



DEPARTMENT OF DEFENSE
Defense Contract Management Agency

IMMEDIATE POLICY CHANGE

Standard Inspection Requirements

Quality Assurance Directorate
OPR: DCMA-QAA

DCMA-INST 312 (IPC-1)
July 15, 2015

1. **POLICY.** This Immediate Policy Change (IPC) implements changes to DCMA-INST 312, "Standard Inspection Requirements," May 15, 2013.
2. **PURPOSE.** This IPC is issued to update Agency policy and to incorporate new requirements and clarifications.
3. **APPLICABILITY.** This Instruction applies to all DCMA activities performing supplier quality assurance.
4. **NEW GUIDANCE.**
 - a. Change paragraph 1.b. to read:
 - 1.b. Is applicable for evaluation of ~~new suppliers and~~ any suppliers with standard inspection clause requirements ~~only~~.
 - b. Change paragraph 2 is changed to read:
 2. **APPLICABILITY.** This Instruction applies to all DCMA activities performing supplier ~~inspections-quality assurance~~.
 - c. Change paragraph 3 is to read:
 3. **MANAGERS' INTERNAL CONTROL PROGRAM.** This Instruction is subject to evaluation and testing IAW DCMA-INST 710, "Managers' Internal Control Program" (Reference (d)). The process flowchart ~~and key controls is are~~ located on the Resource ~~Web~~ ~~P~~page.
 - d. Add new paragraph 2.2.6.

2.2.6. Review the contractor's inspection system and document the results on the Standard Inspection System Checklist (available on the Resource Web page).

e. Change paragraph 3.1. to read:

3.1. IDENTIFY THE REQUIREMENT FOR AN INSPECTION SYSTEM. *Through contract technical review (CTR), the quality assurance specialist (QAS) identifies and documents the contractual inspection requirements.* Regardless of other quality requirements, FAR, Part 52, Subpart 52.246-2, “Inspection of Supplies - Fixed-Price” (Reference (f)), paragraph (b) requires that “The Contractor shall provide and maintain an inspection system acceptable to the Government covering supplies under this contract and shall tender to the Government for acceptance only supplies that have been inspected in accordance with the inspection system and have been found by the Contractor to be in conformity with contract requirements.” The Subparts to FAR, Part 52 that immediately follow 52.246-2 (Reference (f)) that have similar requirements are:

- Subpart 52-246-3, Inspection of Supplies - Cost-Reimbursement
- Subpart 52-246-4, Inspection of Services - Fixed-Price
- Subpart 52-246-5, Inspection of Services - Cost-Reimbursement
- Subpart 52-246-6, Inspection - Time-and-Material and Labor-Hour
- Subpart 52-246-7, Inspection of Research and Development - Fixed-Price
- Subpart 52-246-8, Inspection of Research and Development - Cost-Reimbursement

NOTE: When performed IAW DCMA-INST 327, “Post Award Orientation Conference - Quality Assurance,” (Reference (g)), a postaward orientation conference should focus on the supplier’s inspection capability.

f. Change paragraph 3.2.3.1. to read:

3.2.3.1. Planning activities that verify the supplier has:

- Copies of drawings with proper revision level and date
- Copies of all applicable specifications with the proper revision level
- Correctly identified packaging requirements
- Correctly identified marking requirements including item unique identifier (IUID) and radio frequency identification (**RFID**)
- Familiarity with Wide Area Workflow *e-Business Suite Invoicing, Receipt, Acceptance, and Property Transfer (IRAPT) (formerly WAWF)* and the processing requirements including IUID data requirements
- Identified applicable nondestructive test requirements
- A system for assuring the quality of purchased material, including shelf life requirements and traceability on material certifications
- Identified qualified products list items and suppliers
- Identified all processes and process inputs that require preproduction approval
- Flowed-down all applicable requirements (i.e., technical, quality) to their subcontractors

July 15, 2015

g. Change paragraph 3.3. to read:

3.3. DOCUMENT THE RESULTS OF INSPECTION SYSTEM REVIEW. QA personnel shall document the results of inspection system acceptability ~~determinations~~. *Acceptability is determined by the responses documented on the Standard Inspection System Checklist. Issue corrective action requests (CAR) IAW DCMA-INST 1201, "Corrective Action Process" (Reference (k)) when contractual nonconformances are identified.*

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

6. EFFECTIVE DATE. By order of the Director, DCMA, 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

Standard Inspection Requirements

Quality Assurance Directorate
DCMA-QA

DCMA-INST 312
May 15, 2013

Validated Current with Administrative Changes, May 15, 2014

1. PURPOSE. This Instruction:

- a. Reissues and updates DCMA Instruction (DCMA-INST) 312, "Standard Inspection Process - QA" (Reference (a)).
- b. Is applicable for evaluation of new suppliers and any suppliers with standard inspection clause requirements only.
- c. Establishes updated policy and assigns roles and responsibilities for activities involved with standard inspection requirements.
- d. Is established in accordance with (IAW) DoD Directive 5105.64 (Reference (b)), DCMA-INST 501, "Policy Publications Program" (Reference (c)), and all references listed.

2. APPLICABILITY. This Instruction applies to all DCMA activities performing supplier inspections.

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

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

5. PLAS CODES. Process 085B - SQA-Surveillance-Key Processes
Process 085C - SQA-Surveillance-Risk Handling Methods

6. POLICY RESOURCE WEB PAGE. <https://home.dcmamil/POLICY/312r>

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) DCMA-INST 312, "Standard Inspection Process-QA," May 2010 (hereby canceled)
- (b) DoD Directive 5105.64, "Defense Contract Management Agency (DCMA)," January 10, 2013
- (c) DCMA-INST 501, "Policy Publications Program," October 1, 2013
- (d) DCMA-INST 710, "Managers' Internal Control Program," April 21, 2014
- (e) ***DCMA-INST 323, "Data Collection and Analysis," May 15, 2013***
- (f) Federal Acquisition Regulation (FAR) 52.246-2, "Inspection of Supplies -- Fixed-Price"
- (g) DCMA-INST 327, "Postaward Orientation Conference - Quality Assurance," April 26, 2013
- (h) DCMA-INST 324, "Product Examination," July 26, 2013
- (i) DCMA-INST 311, "Process Review - QA," July 31, 2013
- (j) DCMA-INST 326, "Risk Assessment - QA," February 2012
- (k) DCMA-INST 1201, "Corrective Action Process," September 23, 2013

CHAPTER 1

POLICY

1.1. POLICY. It is DCMA policy that Quality Assurance (QA) personnel determine that the supplier has an inspection system that is acceptable to the Government prior to accepting product and that it is maintained in an acceptable manner to the Government.

CHAPTER 2

ROLES AND RESPONSIBILITIES

2.1. FIRST-LEVEL SUPERVISOR (FLS). The FLS shall ensure QA personnel possess the necessary competencies to perform the tasks defined in this Instruction as they relate to their assigned facility, contract, or product.

2.2. QA PERSONNEL. QA personnel shall:

2.2.1. Ensure that Government Contract Quality Assurance (GCQA) surveillance events are accomplished IAW the established GCQA surveillance plan.

2.2.2. Coordinate with customers to correct any problems/concerns identified during contract technical review.

2.2.3. Develop a GCQA surveillance strategy and document it on the Risk Profile and Plan, adjusting the plan as warranted by data analysis ***IAW DCMA-INST 323, "Data Collection and Analysis" (Reference (e)).***

2.2.4. Issue corrective action requests (CAR) when contractual nonconformances are identified.

2.2.5. Communicate with customers when problems/concerns arise during the performance of the GCQA surveillance plan.

CHAPTER 3

PROCEDURES

3.1. IDENTIFY THE REQUIREMENT FOR AN INSPECTION SYSTEM. Regardless of other quality requirements, FAR, Part 52, Subpart 52.246-2, “Inspection of Supplies - Fixed-Price” (Reference (f)), paragraph (b) requires that “The Contractor shall provide and maintain an inspection system acceptable to the Government covering supplies under this contract and shall tender to the Government for acceptance only supplies that have been inspected in accordance with the inspection system and have been found by the Contractor to be in conformity with contract requirements.” The Subparts to FAR, Part 52 that immediately follow 52.246-2 (Reference (f)) that have similar requirements are:

- Subpart 52-246-3, Inspection of Supplies - Cost-Reimbursement
- Subpart 52-246-4, Inspection of Services - Fixed-Price
- Subpart 52-246-5, Inspection of Services - Cost-Reimbursement
- Subpart 52-246-6, Inspection - Time-and-Material and Labor-Hour
- Subpart 52-246-7, Inspection of Research and Development - Fixed-Price
- Subpart 52-246-8, Inspection of Research and Development - Cost-Reimbursement

NOTE: When performed IAW DCMA-INST 327, “Post Award Orientation Conference - Quality Assurance,” (Reference (g)), a postaward orientation conference should focus on the supplier’s inspection capability.

3.2. ASSESS THE SUPPLIER’S INSPECTION SYSTEM. QA personnel shall determine whether the supplier has an inspection system that is acceptable to the Government prior to accepting product or services. QA personnel shall verify that the supplier maintains an inspection system acceptable to the Government. Verification can be through any appropriate method (e.g., product examination IAW DCMA-INST 324, “Product Examination” (Reference (h)) or process review IAW DCMA-INST 311, “Process Review - QA” (Reference (i))). The contractor is responsible for assuring that all supplies and services procured from their suppliers conform to all contract quality requirements. The adequacy of the contractor’s inspection system is determined based on the product quality history, complexity, application and technical description, contract requirements, effectiveness of contractor’s manufacturing operations, and the supplies or services -procured or produced.

3.2.1. Surveillance activities shall verify that supplier records:

3.2.1.1. Are available to the Government during contract performance and for as long as the contract requires.

3.2.1.2. Provide evidence of all inspections made IAW the system and the outcomes.

3.2.1.3. Are complete to demonstrate conformity to technical requirements, which should include, as applicable:

- Nature and number of observations made (e.g., documented results match the method of measurement)
- Type and number of deficiencies found
- Quantities approved and rejected
- Who performed the inspection
- Date of inspection
- Traceability to the products (e.g., nomenclature, part number, national stock number, *serial number if applicable*)
- Traceability to material properties, such as, but not limited to Mill Certifications, Heat Lot Numbers, Forge Lot Numbers, and Chemical and Physical Analysis Reports

3.2.2. When the supplier provides a material or process certificate of conformance (CoC) from a subcontractor, QA personnel must have a basis for confidence in the validity of the CoC presented. QA personnel should, on a random basis, request the supplier provide evidence of traceability for materials.

3.2.3. QA personnel shall determine the characteristics applicable to any given contract or supplier to provide a basis for acceptability of the supplier's inspection system. The extent any characteristic is applicable to a supplier is dependent on the type, complexity, and technical requirements of the product or service required under the terms of the contract. Examples of system characteristics include:

3.2.3.1. Planning activities that verify the supplier has:

- Copies of drawings with proper revision level and date
- Copies of all applicable specifications with the proper revision level
- Correctly identified packaging requirements
- Correctly identified marking requirements including item unique identifier (IUID) and radio frequency identification
- Familiarity with Wide Area Workflow and the processing requirements including IUID data requirements
- Identified applicable nondestructive test requirements
- A system for assuring the quality of purchased material, including shelf life requirements and traceability on material certifications
- Identified qualified products list items and suppliers
- Identified all processes and process inputs that require preproduction approval
- ~~Passed~~ *Flowed-down* all applicable *requirements (i.e., technical, and quality) requirements on to suppliers their subcontractors*
- Furnished reasonable facilities and assistance for the safe and convenient performance of government source inspection to include equipment adequate for the product being produced

- Assured that subcontractors provide reasonable facilities and assistance for the safe and convenient performance of government source inspection to include equipment adequate for the product being produced

NOTE: QA personnel should consult with DCMA Safety and Occupational Health personnel when there are questions or concerns regarding safe facilities.

3.2.3.2. Inspection activities that verify the supplier:

3.2.3.2.1. Has ~~an~~ adequate ~~selection of~~ *quantity and type of* measuring and test equipment for examination of the items procured.

3.2.3.2.2. Maintains an acceptable system to verify the accuracy, precision, and repeatability of measurements taken with measuring and test equipment which includes records, traceability to a recognized national standard, and a recall system.

3.2.3.2.3. Maintains records of all inspections and tests and their outcomes.

3.2.3.2.4. Understands and properly applies statistically valid sampling plans when used.

3.2.3.3. Corrective action and control of nonconforming material activities that verify the supplier:

3.2.3.3.1. Has a system for identifying and segregating rejected or nonconforming material.

3.2.3.3.2. Understands the requirements for presenting nonconforming material to the Government for acceptance.

3.2.3.3.3. Maintains records of corrective action.

3.3. DOCUMENT THE RESULTS OF INSPECTION SYSTEM REVIEW. QA personnel shall document the results of inspection system acceptability determinations.

3.3.1. The Standard Inspection System Checklist (available on the [Resource Web page](#)) contains the minimum inspection system characteristics and meets applicable documentation requirements for both planning and verification of an acceptable inspection system.

NOTE: See Appendix A for Contingency Contract Administration Services (CCAS) unique requirements.

3.3.2. The documented results of this verification shall be used in the Performance Factor Assessment during the QA Risk Assessment process IAW DCMA-INST 326, “Risk Assessment - QA” (Reference (j)).

3.4. ISSUE CORRECTIVE ACTION REQUEST (CAR). QA personnel shall initiate an appropriate CAR IAW DCMA-INST 1201, “Corrective Action Process” (Reference (k)), whenever nonconformity with contractual inspection system requirements is discovered.

APPENDIX A

**CONTINGENCY CONTRACT ADMINISTRATION SERVICES (CCAS)
REQUIREMENTS**

Paragraph 3.3.1. At the end of the paragraph, add the following sentence: In addition to regular service examination checklists, the Standard Inspection System Checklist shall be executed at least once every six months and the results factored into the Contractor Performance Assessment Reporting System, Joint Contingency Contracting System, award-fee inputs on incentive and award-fee contracts, as applicable.

GLOSSARY**ACRONYMS**

CAR	corrective action request
CCAS	Contingency Contract Administration Services
COC	Certificate of Conformance
DCMA-INST	DCMA Instruction
FLS	first-level supervisor
GCQA	Government Contract Quality Assurance
IAW	in accordance with
IUID	item unique identifier
PLAS	Performance Labor Accounting System
QA	quality assurance