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1. PURPOSE. This Instruction:

a. Cancels and replaces DCMA Instruction (DCMA-INST) 320, "NSEP QARI" (Reference (a)).

b. Establishes policies, assigns roles and responsibilities, and identifies the quality and technical requirements for DCMA Navy Special Emphasis Operations (NSEO) personnel responsible for in-plant quality assurance (QA) oversight of Navy Special Emphasis Program (NSEP) suppliers.

c. Ensures recurring adequacy of suppliers' understanding and performance to contract and product requirements.

d. Identifies specific NSEP surveillance requirements needed to ensure maximum confidence in the materials, components, documents, and systems essential to the safe operation of nuclear, nonnuclear, and Subsafe systems.

e. Is established in accordance with (IAW) DoD Directive (DoDD) 5105.64 (Reference (b)), DCMA-INST 501, "Policy *Publications* Program" (Reference (c)), and all references listed.

2. APPLICABILITY. This Instruction applies to all QA personnel with in-plant QA oversight and administrative responsibilities for the applicable NSEP-designated program within the NSEO contract management office (CMO). This Instruction does not apply to Naval Nuclear Propulsion Program (NNPP) principal suppliers.

3. MANAGERS' INTERNAL CONTROL PROGRAM (MICP). This Instruction is subject to evaluation and testing IAW DCMA-INST 710, "Managers' Internal Control Program" (Reference (d)). The process flowchart ~~is~~ *and key controls are* located ~~at Appendix A~~ *on the Resource Page*.

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

5. PLAS CODES.

    a. The following process codes must be used to document QA efforts:

- 085A - SQA - Surveillance - Customer Requirements
- 085B - SQA - Surveillance - Key Processes
- 085C - SQA- Surveillance - Risk Handling Methods
- 085D - SQA - Corrective Action
- 085E - SQA - Acceptance
- 085F - Other Direct - SQA - Support to Direct SQA

    b. The following codes must be used in addition to, or in lieu of, the 085 codes to document processes which are unique to NSEP:

- AB68 - Perform/Support NSEP NDT PT Requirements
- AC68 - Perform/Support NSEP NDT MT Requirements
- AD68 - Perform/Support NSEP NDT RT Requirements
- AE68 - Perform/Support NSEP NDT UT Requirements
- AG68 - Perform/Support NSEP NDT ET Requirements
- BA68 - LI/SS Joint Source – Certification Package Review Source Inspection Requirement
- BB68 - LI/SS Joint Source - Coordinate Source Inspection
- BC68 - LI/SS Joint Source Cert-Perform Joint Inspection
- BD68 - LI/SS Joint Certification – Verify MIC Markings and Sign DD250

6. POLICY RESOURCE WEB PAGE. https://home.dcma.mil/POLICY/320r

7. EFFECTIVE DATE. By the order of the Director, DCMA, this Instruction is effective October 24, 2013 and all applicable activities shall be fully compliant within 60 days from this date.

Michael E. Shields, Jr.
Executive Director
Quality Assurance

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REFERENCES

(a)   DCMA-INST 320, "NSEP QARI," June 2011 (hereby canceled)
(b)   DoDD 5105.64, "Defense Contract Management Agency (DCMA)," January 10, 2013
(c)   DCMA-INST 501, "Policy *Publications* Program," *May 12, 2014*
(d)   DCMA-INST 710, "Managers' Internal Control Program," *April 21, 2014*
(e)   NSTR-2000, "Naval Nuclear Propulsion Program Manual for In-Plant Quality Assurance Oversight," Revision 2, April 2004
(f)   DCMA-INST 325, "Contract Technical Review —QA," *January 23, 2014*
(g)   DCMA-INST 118, "Contract Receipt and Review," June 25, 2013
(h)   DCMA-INST 327, "Postaward Orientation Conference - QA," *April 10, 2014*
(i)   DCMA-INST 309, "*Government Contract Quality Assurance (*GCQA*)* Surveillance Planning," *June 3, 2014*
(j)   DCMA-INST 324, "Product Examination —QA," *August 25, 2014*
(k)   DCMA-INST 323, "Data Collection and Analysis," *May 8, 2014*
(l)   DCMA-INST 1201, "Corrective Action Process," *September 23, 2013*
(m)   NSTR-99-DCMA, "Naval Nuclear Propulsion Program Qualification and Monitoring Requirements for Defense Contract Management Agency Nondestructive Test Personnel," Revision 0, May 2007
(n)   DCMA-INST 318, "QA Development," *August 18, 2014*

CHAPTER 1

POLICY

1.1. OVERVIEW.

1.1.1. DCMA NSEO QA personnel must identify quality and technical requirements for resident and nonresident QA oversight and administrative responsibilities for NSEP within the NSEO CMO. Contractors managed by CMOs (other than NSEO) with NSEP-designated programs are referred to as **shared suppliers**.

1.1.2. DCMA NSEO QA personnel develop surveillance plans and perform recurring oversight of the suppliers' quality, planning, production, manufacturing, test, and inspection processes to assess and assure suppliers' established practices and methods meet contract requirements and to verify, through direct observation, supplier compliance with internally established requirements.

1.1.3. DCMA QA personnel perform the work described in this Instruction on all NSEP contracts assigned for inspection and/or acceptance unless directed otherwise by a delegating activity on designated NSEP programs. NSEP programs require maximum confidence in the materials, components, documents, and systems used on board all Navy ships, including submarines, nuclear, and nonnuclear powered surface vessels. These materials, components, documents, and systems are essential to the safe operation of the Navy fleet. They have the highest level of criticality. This level of criticality requires DCMA QA personnel to perform the work described herein on all NSEP contracts assigned for inspection and/or acceptance unless directed otherwise by a delegating activity. Designated NSEP programs include:

- Nuclear Plant Material (NPM) Program
- Level I/Subsafe (LI/SS) Program
- Naval Propulsion Program (NPP)
- Deep Submergence Systems/Scope of Certification Program (DSS-SOC)
- Fly By Wire Ships Control Systems (FBWSCS)
- Ships Critical Safety Items (SCSI)
- Naval Nuclear Propulsion Program (NNPP) – not covered by this Instruction

1.1.4. The following are Special Material Identification Codes (SMIC) that require additional emphasis.

1.1.4.1. <u>NPM SMICs</u>. SMICs X1, X2, X3, X4, X5, and X6.

1.1.4.2. <u>NPM Nuclear Level I SMICs with Traceability Requirements</u>. SMICs X2, X4, and X6. **NOTE:** SMIC X1 may be Level 1; SMIC X2 sometimes may not be Level 1.

1.1.4.3. <u>Level I Non-Nuclear SMICs</u>. SMICs L1, D4, D5, D6, Q3, S1, C1, Q5, D0, D7, D8, SW, VU, and VG.

CHAPTER 2

ROLES AND RESPONSIBILITIES

2.1. NSEO COMMANDER. The NSEO commander may direct specific oversight activities based upon a risk assessment of the product and vendor performance.

2.2. SECOND-LEVEL SUPERVISOR (GROUP LEADER). The group leader responsible for NSEO support must:

2.2.1. Assist the first-level supervisor (FLS) with the development of effective quality control methods and application of critical thinking across all QA teams within the CMO.

2.2.2. Assist the FLS with development of internal corrective action plans (CAP), if needed.

2.2.3. Evaluate and coordinate CAPs for submission to the CMO commander/designated representative for approval.

2.2.4. Evaluate the effectiveness of corrective action implemented to prevent recurrence and assess the impact/applicability across all QA teams within the CMO.

2.3. NSEO QA FIRST-LEVEL SUPERVISOR (FLS). The NSEO QA FLS:

2.3.1. Must assure NSEO QA personnel possess the necessary competencies to perform the tasks defined in this Instruction as it relates to the assigned facility, contract, or product.

2.3.2. Must ensure compliance with this Instruction and all applicable DCMA instructions.

2.3.3. May assign an engineer with the appropriate competencies, QAE skillset, and training IAW Chapter 4 of this Instruction to support any or all of the tasks outlined in Chapter 3 of this Instruction when complex technical issues arise.

2.4. NSEO QA PERSONNEL.

2.4.1. Suppliers/Contracts Administered by NSEO. NSEO QA personnel must perform QA oversight of all in-plant NSEP and non-NSEP contracts/purchase orders IAW this Instruction and all applicable DCMA policy publications. QA personnel must inspect product to the requirements of the contract per the applicable program requirements.

2.4.2. Suppliers/Contracts Not Administered by NSEO. Non-NSEO QA personnel have primary responsibility for performing oversight on all non-NSEO contracts and purchase orders at a shared supplier. The NSEO QA personnel assigned to the shared supplier must perform all required QA oversight **only** on NSEP products, contracts, and/or purchase orders. NSEO QA personnel are required to develop a system of communication with the non-NSEO (primary) QA personnel so that contract responsibility and quality issues are understood by both assigned QA personnel.

2.4.3. Where NSEO QA personnel are the **only** assigned QA to a supplier that is not administered by NSEO, nor has any NSEP contracts or purchase orders in house, the NSEO QA personnel must perform oversight functions per all applicable DCMA instructions.

2.4.4. NNPP NSEO QA personnel must use Naval Sea Systems Command Technical Representative (NSTR) 2000, "Naval Nuclear Propulsion Program Manual for In-Plant Quality Assurance Oversight" (Reference (e)), at NNPP-designated principal suppliers. For suppliers designated by NSTR as NNPP principal suppliers, the NSEO QA personnel must use NSTR 2000 as the oversight instruction regardless of the classification of the material. NSTR 2000 must always take precedence over this Instruction or DCMA QA policy at NNPP principal suppliers. Any questions regarding facility oversight or product inspection must be raised to the team leader/group leader.

2.4.5. Engineers may be utilized to perform QAS tasks when complex technical issues arise, provided they possess the required competencies, QAE skillset, and training IAW Chapter 4 of this Instruction, as determined by the applicable group leader.

2.4.6. Waivers, Deviations and Engineering Changes.   All waiver and deviation requests and engineering change proposals received by the QAR for comment shall be routed directly to the PCO and copied to the Mission Training Group engineer, NSEO Industrial Specialist, and ACO for NSEO administered contracts in accordance with the NSEO process for Waivers, Deviations and Configuration Management. If the request is associated with a PQDR, the request shall be routed through the Team Leader to the NSEO DRPM. The QAR should request engineering support through the Mission Training Group for any other configuration management support in accordance with NSEO Local Policy located on the <u>Resource Web page</u>.

CHAPTER 3

PROCEDURES

3.1. APPLICABILITY.

3.1.1. For any tasks not addressed by this Instruction, NSEO QA personnel must follow the applicable DCMA instruction for that task.

3.1.2. Any conflict(s) between this Instruction and any other DCMA QA instruction must be forwarded to the team leader for management resolution with the respective component having primary responsibility for the policy. The requirements of this Instruction must be followed until the conflict is resolved.

3.2. IDENTIFY CONTRACTS FOR NSEP-DESIGNATED PROGRAMS. NSEO QA personnel must identify contracts for applicable NSEP-designated programs as noted in paragraph 1.1.4. of this Instruction and the "NSEP Contract Identifiers" document located on the Resource Web page, when performing contract technical review IAW DCMA-INST 325, "Contract Technical Review —QA" (Reference (f)) and DCMA-INST 118, "Contract Receipt and Review" (Reference (g)).

3.3. POSTAWARD ORIENTATION CONFERENCE (PAOC).

3.3.1. NSEO QA personnel shall determine the need for PAOC using the criteria stated in the following DCMA policies:

- DCMA-INST 325, "Contract Technical Review —QA" (Reference (f))
- DCMA-INST 118, "Contract Receipt and Review" (Reference (g))
- DCMA-INST 327, "Postaward Orientation Conference - QA" (Reference (h)), as supplemented with paragraphs 3.3.1. through 3.3.5. of this Instruction

3.3.2. When in doubt about performing a PAOC, NSEO QA personnel must default to conducting a limited (QA only) PAOC.

3.3.3. NSEO QA personnel must advise the administrative contracting officer (ACO) of the recommendation/decision to conduct any PAOC and invite the ACO to participate in limited (QA only) PAOCs conducted at either shared or NSEO-administered contractor facilities/sites.

3.3.4. The NSEO QA PAOC checklist will be used in the performance of either a full or limited (QA only) PAOC.

3.3.5. Full PAOCs will be performed on suppliers as directed by the NSEO commander's quarterly PAOC letter.

3.4. PLAN AND EXECUTE SURVEILLANCE EVENTS. NSEO QA personnel must assure the surveillance events as reflected in the NSEP oversight strategy chart (see Figure 1) have been

accomplished IAW paragraphs 3.4. through 3.4.6. Where NSEO QA personnel are the only assigned QA to a supplier that has both NSEP and non-NSEP contracts and purchase orders, the NSEP surveillance plan will be used to plan and conduct all GCQA surveillance activities. When NSEO QA personnel are the primary QA at suppliers without NSEP workload, a surveillance plan must be developed IAW DCMA-INST 309, "*Government Contract Quality Assurance (*GCQA*)* Surveillance Planning" (Reference (i)).

    3.4.1. Execution of the Government contract quality assurance (GCQA) surveillance plan is based on the following three activities:

        3.4.1.1. Quality System Audits (QSA). Applicable QA system checklist, quality process reviews (QPR), and quality process surveillances (QPS).

        3.4.1.2. Process Oversight. To include both process review and process surveillance - applicable manufacturing process review (MPR) checklist and manufacturing process surveillance (MPS) checklist.

        3.4.1.3. Product Examination (PE). Customer-imposed mandatory inspections and NSEO QA personnel determined PE IAW DCMA-INST 324, "Product Examination ~~QA~~" (Reference (j)) and DCMA-INST 323, "Data Collection and Analysis" (Reference (k)).

    3.4.2. NSEO QA personnel must use the results of data analysis in the development/ adjustment of surveillance planning for all three activities.

    3.4.3. Surveillance Plan. The fundamental element of the NSEO supplier oversight program is the surveillance plan. A surveillance plan must be developed, maintained, and implemented for all active (having an active NSEP contract or purchase order) NSEP suppliers. NSEO QA personnel are to enter **inactive** and the date the supplier became inactive in the "other information" block of their surveillance plan when a supplier has become inactive. (**NOTE:** A supplier becomes inactive when they have no open contracts/purchase orders.) The surveillance plan not only provides a strategy for periodic recurring oversight and evaluation; it is also a vehicle to document the NSEO QA personnel's concerns, as well as a format for communication and coordination of oversight efforts with customers. NSEO QA personnel must develop their GCQA surveillance plan in the Naval Sea Logistics Center Product Data Reporting and Evaluation Program (PDREP) system. The surveillance plan must be developed, transmitted, and be made available through the Facility Oversight Program (FOP) link in PDREP. The surveillance plan must be developed IAW the "Surveillance Plan User Guide" located on the Resource Web page and in PDREP. This guide provides instructions on how to create and update the surveillance plan (FOP in the PDREP system). These plans must be tailored to the supplier based on activity. For sub-tier suppliers with Letters of Delegation (LOD) to only verify or witness specific tasks, the list of activities specified in the delegation are the only activities required to be covered in the surveillance plan. NSEO QA personnel must document the specific tasks in the "other information" block in their surveillance plan.
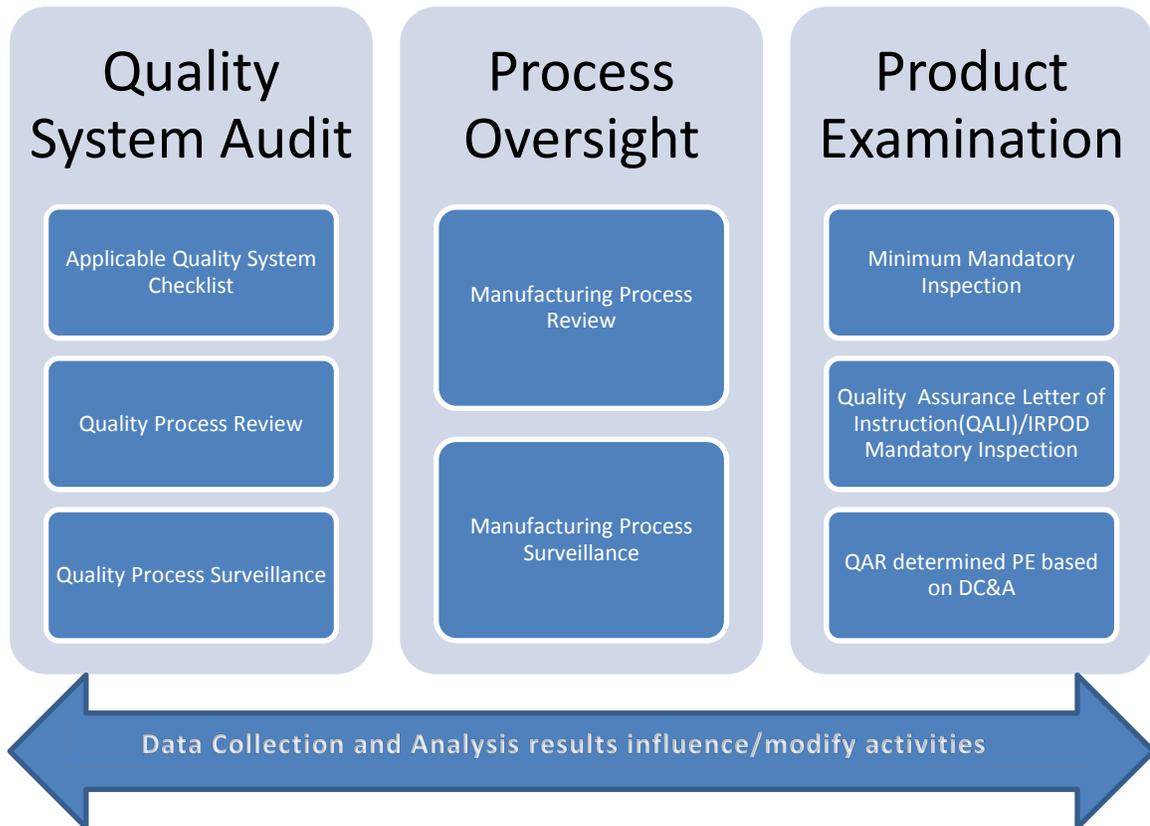
    3.4.4. The surveillance plan must address key process and system requirements identified during contract technical review and identify the frequency of surveillance. Scope, intensity, and

frequency for GCQA surveillance activities must be established to meet customer-directed requirements, to ensure the supplier is meeting contractual requirements, and to establish and maintain a basis of confidence for product/service acceptance.

3.4.5. The surveillance plan must be developed and implemented as either facility-based surveillance (FBS), one based on continuous process surveillance to cover all supplier contracts/purchase orders; or contract-based surveillance (CBS), one that tailors independent surveillance to each separate contract/purchase order, or as directed by the Commander NSEO based upon a risk assessment of the product and vendor performance. Nonresident facilities that have a sufficient number of overlapping contracts to support continuous process surveillance should be managed by FBS. Nonresident facilities that have non-overlapping and sporadic contracts may be managed by CBS, if advantageous. If there is the opportunity to conduct continuous process surveillance at a nonresident facility, the team leader and NSEO QA personnel should consider managing the facility as an FBS. All surveillance plans must be updated in PDREP in real time (or within 7 calendar days), reflecting any new contract requirements, change in supplier's production activity, customer feedback, the supplier's quality and technical performance history, and NSEO QA personnel oversight activities. NSEO QA personnel must review and update their surveillance plan at least once every 12 months and submit to their team leader for approval and distribution. NSEO QA personnel are to enter a comment in the "other information" block of their surveillance plan that the review was conducted. All entries in the surveillance plan must be formatted as such (e.g., Update: 12 Jan 13; Reviewed: 12 Jan 13).

3.4.6. Due to PDREP system limitations, surveillance plans for both contract-based suppliers and those sub-tier suppliers with LODs must list the process(es) identified for GCQA in the process surveillance of the FOP. The frequency of semi-annual must be selected. This is the default selection as the PDREP software does not recognize process surveillances for a contract-based supplier and does not allow for an "as required" selection.

Figure 1. NSEP Oversight Strategy Chart

Quality System Audit	Process Oversight	Product Examination
Applicable Quality System Checklist	Manufacturing Process Review	Minimum Mandatory Inspection
Quality Process Review	Manufacturing Process Surveillance	Quality Assurance Letter of Instruction(QALI)/IRPOD Mandatory Inspection
Quality Process Surveillance		QAR determined PE based on DC&A

Data Collection and Analysis results influence/modify activities

3.5. QUALITY SYSTEM AUDITS (QSA).

3.5.1. <u>QSA Performance and Documentation</u>. NSEO QA personnel must perform and document a QSA at active NSEP suppliers as specified in paragraphs 3.5.1. through 3.5.5.

3.5.1.1. QSAs must be conducted on the Quality Management System (QMS) standard identified in existing contracts or LODs.

3.5.1.2. When a supplier has adopted a QMS standard different than specified in the contract, the supplier may be audited to the adopted standard, but can only be contractually held accountable to the requirement specified in the contract. This establishes a supplier's quality system acceptability and performance baseline.

3.5.2. <u>FBS NSEP Suppliers</u>. For all FBS NSEP suppliers, NSEO QA personnel must conduct both a baseline and continuous process surveillance of the supplier's quality system. The baseline must be completed within 3 months from the time the supplier is designated as an active NSEP supplier (one having an active or open NSEP contract or purchase order). The baseline must be re-accomplished once every 3 years or sooner if performance dictates.

3.5.2.1. Baseline surveillance consists of the following:

3.5.2.1.1. Review the supplier's applicable quality system procedures against the applicable quality system checklist for adequacy.

3.5.2.1.2. Evaluate a minimum of two quality system elements at the floor level for compliance.

3.5.2.2. The selection of quality system elements to be evaluated for compliance must be determined by past performance information if available. NSEO QA personnel may request team leader assistance to determine the scope, depth, and duration of the QSA.

3.5.2.3. The evaluation must be documented using the applicable quality system checklist (compliance section). For those elements where existing data indicates a need for further evaluation or a more in-depth evaluation is required, NSEO QA personnel may utilize the applicable QPR located on the Resource Web page.

3.5.2.4. Continuous process surveillance of the supplier's quality system must be performed IAW the process oversight section identified in paragraph 3.6. of this Instruction.

3.5.3. CBS NSEP Suppliers. For all CBS NSEP suppliers, NSEO QA personnel must evaluate the supplier's applicable quality system by completing the NSEO QA PAOC checklist. If it is determined that a more in-depth QSA is warranted in whole or in a particular area, the applicable QPR checklist must be used.

3.5.4. Documentation. The applicable quality system checklist(s) for FBS and NSEO QA PAOC checklists for CBS are required and are located on the Resource Web page.

3.5.5. When QSA results indicate a systemic issue with the supplier's quality system, the results must be provided to the responsible FLS and documented in the surveillance plan. The decision to escalate to an Agency-led quality system review of the quality system will be made by NSEO management.

3.6. PROCESS OVERSIGHT. Process oversight consists of process review and process surveillance.

3.6.1. Process Review. Process review is a method to determine the suitability, adequacy, effectiveness, and consistency of a supplier's process to meet contractual requirements. If possible, process reviews must be accomplished at the first opportunity to review NSEP material being manufactured, inspected, or tested through the specific process.

3.6.1.1. Not all processes occurring at the facility need to be included in the surveillance plan; however, all processes that have associated mandatory oversight requirements (MOR) must have the associated MPR or QPR for that process initially accomplished. An MOR is any Quality Assurance Letter of Instruction (QALI), LODs, or other mandatory inspections.

3.6.1.2. The selection of additional processes will be based on issues noted during performance of the NSEO QA PAOC checklist, MORs, contract requirements, past performance, and the applicable processes from the program-specific technical review's dropdown menu in the surveillance plan.

3.6.1.3. NSEO QA personnel must use the MPR/QPR checklist(s) located on the NSEO portal and the Resource Web page to document the review.

3.6.1.3.1. For processes that do not have an MPR/QPR, NSEO QA personnel must develop a checklist for that process using the sample MPR checklist form on the NSEO portal and on the Resource Web page.

3.6.1.3.2. The important manufacturing process (IMP) list and the significant characteristic list may be used, as applicable, for planning purposes.

3.6.2. Mandatory Process Reviews (MPR).

3.6.2.1. MPRs (MPR #6/MPR #15) are required at all Level I facilities (to include those DSS-SOC and FBWSCS treated as Level I) and NPM facilities that supply Level I designated traceable materials (X2, X4, and X6) regardless of facility-based/contract-based determination. These reviews must be accomplished on a biennial (every 2 years) basis.

3.6.2.2. QPR #9 (Control of Subcontractors/Flow-Down of Customer Requirements) must be performed at FBS vendors when the supplier subcontracts for testing and processes that have an impact on the finished product.

3.6.2.3. QPR #36 (Material Certification Data Package) must be accomplished at all FBS facilities IAW the criteria of material certification review in paragraph 3.8.12. of this Instruction.

3.6.3. Process Surveillance.

3.6.3.1. Process surveillance is the floor-level surveillance of a process by direct observation of supplier personnel performing manufacturing, inspection, and test operations to assess compliance with established methods, procedures, and requirements applicable to the contract/purchase order. It is a real-time snapshot evaluation of people and process steps at the place of performance to determine conformity to established procedures or expected results. Process surveillance is a tool used on a recurring basis to monitor continued compliance of the process baseline established by the MPR/QPR.

3.6.3.2. NSEO QA personnel should consider adjustment to the scope and/or frequency of the applicable process surveillance based on any changes to manpower, materials, machinery, methods, or environment (4M's and E). Significant nonconformance in an MPS/QPS may warrant re-performance of the MPR/QPR. Process surveillance may be implemented concurrent with the performance of PE (including customer mandatories) or as an independent oversight activity.

3.6.3.3. Process oversight at FBS suppliers must include mandatory process reviews, facility-specific process reviews, and process surveillance, as applicable. Each process selected for a process review must have the associated MPR or QPR for that process initially accomplished to establish the process baseline.

3.6.3.4. Periodic process surveillance must be accomplished to maintain compliance to the process baseline. Multiple process surveillances may be applicable to a manufacturing process and must be determined and scheduled based upon the process reviews. NSEO QA personnel must identify and plan oversight for applicable processes based upon contract requirements, data collection and analysis, and past performance.

3.6.3.5. NSEO QA personnel must schedule process surveillance based on both the availability (evaluation opportunity) and contractor performance on a process. If the process surveillance is not accomplished IAW the FBS surveillance plan, whether due to contractor non-accomplishment of a process or NSEO QA personnel's inability to witness accomplishment of a process, NSEO QA personnel must document the missed surveillance on the NSEO QA personnel surveillance schedule.

3.6.3.6. The surveillance schedule should consider other process-associated MORs that are performed. Process surveillance may be performed concurrent with MOR activities. When performed concurrently, these separate activities must be documented on the appropriate forms.

3.6.4. Process Oversight.

3.6.4.1. Process oversight at CBS suppliers must consist of only process surveillance. The selection of applicable processes must be based on issues noted during performance of the NSEO QA PAOC checklist and the required performance of MORs. In lieu of performing an MPR to establish an initial process baseline, NSEO QA personnel are only required to perform the identified MPSs on a per contract basis.

3.6.4.1.1. If the requirements of paragraph 3.6.2.1. apply, then MPRs #6 and #15 are required to be accomplished at CBS suppliers on a biennial (every 2 years) basis.

3.6.4.1.2. QPS #9 is required to be accomplished when there are supplier subcontracts for testing and IMPs that have an impact on the finished product.

3.6.4.2. Process Oversight Documentation. For process reviews, NSEO QA personnel must attach all completed MPR/QPR checklists into the supplier audit program (SAP) database located in PDREP. For processes that do not have an associated process in the SAP database, NSEO QA personnel are to enter that MPR/QPR checklist under the "other program assessment – process #99," choice in the SAP database. Process surveillance must be documented using the MPS or QPS record co-located on the Resource Web page under MPR/QPR. NSEO QA personnel must file their completed MPS/QPS records in their NSEO QA personnel files.

3.6.4.3. NSEO QA personnel must plan and schedule process surveillance using the process surveillance schedule or similar document. An example of a process surveillance schedule

is located on the Resource Web page. NSEO QA personnel may use the provided template or develop their own document, providing it includes the following minimum information: process name, process element surveyed, surveillance due date, surveillance completion date, and frequency. It is mandatory that process surveillance be completed within the established frequency defined on the surveillance plan. Should process surveillance not be accomplished IAW the surveillance plan, whether due to contractor non-accomplishment of a process or the NSEO QA personnel's inability to witness accomplishment of a process, NSEO QA personnel must document the missed surveillance on the NSEO QA personnel's surveillance schedule and provide justification for the missed surveillance. Failure to accomplish the surveillance on the originally planned week, but accomplishing within the required frequency, does not constitute a missed surveillance.

3.7. PRODUCT EXAMINATION (PE). PE must be conducted IAW DCMA-INST 324 (Reference (j)). NSEO QA personnel must adjust GCQA oversight as a result of PE deficiencies.

3.8. ADDITIONAL OVERSIGHT REQUIREMENTS.

3.8.1. Navy's NPM oversight must be IAW the NPM requirements documents (Naval Supply Systems Command (NAVSUP) Weapon System Support (WSS) Code 87 *94* QALI, Individual Repair Part Ordering Data (IRPOD), and NPM minimum mandatory inspection form). These documents are found on the Navy Electronic Commerce On-line Web site. The NPM minimum mandatory inspection form is also found on the Resource Web page.

3.8.2. Navy's Level I program and those NSEPs treated as Level I (FBWSCS, DSS-SOC, and SCSI) must be IAW the Level I requirements document (NAVSUP WSS Code 83 *97* QALI, and Level I Mandatory Requirements document). This document is found on the Resource Web page.

3.8.3. NPP oversight must be IAW the NPP requirements documents (propulsion shafting inspection requirements QALI and NPP requirements document). This document is found on the Resource Web page.

3.8.4. NSEP Government Source Inspection Delegations. If inspection and acceptance is at another supplier, prime NSEO QA personnel retain the responsibility for oversight/evaluation of the certification of compliance/certifications, as applicable. Prime NSEO QA personnel must coordinate this effort with the subcontract NSEO QA personnel.

3.8.5. Material Certification Review. There are four potential scenarios for material certification review:

3.8.5.1. NPM Contracts. NSEO QA personnel must review the Reports of Tests and Inspections (ROTI) IAW the contract and IRPOD.

3.8.5.2. NAVSUP WSS Level I contracts having inspection/acceptance as destination inspection, destination acceptance (DD).

3.8.5.3. NAVSUP WSS Level I contracts having SMICs (L1, D4, Q3, S1, C1, Q5, D0, D7 and VG) having inspection/acceptance as source inspection, destination acceptance (SD) go to the certification review team (CRT).

3.8.5.4. Other Level I contracts (Defense Logistics Agency (DLA), shipyard, etc.). NSEO QA personnel must review as required per contract.

3.8.6. For NAVSUP WSS NPM type contracts with SD for the ROTIs, NSEO QA personnel must perform the following (see NPM ROTI flowchart on the Resource Web page):

3.8.6.1. Verify that traceability on the certification documentation retrieved from supplier Wide Area Workflow or hardcopy corresponds to the traceability marking on the material/product.

3.8.6.2. Complete and sign the Material Trace Code Verification sheet and retain in the contract file. The Material Trace Code Verification sheet (located on the Resource Web page) must be provided to the customer upon request.

3.8.6.3. DCMA NSEO QA personnel must inspect the ROTI IAW the contract, IRPOD, and mandatory inspections.

3.8.6.4. Sign for ROTI inspection in WAWF.

8.3.*3.8*.6.5. Complete final product and packaging inspections after request/notification by the vendor (may be completed before notification of ROTI acceptance) and verify that shipping container is sealed shut.

8.3.*3.8*.6.6. When notified of ROTI documentation acceptance in WAWF by NAVSUP WSS Code 87 and after having completed final product and packaging inspections, sign off for product inspection in WAWF (this communicates to the supplier that the product is ready to ship).

3.8.7. For NAVSUP WSS Level I type contracts which specify DD for the material certifications, the NSEO QA personnel must perform the following (see Level I certification package flowchart on the Resource Web page):

3.8.7.1. Verify that traceability on the certification documentation, retrieved from supplier WAWF upload ("Admin by view only") or vendor provided hard copy, corresponds to the traceability marking on the material/product.

3.8.7.2. Complete and sign the Material Trace Code Verification sheet and retain in the contract file. The Material Trace Code Verification sheet (located on the Resource Web page) must be provided to the customer upon request.

3.8.7.3. DCMA NSEO QA personnel are not to review the contractor's submission with respect to the completeness of the package, the technical compliance with contractual requirements, certificates of compliance, or any other inspections of the documentation other than material traceability.

3.8.7.4. Complete final product and packaging inspections after request/notification by the vendor (may be completed before notification of certification packag*e* acceptance) and verify that shipping container is sealed shut.

3.8.7.5. When notified by the supplier of certification documentation acceptance in WAWF, verify WAWF acceptance of the certification package.

3.8.7.6. After having completed final product and packaging inspections, if not already accomplished, sign for product inspection in WAWF (this communicates to the supplier that product is ready to ship).

3.8.8. NAVSUP WSS Level I contracts having SMICs (L1, D4, Q3, S1, C1, Q5, D0, D7, and VG) having inspection/acceptance as SD, should be forwarded to the CRT. NSEO QA personnel must follow the NSEO local instruction #EX-029.

3.8.9. All Other Level I Contracts (i.e., DLA, Shipyard, etc.). The NSEO QA personnel must perform the inspection of the certification package IAW the material certification review process document (located on the Resource Web page).

3.8.10. Material Certification Delegation. This process should not be routinely redelegated. Instead, consider this process for redelegation on a case-by-case basis when concerns warrant redelegation.

3.8.11. Documentation. NSEO QA personnel must document the results of material certification review. The documentation must be included with product audit/inspection records. Records must indicate compliance with the required data item description (DID) or specification and any other contractual certification requirements. The DID checklists needed to conduct and document material certification reviews are located on the Resource Web page.

3.8.12. Suppliers who present six or more certification packages for review within a 12-month timeframe and receive three or more Product Quality Deficiency Reports or Immediate Action Requests for certification-related deficiencies must have the QPR for material certification data package (QPR #36) performed.

3.8.13. Corrective Action Request (CAR). NSEO QA personnel must comply with DCMA-INST 1201, "Corrective Action Process" (Reference (l)), with the exception of CARs issued to sub-tier suppliers while working to Supervisor of Shipbuilding (SUPSHIP) LODs, NSEO QA personnel are to follow the SUPSHIP LOD CAR guidance document on the Resource Web page.

3.8.14. Control of NSEP Material. Administration of NSEP requires additional security measures to ensure matters of national security are not compromised. NSEO QA personnel must comply with applicable DCMA and Naval Sea Systems Command instructions on identification, handling, safeguarding, transmitting, and discarding Naval nuclear propulsion information (NNPI) and no foreign nationals (NOFORN) marked information and hardware. Unclassified Naval nuclear propulsion information (U-NNPI) and NOFORN information must be stored in a locked

container, file drawer, or cabinet. NOFORN must be shredded or placed in burn bags for disposal. Control of U-NNPI must be the same as NOFORN. Transmission of U-NNPI and NOFORN via the Internet (i.e., WAWF, EDA) or DCMA email is forbidden and must be immediately reported to DCMA NSEO management when observed. NSEP personnel are required to take the annual U-NNPI training.

CHAPTER 4

TRAINING

4.1. TRAINING REQUIREMENTS.

4.1.1. NSEO QA personnel assigned to NSEP suppliers with NSEP nondestructive testing (NDT) requirements on contracts must be trained and certified in the specific specifications and methods prior to performing QA oversight of supplier NDT processes IAW NSTR-99-DCMA, "Naval Nuclear Propulsion Program Qualification and Monitoring Requirements for Defense Contract Management Agency Nondestructive Test Personnel" (Reference (m)).

4.1.2. NSEO QA personnel who are accepting product in WAWF are required to verify that the personnel who conducted the QA oversight of the NDT process (e.g., QA personnel's name, certification number, and expiration date) are certified in the applicable NDT specification and method (e.g., requested via LOD, signed shipper). (**NOTE:** The NSEO QA personnel performing certification package reviews which contains NDT reports is *are* not required to be certified in the NDT method reflected in the report.)

4.1.3. All NSEO QA personnel with NDT certifications must be recertified every 3 years to the applicable specifications/methods on contract provided there are still active contracts requiring NDT operations.

4.1.3.1. NSEO QA personnel must stay active in their NDT disciplines by performing NDT oversight functions a minimum of once every 9 months.

4.1.3.2. NSEO QA personnel must charge NDT oversight time by the applicable 068 PLAS code for the observed NDT method.

4.1.3.3. Noncertified QA personnel may assist certified QA personnel with oversight of NDT processes without being Level II certified provided they have taken the DCMA NDT process review training for the applicable NDT method being reviewed. They are not certified to inspect and accept product with NDT requirements.

4.1.4. In addition to the DCMA QA development training required IAW DCMA-INST 318, "QA Development" (Reference (n)), NSEO-assigned personnel must complete all NSEP technical skill core and applicable core plus courses, including NSEO NDT, based on the technical skills required to perform their assigned oversight functions for their current positions.

GLOSSARY

ACRONYMS

ACO   administrative contracting officer

CAP   corrective action plan
CAR   corrective action request
CBS   contract-based surveillance
CMO   contract management office
CRT   certification review team

DCMA-INST   DCMA Instruction
DD   destination inspection/destination acceptance
DID   data item description
DLA   Defense Logistics Agency
DoDD   Department of Defense Directive
DSS-SOC   Deep Submergence Systems/Scope of Certification Program

FBS   facility-based surveillance
FBWSCS   Fly-By-Wire Ships Control Systems
FLS   first-level supervisor
FOP   Facility Oversight Program

GCQA   Government contract quality assurance

IAW   in accordance with
IMP   important manufacturing process
IRPOD   individual repair part ordering data

LI/SS   Level I/Subsafe
LOD   Letter of Delegation

MICP   Managers' Internal Control Program
MOR   mandatory oversight requirement
MPR   manufacturing process review
MPS   manufacturing process surveillance

NAVSUP   Naval Supply Systems Command
NDT   nondestructive testing
NNPI   Naval nuclear propulsion information
NNPP   Naval Nuclear Propulsion Program
NOFORN   no foreign nationals
NPM   nuclear plant material
NPP   Naval Propulsion Program

NSEO	Naval Special Emphasis Operations
NSEP	Navy Special Emphasis Program
NSTR	Naval Sea Systems Command Technical Representative
PAOC	postaward orientation conference
PDREP	Product Data Reporting and Evaluation Program
PE	product examination
PLAS	Performance Labor Accounting System
QA	quality assurance
QALI	Quality Assurance Letter of Instruction
QMS	Quality Management System
QPR	quality process review
QPS	quality process surveillance
QSA	quality system audit
ROTI	reports of tests and inspections
SAP	supplier audit program
SCSI	ships' critical safety item
SD	source inspection/destination acceptance
SMIC	Special Material Identification Code
SQA	supplier quality assurance
SUPSHIP	Supervisor of Shipbuilding
U-NNIP	unclassified Naval nuclear propulsion information
WAWF	Wide Area Workflow
WSS	Weapon System Support