

DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY

DLA Land and Maritime

The logo features a globe with a bald eagle perched on top. A yellow banner across the globe reads "LOGISTICS". Below the eagle is a shield with vertical red and white stripes. The words "DEFENSE" and "AGENCY" are written vertically on banners on either side of the eagle.

Quality and Delivery Assurance and Monitoring

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Industrial Specialists Production Surveillance



Production and Timely Delivery



- **Late Deliveries Negatively Impact the Warfighter and Government**
 - *Raises cost to Government for additional procurements to cover shortfalls*
 - *Hurts readiness by delaying delivery of critical materials to satisfy Warfighter needs to meet their mission requirements*
- **Vendors Must Focus on Key Factors in Order to Meet Delivery Schedules**
 - *Effective production capacity planning, material planning and purchasing*
 - *Monitoring sub-contractors planning & processes*
 - *Realistic process scheduling to meet testing requirements*
 - *Quoting realistic delivery schedules*
- **The Onus is on Suppliers to Meet Delivery Schedules**
- **Production Surveillance Helps Identify/Resolve Issues**





Production and Timely Delivery



- **Land & Maritime currently has open contracts with 3680 different vendors**
 - *The current aggregate 1-year on-time delivery (OTD) rate is 86%*
 - *95% of our contracts delivered within 30 days of due date*
- **There are consequences for late deliveries**
- **Past Performance Information Retrieval System (PPIRS)**
 - *Tracks contractor delivery performance for use in award decisions*
 - *Provides a delivery score from 0 – 100 for each vendor*
 - *Vendors can submit challenges for alleged discrepant delivery information*
- **Contractor Performance Assessment Reporting System (CPARS)**
 - *Past performance “report cards” for use in award decisions*
 - *Ratings range from Exceptional to Unsatisfactory*





Production Surveillance



Description: Production Surveillance involves review and analysis of contractors' performance plans, schedules, controls, industrial process, performance

Purpose: To verify that the vendor has the following process safeguards:

- Adequate manufacturing processes in place for contract execution
- An established manufacturing plan for contract execution
- Proper planning: production, material & purchasing, and sub-contractor monitoring
- Adequate resources for plan execution
 - *The impact of late deliveries raises cost to the Government and hurts readiness*
- Monitor their performance to plan, take corrective action, or make adjustments as necessary
- **Proactive** – known issues exist with vendor
- **Reactive**- New issues or circumstances have been detected that affect delivery, quality or performance of the contract





Production Surveillance



Production Surveillance

- **Post Award Conferences - Desk Audits can be conducted weekly / monthly / quarterly / yearly**
 - *Verify production, quality and delivery requirements*
- **Site Visits (Industrial Specialists); monthly/quarterly/annually**
 - *Will be directed by the Supply Chain and SOP*
 - *Use to verify Desk Audits*
- **When to Use Surveillance**
 - *An award consists of critical items*
 - *A contract has been awarded to a medium to high risk contractor*
 - *The contractor fails a pre-award survey, but receives the award through a Certificate of Competency (COC)/Small Business Office*
 - *A new contractor is awarded a contract*
 - *Recent or ongoing Performance Issues*
- **DLA Works in Concert with DCMA to Monitor Vendor Performance**





DCMA

DCMA Quality Assurance

Presented By:

Anthony Spiers

August 30th- 31st , 2016

- **FAR Clauses**
- **Contractual Requirements**
- **Postaward Orientation Conference (PAOC)**
- **Scheduling (Inspection or acceptance)**
- **Ongoing Inspection Failures**

- **FAR 52.246-2**
 - **Permits the Government into the facility**
 - **Included on Purchase Orders for Special processes**

- **FAR 52.246-11**
 - **Higher Level Quality System (ISO9001, AS9100, AS9003, etc...)**
 - **System audit Completed prior to completion of contract**

- **DLAD 252.246-9043 Higher-Level Contract Quality Requirement (Non-Manufacturers)**
 - **Mainly distributors**

- **The Contract Administration block must list- DCMA**
- **Inspect at Source, Accept at Source**
- **Joint Certification Program (JCP) if required**
 - **May have expired**
 - **Not authorized to give your subcontractors drawings unless also JCP certified**
- **“Place of Inspection” or “Place of Acceptance” later in contract**

- **To achieve a clear and mutual understanding of all contract requirements and identify and resolve potential problems (or possible delays?)**

- **QA PAOC for the following situations:**
 - **New supplier**
 - **Negative or conditional preaward survey findings and recommendations**
 - **Critical nature and technical complexity of supplies or services is outside of the supplier's demonstrated competency**
 - **Adverse supplier performance history**
 - **Adverse quality history with the item or service being provided**
 - **Contract contains FAT or PLT (Some conditions apply)**
 - **Arms, ammunition, and explosives contracts IAW DFARS 252.223-7002**
 - **Overhaul and repair contracts**

- **Product Examinations**
 - Resident- 2 Days
 - Non resident- 7 Days
- **Process Review for each process**
 - In-house - 7 Days
 - **Subcontractor**
 - Local 7 - Days
 - Outside the area- 17 Days
 - 10 day delegation acceptance +7 days to witness the process
- **Timer starts once DCMA QAR contacted**
- **Product Acceptance and Release (iRAPT)- ASAP**

- **Incomplete documentation**
- **Lack of traceability**
- **Typo errors in the inspection records**
- **Misinterpretation of drawings**
- **Not following internal/ external documented processes or requirements**
- **Calibrations inadequate**
- **Not packaged in accordance with the contract**

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DEFENSE CONTRACT MANAGEMENT AGENCY

Contact Info

<http://www.dcma.mil/>



