DCMA Manual 2301-02

Contractor Technical Assessment(s)

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Approved by:	David H. Lewis, VADM, USN, Director

Purpose: This issuance, in accordance with the authority in DoD Directive 5105.64, "Defense Contract Management Agency (DCMA)," implements policy established in DCMA Instruction 2301. Assigns detailed responsibilities, and prescribes step-by-step procedures for assessing contractors' industrial and technical management, operations, and performance, including planning, executing, documenting, and subsequent follow-on assessment efforts.

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SECTION 1: GENERAL ISSUANCE INFORMATION

1.1. APPLICABILITY. This Manual applies to all DCMA activities unless higher-level regulations, policy, guidance, or agreements take precedence. The types of system standards or requirements used to perform these system assessments are, but not all inclusive: Quality Management System (QMS) (International Organization for Standardization (ISO) Standard 9001, AS9100), Manufacturing Management Program (AS6500), Configuration Management, Production Planning and Control (PP&C) and the Manufacturing Management System (MMS) of the Material Management and Accounting System. MMAS audits should be performed in accordance with (IAW) the Contractor's Business System Manual. Federal Acquisition Regulation (FAR) Clause 52.246-11 must be cited in the Contract to include ISO 9001 and AS9100 requirements. Special Programs Command (DCMAS) complies with Agency policy to the maximum extent commensurate with security requirements of administered classified programs. Where DCMAS is required to take exception to Agency policy, the intent of the Agency policy shall be followed and any/all exceptions documented in a supplemental instruction maintained by the DCMAS directorate. The terms “contractor and subcontractor” are synonymous with the terms “Contractor and sub-tier Contractor.”

1.2. POLICY. It is DCMA policy to:

a. Deliver global acquisition insight for all programs and High Visibility Commodities by providing objective, independent, relevant, timely, and actionable information to the Acquisition Enterprise.

b. Comply with OSD or service component Guidelines when reporting on programs.

c. Establish, support, and assign responsibility for all individuals performing Production Surveillance pursuant to (Defense Federal Acquisition Regulations Supplement (DFARS) 242.1104) and support of additional contract requirements by their assigned Contract Management Office (CMO).

d. Understand and provide those responsible for Government procurement with technical information and advice relating to contractual matters.

e. Execute this Manual in a safe, efficient, effective, and ethical manner.

f. Process deviations/waivers to this Manual in IAW DCMA Manual (DCMA-MAN) 501-01.

g. Perform Technical System Assessments when a system standard or requirement is cited in the Contract.

SECTION 2: RESPONSIBILITIES

2.1. DCMA OPERATIONAL UNITS. Commanders/Directors of the Operational Units must provide assistance to CMOs in the implementation of their Control of the Contractor System Assessment process.

2.2. COMMANDER/DIRECTOR. The Commander/Director must:

a. Determine if development of local written procedures are required for operational effectiveness and execution at the CMO. These procedures, if applicable, will be defined, managed, and controlled.

b. Coordinate with the Functional Director(s) (FD) in ensuring an annual plan, etc. for conducting system assessments and on-going surveillance is developed, managed and executed appropriately. During the annual plan development, ensure the criteria for aligning and prioritizing system assessments is effective and/or continuously improved. The strategy will align and prioritize system assessments based on risk and progress will be measured against planned versus completed assessments.

c. Inform the applicable DCMA Operational Units quality, manufacturing/production and Corporate Administrative Contracting Officer (CACO)/Divisional Administrative Contracting Officer (DACO)/Administrative Contracting Officer (ACO) points of contact when a contractor's overall system is determined to be a high risk with a tendency of delivering noncompliant products and/or noncompliant services.

d. Inform Portfolio Management and Business Integration (PM&BI) Industrial Analysis Group (IAG) when an Important Capabilities List facility's overall system is determined to be a high risk resulting in product/services deemed to be noncompliant.

e. Ensure the Online Aerospace Supplier Information System (OASIS) Job Aid, located on the Resource Page, is followed, when applicable.

2.3. FUNCTIONAL DIRECTOR. The FD must:

a. Develop, manage and continuously improve an annual plan for system assessments. This plan will align and prioritize system assessments based on risk, and progress will be measured against risk determination vs actions taken.

b. Ensure the document containing the appropriate risk planning effort(s) when necessary, are developed IAW DCMA-MAN 2303-01, "Surveillance – Assess Risk."

c. Ensure the first level supervisor (FLSs) have an effective process for selecting qualified functional specialist (FS) to perform an effective system assessment. A qualified FS has completed and is current to the competencies required by this process IAW the Agency system of record, workshops, etc.

d. Ensure FLSs are aware of new and emerging standards, procedures, training requirements, etc. used to perform system assessments.

e. Ensure compliance to all aspects of this Manual.

f. Ensure OASIS guidance is followed, when applicable.

2.4. FIRST LEVEL SUPERVISOR. The FLS must:

a. Understand the resource requirements per contract IAW DCMA-MAN 2501-01, "Contract Receipt and Review."

b. Assure FS develop a surveillance plan IAW DCMA-MAN 2303-01, "Surveillance – Assess Risk," DCMA-MAN 2303-02, "Surveillance – Plan Events," or any additional guidance, based on the results of the baseline and subsequent system assessments.

c. Manage resources to support the CMO's annual assessment plan based on the results of system assessments.

(1) Determine if the system assessment will be performed by a team or an independent FS with support from other technical specialists as applicable. This decision is based on the assessment scope and the assessor's competency. When a single assessor is used, all process steps apply with the exception of team collaboration requirements.

(2) Develop and maintain an effective process for developing qualified FS to perform an effective system assessment. A qualified FS has completed and is current to the competencies required by this process IAW the applicable Agency system of record learning map(s), workshops, On the Job Training, etc.

(3) Assign qualified FS as lead assessor(s) and team members. Ensure qualified FS meet the requisite training, as applicable, to perform the specific task, e.g., (AS6500, AS9100, ISO 9000).

(4) Coordinate with the Lead Assessor to determine the type, risk, scope, depth and duration of specific assessments.

(5) Ensure the Lead Assessor develops effective methods to determine adequacy and compliance, developing or tailoring system checklists (where applicable), scheduling and finalizing reports in support of the system assessments.

(6) Ensure an assessment plan defining the scope of the assessment is developed and executed.

(7) Ensure FS are properly documenting results of system assessments and are issuing Corrective Action Requests (CARs) as appropriate.

(8) Ensure contractor responses are appropriate and adequately address the root cause. Follow-up actions may be required to ensure corrective actions are implemented and effective.

(9) Ensure FS are compliant to all aspects of this Manual.

(10) Encourage technical community (Quality Assurance Specialist, Quality Assurance Engineer, Industrial Engineer, Engineer, Logistic Management Specialist, Software (2210) and Industrial Specialist) to conduct peer reviews of completed system assessments to promote a consistent approach.

(11) Ensure OASIS guidance is followed by assigned FS when applicable. (The OASIS job aid is located on the Resource page for this Manual).

2.5. LEAD ASSESSOR. The Lead Assessor (LA) must:

a. Assume responsibility for the overall management of the assigned Audit Team and ensure System Assessments performed by the Team are compliant to system requirements.

b. Coordinate with the FLS when assigned an assessment to determine the type, risk, scope, depth and duration of the assessment.

c. Assist the FLS with developing effective methods to determine adequacy and compliance, developing or tailoring system checklists, scheduling, conducting the assessment and finalizing reports in support of the system assessment.

d. Prepare an assessment plan defining the scope of the assessment.

e. Notify the Contractor, in writing, of the pending system assessment and its scope. It is recommended notification is provided to the contractor 30 days prior to the assessment at a minimum. When a System Assessment is scheduled to be conducted, the assigned functional personnel or FLS may notify major customers as needed and applicable.

f. Follow the current OASIS guidance in the OASIS job aid when applicable.

g. Ensure a copy of all Level II CARs are transmitted to the ACO and applicable Contract Management Team members.

h. Ensure documents are IAW DCMA-MAN 2303-04, “Surveillance –Document Results, Corrective Action & Provide Feedback.”

2.6. CORPORATE ADMINISTRATIVE CONTRACTING OFFICER, DIVISIONAL ADMINISTRATIVE CONTRACTING OFFICER, AND/OR ADMINISTRATIVE CONTRACTING OFFICER. For the purpose of this Manual, the term ACO also refers to CACO/DACO. The ACO will assist the lead assessor/functional team and supervisor through accomplishment of system assessments. The responsible ACO must:

a. Provide acquisition insight on contracting issues IAW FAR 1.602-1 and their delegated functions. When the ACO does not have the authority to resolve contracting issues, they will coordinate with the appropriate Contracting Officer.

b. Participate as an assessment Team Member as appropriate.

c. Coordinate and review assessment report prior to submission to the Contractor.

d. Review all Level II CARs generated from the system assessment for situational awareness. DCMA-MAN 2303-04 for the execution of CARs.

e. Exercise contract remedies.

2.7. DCMA FUNCTIONAL SPECIALIST. The DCMA FS will serve as assessment team members, lead assessors, or sole assessors who, when assigned by the FLS must:

a. Assess, plan, schedule and document the risk of the system or system elements IAW DCMA-MAN 2303-01, DCMA-MAN 2303-02, DCMA-MAN 2303-03, "Surveillance – Execute with Standard Techniques," and DCMA-MAN 2303-04.

b. Document the frequency and scope of system assessments in the applicable surveillance plan IAW DCMA-MAN 2303-02.

c. Develop or tailor system checklists, scheduling, scope and the finalization of reports in support of the system assessment.

d. Conduct a system assessment as soon as possible.

e. Ensure system or system elements with high or moderate likelihood risk ratings are prioritized for a system assessment early in the contract performance period but under no circumstances should the contract expire prior to the system assessment being completed.

f. Follow the current OASIS guidance in the OASIS Job Aid when AS9100 series requirements are applicable.

g. Ensure any required multifunctional system assessment is conducted as soon as possible and/or prior to the final delivery date established in the associated contract.

h. Ensure contracts awarded with a performance duration of less than two years with no continuing higher-level quality requirements imposed on the Contractor pursuant to FAR 52.246-11, have completed a system assessment based on risk using the data outlined in paragraph 3.1.

SECTION 3: SYSTEM ASSESSMENT

3.1. SYSTEM ANNUAL PLAN. The FD should ensure an annual plan for conducting system assessments is developed, managed, and executed appropriately. This strategy will align and prioritize system assessments based on risk, and progress will be measured against planned vs completed assessments.

3.2. PLANNING THE SYSTEM ASSESSMENT. The Lead Assessor must coordinate with the FLS when assigned an assessment to determine the type (i.e., initial baseline, continuing or reassessment), risk, scope, depth, duration of the assessment and if the assessment will be performed by an individual or team. Technical System Assessments are required when FAR Clause 52.246-11 is cited in the contract along with a system standard or requirement. The results of this coordination must be exhibited in an assessment plan. If data analysis has not been performed recently, review applicable sources for data and contractor performance history to identify potential risk. The sources/data as applicable, must be analyzed to facilitate the identification of potential risk:

- Quality escapes (See glossary definition)
- Contractor's internal assessment results
- Surveillance Criticality Designator
- Production Surveillance Category
- Delay Notices
- On-Time Delivery
- Corrective and preventive action and follow-up
- Customer complaints
- Second (Industry or Government) or Third Party audits
- Supplier Risk System
- Contractor Risk System
- Product Data Reporting and Evaluation Program
- Government Industry Data Exchange Program
- National Aerospace and Defense Contractors Accreditation Program
- OASIS Feedback
- Contractor's Failure Reporting, Analysis and Corrective Action System
- Reliability & Maintainability Data

a. Types of System Assessments.

(1) Initial Baseline System Assessment (IBSA). An IBSA:

(a) Applies when the contractor has no assessment history or the system is new to the contractor. If a full system assessment is not performed, there is potential or unknown risk. It is essential that a comprehensive assessment of the entire system is performed to establish a baseline. This baseline will drive the scope of future surveillance/assessments, which may be performed on a subset of the system based on risk.

(b) Is used to establish the areas of risk and develop a risk-based strategy for mitigation of the areas of risk.

(c) Consists of an adequacy evaluation, the development of an assessment plan and a compliance evaluation of the Contractor's QMS to a required Standard, e.g., ISO 9001, AS9100 etc.

(d) Is not required if a third party QMS certification assessment was performed by an International Aerospace Quality Group – Industry Controlled Other Party (IAQG-ICOP) approved Certification Body (CB) listed in OASIS. If there is a risk likelihood identified through Data Collection and Analysis (DC&A) or Government Contract Quality Assurance (reference paragraph) compliance evaluation may need to be performed on those elements.

(e) Is required if the contract calls for an ISO 9001 system and the contractor was not previously certified to AS9100. OASIS is only applicable when AS9100 is called out in the Contract.

(f) Will be performed on contracts citing AS6500, reference (Society of Automotive Engineers (SAE) international AS6500, paragraph 2, "Conformance").

(2) Continuing System Assessment(s). This approach is applicable after the areas of risk are established in the IBSA phase. This assessment consists of an adequacy and compliance determination performed IAW an assessment plan. Continuing system assessments will be performed at the frequency and intensity identified in the surveillance plan.

(3) Reassessment. Unlike an initial baseline or continuing system assessment, this assessment is performed outside of the established and/or planned schedule/frequency primarily impacted by:

(a) Customer or Multifunctional Team Request (example: National Aeronautics and Space Administration (NASA) and Missile Defense Agency (MDA).

(b) Significant changes to the contractual requirements/standards (revisions/ modifications).

(c) Change in program scope which may impact the system (manufacturing process change, introduction of subcontractors.

(d) Negative Rise Events (e.g., assessment results that demonstrate a breakdown of an element or system).

b. Components of Technical System Assessment. There are three components to a technical system assessment: Adequacy evaluation, assessment plan, and a compliance evaluation.

(1) Adequacy evaluation. The IBSA begins with the determination of adequacy. An adequacy evaluation is conducted to determine if the goals set by the customer were met. It also shows if the Contractor is capable of meeting the requirements of the standard, e.g., ISO 9001, AS9100, and AS6500 sited in the contract. An adequacy evaluation helps determine the failures and successes of program activities in order to strengthen the implementation process of the standard cited in the contract.

(2) Assessment Plan. The lead assessor will develop an assessment plan when conducting a compliance evaluation or reassessment. The assessment plan will identify the specific contractor's system processes selected for verification of compliance with requirements. After the baseline has been established, the system processes will be prioritized based upon high or moderate risk likelihood when developing the assessment schedule. Low risk processes will be evaluated as warranted. The assessment plan addresses:

(a) The assessment objective. Identify the objectives in an assessment plan.

(b) Identify the applicable standards. The contract clause number(s) containing the higher-level Quality Requirement (FAR 52.246-11) and cited standard(s).

(c) Criteria and documents. The assessment criteria and any Contractor reference documents needed.

(d) Risk-based strategy. The risk-based strategy used during a system assessment contributes to establishing confidence that a contractor's system(s) are capable of meeting contractual requirements. Assessments are used to determine those element(s) identified as moderate or high risk requiring follow-on assessments, see DCMA-MAN 2303-01 and DC&A.

(e) Scope of assessment. The scope of assessment as determined by level of risk consequence, (Critical Safety Items, Life Support, Body Armor, Ammunition, etc.) cannot be influenced by Government surveillance. The assessment scope, including identification of the organizational and functional units and processes to be assessed.

(f) Dates and places of assessment. The dates and places where the onsite assessment activities are to be conducted.

(g) Time and duration of assessment. The expected time and duration of on-site assessment activities.

(h) Roles and responsibilities of assessment. Identify the roles and responsibilities of assessment team members and accompanying personal that will be involved in the assessment. The identification of roles and responsibilities may not be necessary for partial assessments.

(i) Allocation of resources. The allocation of appropriate resources to critical areas of the assessment (may not be necessary for partial assessments).

(j) Identification of Contractor representative. Identification of the Contractor's representative for the assessment, e.g., the Contractor's representative directly involved in the assessment (may not be necessary for partial assessments).

(k) Logistics of assessment. Logistic arrangements (program, product, on site facilities, safety, personal protective equipment, etc.).

(l) Confidentiality. The state of keeping or being kept secret or private IAW applicable guidance.

(m) Follow-up. Any assessment follow-up actions.

(3) Compliance evaluation. Planning the compliance evaluation is a key element leading to assessing the effectiveness, control and level of surveillance imposed on a Contractor's technical system by extension of an associated standard. Trends in compliance can be very informative when planning risk from a management prospective and to gauge if the Contractor has the ability to comply with the standard cited in the associated contract. It is necessary to establish an assessment schedule as part of compliance planning. The assessment schedule will be IAW DCMA-MAN 2303-02,

c. Duration of Contract. FS receiving contracts with technical system requirements that are less than two years from the contract receipt date must complete the required system assessment prior to the delivery date of the contract. If the duration of the contract is greater than two years (e.g., the final delivery date is three years from the contract receipt date) the assessment will be scheduled with a completion date not to exceed two years from the contract receipt date. If there is more than six months of inactivity since the last assessment, the data sources in paragraph 3.1. will be reviewed for risk. Refer to specific DCMA Manual for system assessment cycles outside of the parameters in paragraph 3.1.

3.3. EXECUTING THE SYSTEM ASSESSMENT.

a. Evaluate Adequacy. Evaluate whether the contractor is maintaining documented information to support the operation of its processes in meeting contractual requirements. Adequacy evaluations address whether or not documented information is current, accurate, complete, and capable of satisfying requirements of the standard under review, and meeting its need/intent.

b. Creating the System Assessment Plan. The lead assessor will develop an assessment plan (see paragraph 3.2.b(2)). Planning for the system assessment is a vital part of the process. The plan will facilitate scheduling and coordination of the assessment activities. The lead assessor will coordinate the plan with the contractor. The amount of detail provided in the assessment plan will reflect the scope and complexity of the assessment. The assessment plan will be flexible to permit changes, such as changes in the assessment scope, which may become necessary as the on-site assessment activities progress.

c. Evaluate Compliance. This step determines if the contractor is compliant to its documented information. The contractor's system must be verified for compliance to some level or scope as part of the baseline assessment. If the contractor's system does not meet the level or scope of the requirement, a CAR will be issued as appropriate.

d. Update the Risk Ratings. This step determines the risk associated with each element of the contractor's system.

3.4. DOCUMENTING THE ASSESSMENT. The lead assessor/FS must document and use resources available to them in completing the system assessment. The lead assessor/FS will:

a. Document the results of the assessment IAW DCMA-MAN 2303-01.

b. Maintain the records in the Agency system of record.

c. Use Aerospace and ISO quality and manufacturing system artifacts to record the results of the assessments. Refer to resource page for examples of checklist used to document results.

d. Use the OASIS Tier II Feedback to leverage existing ICOP/OASIS process in enabling DCMA to query the results of CB assessments in determining contractor risk. Organizations should initially attempt to query the results of CB assessments through communication with the contractor and issue a response in OASIS if attempts at querying through communication fail.

e. Use the results of system assessments as a data source for DC&A to update the risk in the surveillance plan. Refer to individual functional guidance on the DC&A resource page.

f. Document the initial baseline completed date in the surveillance plan. Please refer to individual functional guidance.

g. Indicate which standard/contract requirement was used when formally documenting noncompliance(s).

3.5. FREQUENCY OF ASSESSMENT. Frequency of system assessments will be based on customer requests, the sources/data cited paragraph 3.1. pursuant to DCMA-MAN 2303-02. Customers may request specific system assessments through a Contract, Letter of Delegation (LOD), Quality Assurance Letter of Instruction, Memorandum of Agreement (MOA) or)Memorandum of Understanding (MOU0. Examples of customers with delegated system assessment frequencies are:

a. Navy Special Emphasis Program. Quality System Audits (QSAs) are conducted pursuant to DCMA-MAN 2301-05, "Navy Special Emphasis Program," paragraph 3.7.

b. NASA. Frequency of QSA/Quality System Evaluation (QSE) will be based on the LOD. When NASA does not provide specific time-frame or frequency, the following procedures will be followed:

c. QSA/QSE. The frequency of a QSA/QSE must be based on the contractor's quality history but will be conducted every three years, unless risk indicates a higher frequency. Requests to perform audits out-of-cycle or when not delegated must be supported by a risk determination influenced by the results of DC&A and approved by the NASA delegator. QSA/QSEs may be extended in frequency, exempted, or limited in scope when one of the following conditions exists and with the approval of the NASA LOD Point of Contact:

(1) The contractor is certified by an accredited SAE AS9100 CB or the contractor's quality system has been formally evaluated and accepted by another Government agency.

(2) Government surveillance (e.g., Government mandatory inspection points), process witnessing data, where available, indicates satisfactory levels of compliance.

(3) Quality data and other risk factors (e.g., product/process maturity, ISO 9001 or AS9100 certification audit results, and facility relocation) indicate acceptable risk.

(4) Product delivery data, where available, indicates the contractor has a history of delivering product that meets quality requirements. See resource page for the NASA Contractor Assessment System.

d. MDA. Annually, consolidates a list of potential contractors with input from the Program Offices, Naval Surface Warfare Center and DCMA. This list goes to the MDA Director for approval. Once the list is approved, MDA assessments are conducted based on the list. Changes to the list occur throughout the year based on risk, request from program offices, conflicts with contracts, etc.

GLOSSARY

G.1. DEFINITIONS.

Adequacy. Adequacy is an evaluation of the contractor's command media (policies/procedures) to determine if they are based on contractual requirement(s) and are current, accurate, complete, and sufficient to satisfy a requirement, need or intent.

Annual plan. A plan that aligns and prioritizes contractors and dates of accomplishment of system assessments across CMOs based on risk. The plan contains, at a minimum:

- Name
- Commercial and Government Entity
- CMT
- Risk levels
- Dates

Assessment Plan. The specific guideline to be followed when conducting an audit.

Audit. A systematic, independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which the audit criteria are fulfilled."

Baseline. The initial planning, adequacy and compliance of a Contractor's QMS (system) to a required Standard (e.g., ISO 9001, AS 9100, AS6500).

Compliance. Compliance is an evaluation of the contractor's adherence to their command media or to the contractual requirements.

Continuing System Assessment. The continuing assessment of those areas found at risk during the initial baseline assessment and included in the surveillance plan for ongoing surveillance. This assessment consists of an adequacy and compliance determination performed IAW an assessment plan.

Contractor. Any individual that is awarded a Government contract, or a subcontract under a Government contract. (FAR section 9.403). Contractor includes the terms ''prime contractor'' and ''subcontractor." (FAR section 22.801).

High Visibility Commodities. A family or class of similar material or product, of significant interest to a customer, organized together for the purpose of managing and providing systemic insights (i.e., conventional ammunition, body armor). Reference "High Visibility Commodity User Guide" from PM&BI.

ISO Standard 9000. Family of quality management systems standards is designed to help organizations ensure that they meet the needs of customers and other stakeholders while meeting statutory and regulatory requirements related to a project or service.

Lead Assessor. Responsible for ensuring system requirements compliance for the overall management of the assigned Audit Team.

Logistics Management Specialist. Part of the Program Support Teams and required to develop Surveillance Plans and conduct Audits, Process Reviews and if necessary, write CARs.

Noncompliance: A departure from contractual requirements. The term noncompliance is synonymous with nonconformity, nonconformance and deficiency.

Partial Assessments. An assessment of only part of the contractor's management system. It is called a partial assessment, because you may be asked to perform an assessment only on certain elements of the system, e.g., control of nonconforming outputs, preservation, configuration management, monitoring and measuring resources, as cited in AS9100D.

Process. A set of interrelated or interactive activities which transforms inputs into outputs to satisfy one or more customer requirements.

Production Planning and Control. Production Planning and Control involves generally the organization and planning of the manufacturing process. Specifically, it consists of the planning of the routing, scheduling, dispatching and inspection, co-ordination and the control of materials, methods, machines, tooling and operating times.

Progress. Movement or advancement through a series of events, or points in time; development through time, e.g., progress over time shown by milestones.

OASIS Database. The web-based International Aerospace Quality Group application containing information on participating National Aerospace Industry Associations , Accreditation Bodies , Training Provider Approval Bodies, Auditor Authentication Body, Accredited Certification Bodies (CBs), Aerospace QMS auditors, certified suppliers and audits, which are approved and recognized by the SMS through the Industry Controlled Other Party scheme.

Quality Escapes. Any product released by an internal or external Contractor or sub-tier Contractor that is subsequently determined to be nonconforming to contract and/or product specification requirements.

QMS. A collection of business processes focused on consistently meeting customer requirements and enhancing their satisfaction. It is aligned with an organization's purpose and strategic direction (e.g., ISO 9001).

QSA. A second party audit which focuses on the contractor's system compliance to the customer's requirements.

Reassessment. An assessment performed outside of the established and/or planned schedule/frequency.

Reliability & Maintainability Data. Reliability testing is accomplished to determine

failure times and rates. Risk levels are assessed in relation to time. Maintenance is added in to reduce risk of failure and increase reliability. The data is obtained from our customers and suppliers.

Risk-Based Strategy. A risk-based strategy used during a system assessment contributes to establishing confidence that a contractor's system(s) are capable of meeting contractual requirements.

Risk Profile and Plan. The Risk Profile and Plan is a job aid that provides the minimum documentation of the applicability of specific risk factors and documents the relationship between risk factors and planned surveillance activities.

SAE. International, initially established as the Society of Automotive Engineers, is a United States-based, globally active professional association and standards developing organization for engineering professionals in various industries.

Scope. The extent of the area or subject matter that something deals with or to which it is relevant.

Subcontractor. Any person, other than the prime contractor, who furnishes any supplies, materials, equipment, or services of any kind under a prime contract or a subcontract entered into in connection with such prime contract, and includes any person who furnishes general supplies to the prime contractor or a higher tier subcontractor. (FAR subsection 3.502-1).

System. Set of interrelated or interacting elements.

System Assessments. DCMA's system assessments consist of determining the adequacy and compliance of a contractor's technical development and production processes. It is a basic tool used to assess effective implementation and conformity to contractual requirements. In addition to assessing conformity, the associated standard focuses on the evaluation of effectiveness of the system and its associated processes.

GLOSSARY

G.2. ACRONYMS.

ACO	Administrative Contracting Officer
CACO	Corporate Administrative Contracting Officer
CAGE	Commercial and Government Entity
CAR	Corrective Action Request
CB	Certification Body
CMO	Contract Management Office
CMT	Contract Management Team
DACO	Divisional Administrative Contracting Officer
DC&A	Data Collection and Analysis
DCMA-INST	DCMA Instruction
DCMA-MAN	DCMA Manual
ENG	Engineer
FAR	Federal Acquisition Regulation
FD	Functional Director
FLS	First Level Supervisor
FS	Functional Specialist
IAW	In Accordance With
IBSA	Initial Baseline System Assessment
IS	Industrial Specialist
ISO	International Organization for Standardization
LMS	Logistics Management Specialist
LOD	Letter of Delegation
MDA	Missile Defense Agency
NASA	National Aeronautic and Space Administration
OASIS	On-Line Aerospace Supplier Information System
PM&BI	Portfolio Management and Business Integration
QMS	Quality Management System
QSA	Quality System Audit
QSE	Quality System Evaluation
SAE	Society of Automotive Engineers

REFERENCES

DCMA Manual 2301-05, "Navy Special Emphasis Program," April 1, 2019
DCMA Manual 2303-01, "Surveillance - Assess Risk," TBD
DCMA Manual 2303-02, "Surveillance - Plan Events," April 28, 2019
DCMA Manual 2303-03, "Surveillance - Execute with Standard Techniques," November 5, 2018
DCMA Manual 2303-04, "Surveillance – Document Results, Corrective Actions & Provide Feedback," May 26, 2019
DCMA-MAN 2501-01, "Contract Receipt and Review," March 24, 2019
DoD Directive 5105.64, "Defense Contract Management Agency (DCMA)," January 10, 2013
Defense Federal Acquisition Regulation Supplement, current edition
Federal Acquisition Regulation, current edition