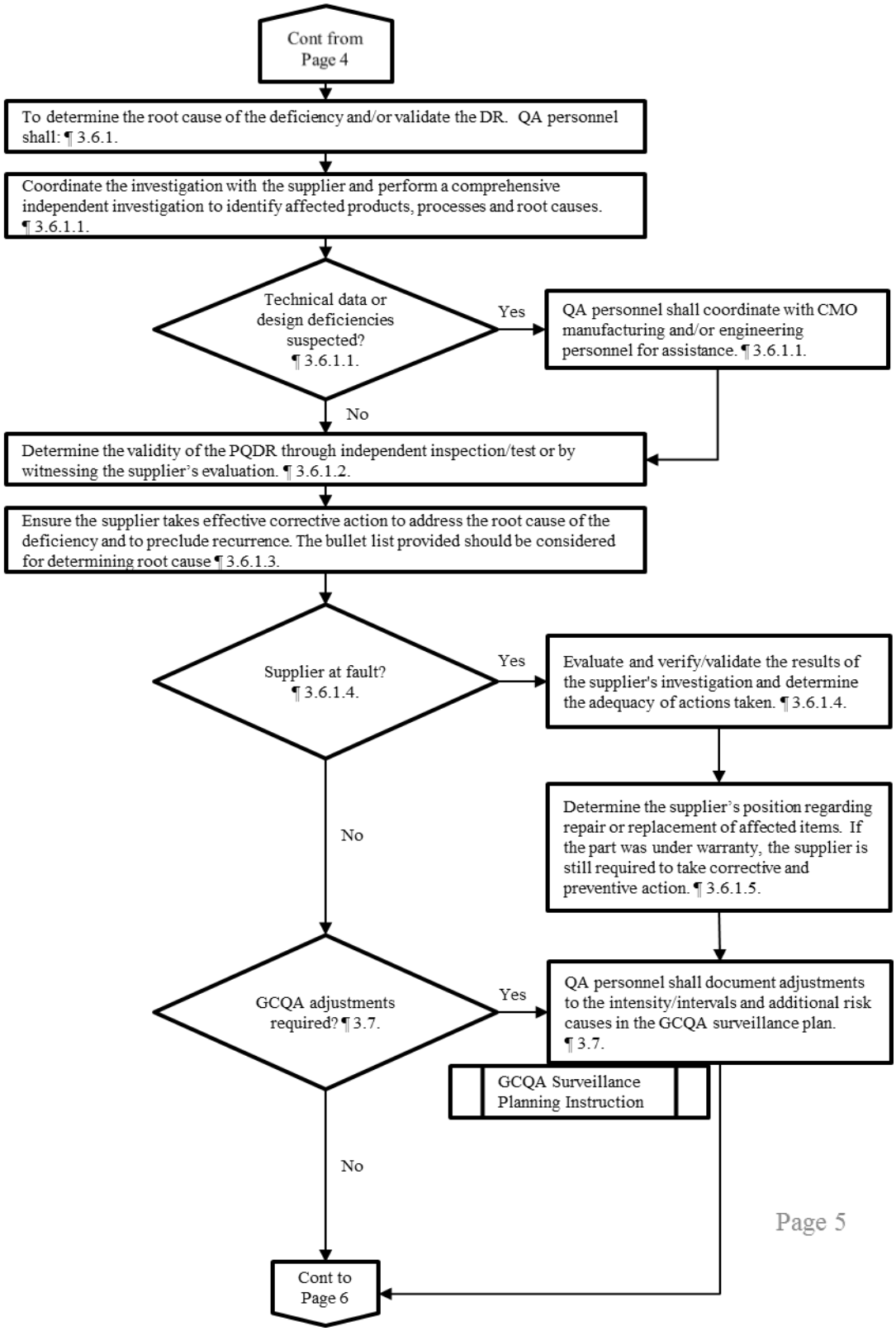
DEFICIENCY REPORTS FLOWCHART (cont.)



APPENDIX A

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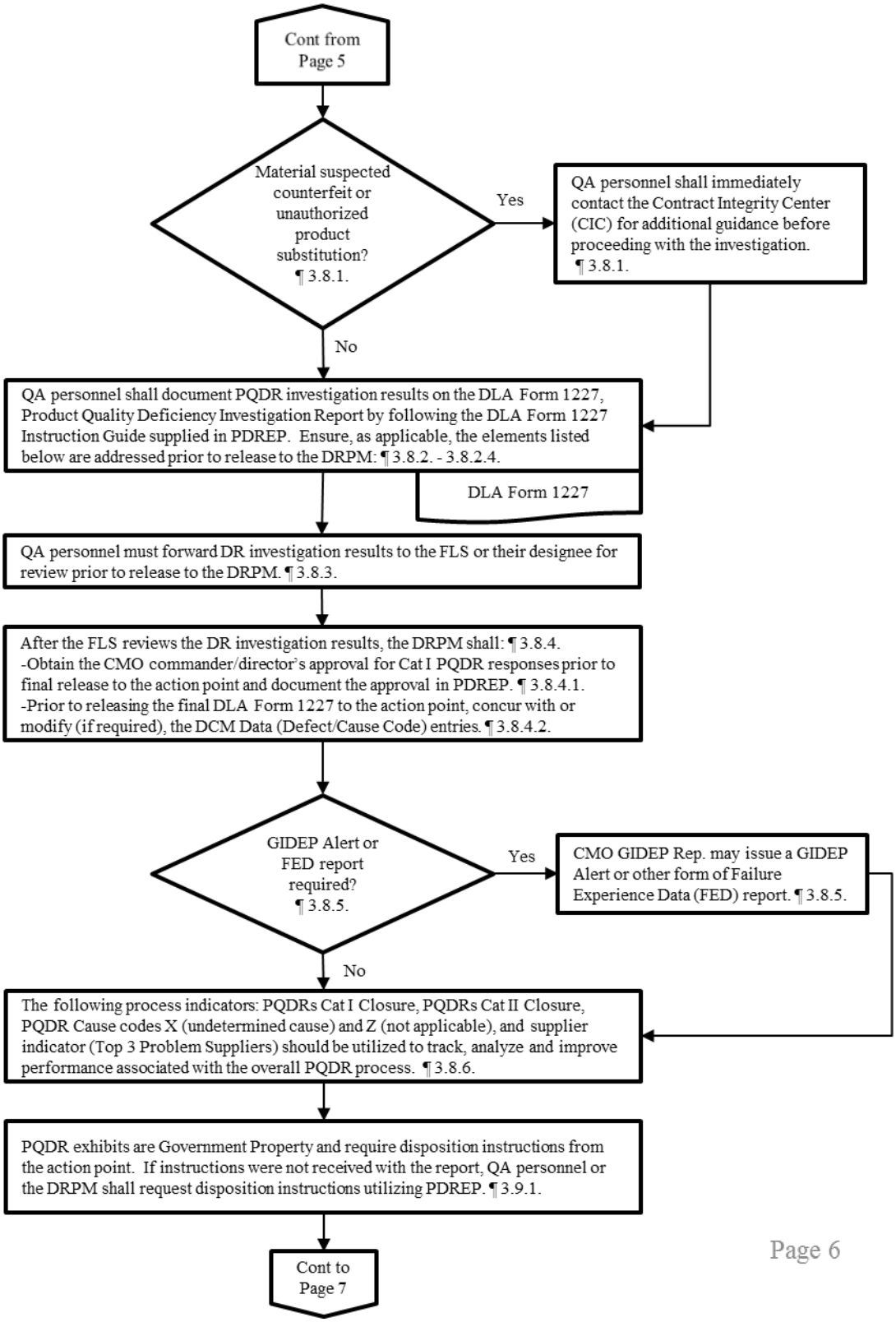

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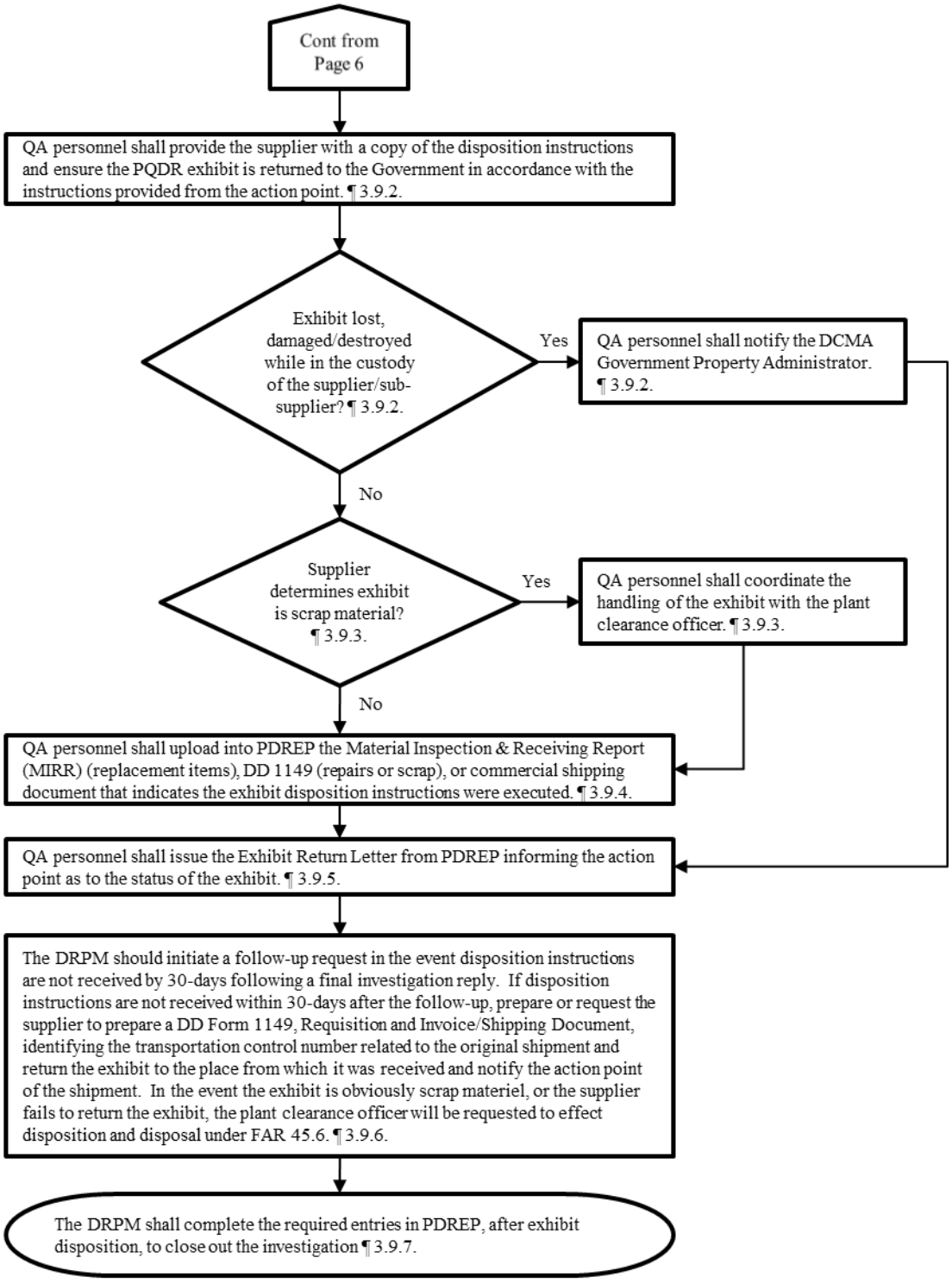
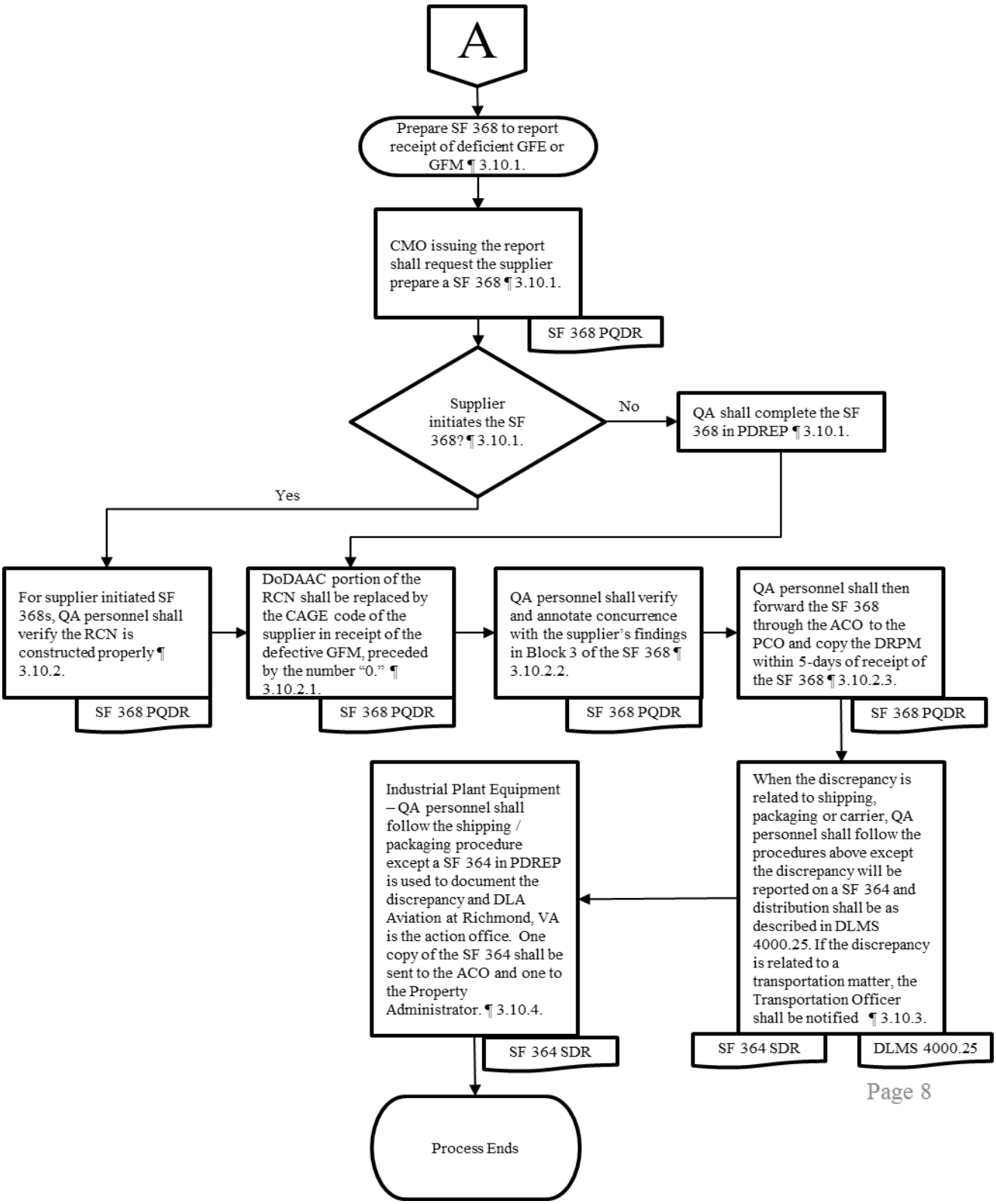
DEFICIENCY REPORTS FLOWCHART (cont.)



APPENDIX A

DEFICIENCY REPORTS FLOWCHART (cont.)



GLOSSARY

DEFINITIONS

Action Point. Designated Service or Agency that investigates and resolves a reported deficiency. An action point often collaborates with a support point.

Acknowledgment. Response from one activity to another informing them of receipt of PQDR, initial disposition instructions, estimated date of completion, and other information, as appropriate.

Category I Deficiency Report. A report of a product quality deficiency which may cause death, injury, or severe occupational illness; would cause loss or major damage to a weapon system; critically restricts the combat readiness capabilities of the using organization; or which would result in a production line stoppage.

Category II Deficiency Report. A report of a product quality deficiency, which does not meet the criteria, set forth in Category I. Category II normally is used for reporting major and minor defects.

Closure. PQDRs are closed when the investigation into the assignable cause is determined, corrective and preventive action is initiated, credit and disposition instructions for the materiel are provided, and the exhibit is returned or disposed of as directed.

Corrective Action. Those actions taken to correct the defective items reported and all other defective items supplied or are in the supply pipeline. They include repair, replacement, alert notifications, and segregation, screening, and disposition of existing product. They also include all actions that can effect restitution for the defective items, i.e., credit, partial credit, refund, or service of a like kind.

Counterfeit Material. An item that is an unauthorized copy or substitute that has been identified, marked, or altered by a source other than the item's legally authorized source and has been misrepresented to be an authorized item of the legally authorized source.

Enterprise Business System (EBS). DLA's Enterprise Resource Planning (ERP) automated information system utilized to manage DLA's Supply Chain processes. The overall modernization objectives for EBS include improving customer support and providing better access to DLA's portfolio of business systems and processes.

Exhibit. The item reported as being deficient, or a sample item, which represents the reported deficient condition, which can be analyzed to determine the possible cause of the defect.

Failure Experience Data (FED). The FED is a current compilation of failure analysis reports and failure data source documents maintained by the GIDEP Operations Center for use by all GIDEP participants. These reports are used to notify GIDEP participants about nonconforming parts, components, chemicals, processes, materials, specifications, test instrumentation, counterfeit material / unauthorized product substitution, unapproved parts, safety, and hazardous situations including health hazards. The FED consists of objective data in five types of reports –

ALERT, SAFE-ALERT, AGENCY ACTION NOTICE, PROBLEM ADVISORY, and LESSONS LEARNED.

Information Only Report. A deficiency report sent to an Activity as a "copy furnished," "information only copy," or via a transmittal letter stating the report is furnished for information only. A written response to the sending Activity is not required. However, local action may be required by the recipient, such as assuring corrective action, verifying supplier compliance, etc.

Interim Reply. Correspondence that is used to advise that the response timeframes cannot be met. Interim replies should provide, at a minimum, the status of the investigation and an anticipated completion date.

Joint Deficiency Reporting System (JDRS). JDRS is a cross-service web enabled automated tracking system designed to initiate, process and track deficiency reports from the Warfighter through the investigation process.

Malfunction. Failure of an ammunition item to function as expected when fired or launched, or when explosive items function under conditions that should not cause functioning. Malfunctions include hangfires, misfires, duds, abnormal functioning, and premature functioning of explosive ammunition items under normal handling, maintenance, storage, transportation, and tactical deployment.

Screening Point. A designated Activity(ies) identified within each Component that: reviews the PQDR for proper categorization, validity, correctness of entries, accuracy, and completion of information addresses; determines and transmits the PQDR to the proper action point within or outside the Component; maintains an audit trail for each PQDR; reviews closeout responses from action points; and collects, maintains, and exchanges PQDR data.

Summary Code. A nine character code that provides the overall conclusion of the PQDR investigation that includes determination of responsibility, severity, broad and detailed cause, corrective action and preventive actions and materiel disposition of the PQDR.

Support Point. An Activity that assists the action point by conducting and providing results of a special analysis or investigation pertinent to the correction and prevention of a reported product quality deficiency.

GLOSSARY

ACRONYMS

ACO	administrative contracting officer
CIC	Contract Integrity Center
CMO	contract management office
DCMA-INST	DCMA Instruction
DFARS	Defense Federal Acquisition Regulations Supplement
DLA	Defense Logistics Agency
DLAR	Defense Logistics Agency Regulation
DLMS	Defense Logistics Management System
DoDAAC	Department of Defense Activity Address Code
DR	deficiency report(s)
DRPM	deficiency report program manager
FAR	Federal Acquisition Regulation
FLS	first-level supervisor
FMS	foreign military sales
GCQA	Government Contract Quality Assurance
GFE	Government Furnished Equipment
GFM	Government Furnished Material
GIDEP	Government Industry Data Exchange Program
MICP	Managers' Internal Control Program
NSEO	Navy Special Emphasis Operations
PDREP	Program Data Reporting and Evaluation Program
PLAS	Performance Labor Accounting System
POC	point of contact
PoP	Place of Performance
PQDR	Product Quality Deficiency Report
QA	Quality Assurance
RCN	Report Control Number
SDR	Supply Discrepancy Report
SF	standard form
TDP	technical data package