



DCMA Manual 2101-01 Acceptance of Supplies and Services

Office of Primary Responsibility	Product Acceptance and Proper Payment Capability Board
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Purpose: This manual, in accordance with the authority in DoD Directive 5105.64 and DCMA Instruction 2101, implements policy by:

- Assigning responsibility for accepting supplies and services on behalf of the government.
- Prescribing a process to identify authorized personnel to accept supplies and services.

TABLE OF CONTENTS

SECTION 1: GENERAL ISSUANCE INFORMATION.....	3
1.1. Applicability.....	3
1.2. Policy.....	3
1.3. Specified Forms and Information Collection	3
1.4. Summary of Changes.....	4
SECTION 2: RESPONSIBILITIES	5
2.1. Capability Manager, Product Acceptance and Proper Payment	5
2.2. Acceptance Action Officer	5
2.3. OU Commander or Director	5
2.4. CMO Commander or Director.....	5
2.5. CMO Deputy.....	6
2.6. CMO Functional Group Lead.....	6
2.7. FLS.....	6
2.8. Administrative Contracting Officer (ACO).....	6
2.9. FS	7
SECTION 3: AUTHORIZED PERSONNEL	8
3.1. Authorizations	8
3.2. Authorized Personnel Performing Acceptance	8
3.3. Acceptance Authorization Performance.....	9
3.4. Acceptance Authorization Form.....	9
SECTION 4: ACCEPTANCE	11
4.1. Overview	11
4.2. Timeframe for Acceptance	11
4.3. Prior to Acceptance.....	11
4.4. Verifying the Contractor Understands the Submission Requirements for Acceptance....	12
4.5. Verifying Acceptance Documents.....	12
4.6. Acceptance Record	14
4.7. Process Corrected Acceptance Documents	14
4.8. Process a Replacement Acceptance Document.....	14
4.9. Procedures for Validating Aging RRs	14
SECTION 5: RELEASE AND SHIPMENTS.....	15
5.1. Authorize Shipment of Supplies.....	15
5.2. Partial Shipment Authorization	16
5.3. Shipments Between Contractors.....	16
5.4. Shipments at the Subcontract Level	17
5.5. Ship-In-Place (SIP)	17
GLOSSARY	
G.1. Abbreviations and Acronyms	18
G.2. Definitions.....	19
REFERENCES.....	22

SECTION 1: GENERAL ISSUANCE INFORMATION

1.1. APPLICABILITY.

This manual provides guidance for acceptance of supplies and services in accordance with DoD and agency requirements and applies to all DCMA activities unless higher-level regulations, policy, guidance, or agreements take precedence. Special Programs Command will meet the intent of this manual and other related issuances to the maximum extent practicable for all Special Access Programs and Sensitive Compartmented Information contracts.

1.2. POLICY.

It is DCMA policy:

- a. That only authorized personnel will accept supplies or services tendered for acceptance by a contractor when there is a basis of confidence that the supplies or services conform to contract requirements.
- b. To execute the processes of this manual in a safe, efficient, effective, and ethical manner within DCMA workplaces.

1.3. SPECIFIED FORMS AND INFORMATION COLLECTION.

DCMA Form 2101-01, “Product Acceptance Authorization Form” (PAAF).

- a. The purpose of the PAAF is to provide objective evidence that personnel are authorized to accept supplies and services for assessed skill sets on behalf of the government.
- b. The PAAF is linked on the resource page for this manual.
- c. PAAF instructions:
 - (1) The first level supervisor (FLS) will fill out the PAAF and will:
 - (a) Identify which operational unit (OU) the functional specialist (FS) and FLS DoDAAC resides.
 - (b) Identify which DoDAAC the FS and FLS are in.
 - (c) Identify the Team Code for the FS and FLS.
 - (d) Identify the FS.
 - (e) Identify the FLS.
 - (f) Identify the FS Job Series.

(g) Identify which skill sets are applicable by marking Qualified (Q) or Limited (L). Software skill set does not allow for Limited (L) and only Qualified (Q) may be chosen.

(2) FLS will determine if a Limited Authorization is required:

(a) If any skill set has a Limited (L) marking, then the commander or director, deputy, or functional group lead, which the FS and FLS is assigned to, must provide their signature, date of approval, and date of expiration, which must not exceed 1 year.

(b) If the commander or director, deputy, or functional group lead do not approve the Limited Authorization, the FS must not accept product for those applicable supplies and services. In addition, the FLS must submit a new PAAF with the Limited (L) marked skill set(s) removed.

(c) If there are no Limited (L) marked skill sets, then the FLS does not need to get approval from the commander or director, deputy, or functional group lead.

(3) FLS will sign, either digitally (preferred) or manually, and date the PAAF.

(4) FLS will submit the PAAF to the agency system of record (SoR), identified on the resource page of this manual.

1.4. SUMMARY OF CHANGES.

This manual replaces DCMA Manual (DCMA-MAN) 2101-01, published July 6, 2022, and is significantly changed. Users must review this issuance in its entirety. Significant changes include:

- Removed FS requirements to fill out and sign the PAAF.
- Added requirement for the FLS to fill out PAAF.
- Removed requirement for the OU to sign and approve, or reject, the PAAF.
- Added Annual Review requirement for PAAF.
- Added prescriptive directions regarding PAAF submissions.
- Removed First Article Test, Production Lot Test, and Production Verification Test requirements from this manual, see DCMA-MAN 2303-01, "Surveillance," for guidance.
- Removed the Stamp requirement from this manual, see DCMA-MAN 2303-01 for guidance.
- Removed the Contractor Inspection System requirement from this manual, see DCMA-MAN 2303-01 for guidance.
- Separated Acceptance from Release and Shipments.
- Removed the requirement for deliverable product evaluations regarding acceptance documentation.

SECTION 2: RESPONSIBILITIES

2.1. CAPABILITY MANAGER, PRODUCT ACCEPTANCE AND PROPER PAYMENT.

The Capability Manager will:

- a. Serve as the approval authority for waiver or deviation requests to this manual.
- b. Oversee the development, implementation, administration, and management of this manual.

2.2. ACCEPTANCE ACTION OFFICER.

The Action Officer for Acceptance will:

- a. Provide guidance as necessary to reduce process gaps.
- b. Adjudicate all functionally specific requests for deviations or waivers from agency issuance via the functional proponent.
- c. Maintain a SoR for PAAFs.
- d. Maintain a storage location for historical PAAFs.
- e. Develop and manage training to support this manual.

2.3. OU COMMANDER OR DIRECTOR.

The OU commander or director will:

- a. Assist contract management offices (CMOs), also referred to as contract administration offices (CAOs), with identifying and tracking aging receiving reports (RRs) or reparable receiving reports (RRRs).
- b. Notify DCMA Technical Directorate's Quality Division when aging RRs or RRRs are not within the CMO or OU area of responsibility.
- c. Ensure OU personnel are assigned to perform and complete an OU level review of the PAAF and SoR for completeness, to include data entry match between the PAAF and the SoR data fields.

2.4. CMO COMMANDER OR DIRECTOR.

The CMO commander or director will:

- a. Ensure compliance with the requirements of this manual.

b. Develop and maintain standard operating procedures deemed necessary for execution of this guidance in a designated location.

c. Ensure the management of all RR or RRR within their cognizance.

d. Authorize Limited Authority on PAAFs in lieu of the CMO deputy or functional group lead when they are unavailable.

2.5. CMO DEPUTY.

The CMO deputy will authorize Limited Authority on PAAFs in lieu of the CMO commander, or director, or functional group lead when they are unavailable.

2.6. CMO FUNCTIONAL GROUP LEAD.

The functional group lead will:

a. Ensure compliance with this manual.

b. Ensure locally developed training and guidance is available when deemed necessary.

c. Assist and mentor their workforce.

d. Review and authorize Limited Authority on PAAFs.

2.7. FLS.

The FLS will:

a. Ensure their respective FS possess the necessary skill set(s) to perform acceptance through a competency assessment pursuant to Paragraph 4.2.b. of DCMA-MAN 4201-17, "Training, Tuition Assistance, Conferences, and Leadership Development."

b. Complete and store the PAAF in the approved SoR.

c. Ensure the FS accepts supplies or services within the requirements of this manual.

d. Ensure the FS is certified in the Software Professional Development Program prior to authorizing the Software skill set.

2.8. ADMINISTRATIVE CONTRACTING OFFICER (ACO).

The ACO will:

a. Review and, if justified, act upon recommendations that are provided by the FS.

- b. Assist with decisions regarding acceptability when requested.
- c. Accept 2-in-1 invoices, see glossary for definition of 2-in-1 invoices.
- d. Determine the need for other FS support prior to performing acceptance.

2.9. FS.

The FS will:

- a. Participate in the Post Award Orientation or conduct a FS Meeting as needed to ensure all parties understand the requirements of the contract (e.g., place and mode of acceptance).
- b. Ensure all applicable surveillance is completed prior to acceptance. This may include ensuring all Government-Industry Data Exchange Program notices, request for variances, engineering change proposals, and consideration negotiations are resolved and closed.
- c. Communicate with all applicable stakeholders when problems or concerns arise during the execution of acceptance.
- d. Notify the applicable award management team (AMT) member(s) with any potential production or delivery delays.
- e. Determine the need for other FS support prior to performing acceptance.

SECTION 3: AUTHORIZED PERSONNEL

3.1. AUTHORIZATIONS.

There are two types of authorizations. A link to guidance for the skill set assessments is located on the resource page for this manual.

a. Qualified.

FS is qualified to perform Acceptance for the assessed skill set(s).

b. Limited.

FS is performing Acceptance without completing the mandatory training requirements for the assessed skill set(s).

3.2. AUTHORIZED PERSONNEL PERFORMING ACCEPTANCE.

When DCMA is assigned Acceptance within a contract, authorized FSs must make a determination that supplies or services meet contractual requirements.

a. To accept supplies or services on behalf of the U.S. Government, acceptance will be based upon traceable objective evidence that surveillance was completed.

b. The FLS must assess and authorize the FS in the associated skill set(s) for the supplies or services being accepted by completing the PAAF.

(1) Acceptance authorization is based on the FLS assessment, pursuant to DCMA-MAN 4201-17, of the FS to perform acceptance outlined in this manual, to include review of training and skill sets of the FS.

(2) This applies to any DCMA personnel performing acceptance without a warrant.

c. In the event the above conditions cannot be met due to resource constraints or training availability, CMO commanders or directors, deputies, or functional group leads may, with exception to software:

(1) Authorize an FS to accept supplies or services once the FLS has successfully performed an assessment prior to recommending a Limited Authorization. This approval will be documented on the PAAF.

(2) Grant Limited Authorization(s).

(a) When granting Limited Authorizations per skill set, the timeframe must not exceed 12 consecutive months per submission.

(b) Subsequent Limited Authorizations will require CMO, OU, and Acceptance Action Officer approval when extenuating circumstances require an extension of Limited Authority.

(c) No more than 24 consecutive months of Limited Authorization are allowed.

d. When the supplies under consideration for acceptance by DCMA are software products, embedded or stand alone, FS authorized to accept software must:

(1) If the developed software is a stand-alone Contract Line Item Number, perform the role of product acceptance; or

(2) If the developed software is embedded in an end item or system, provide documented evidence, such as a surveillance record within the SoR, that the software portion meets the contractual requirements for acceptance. If the embedded software was not modified and was accepted in the past, the software FS can coordinate with the quality FS to streamline product acceptance requirements.

(a) For non-developed software, such as “commercial off the shelf” and “government furnished equipment,” software Product Acceptance will not be performed.

(b) For non-developed software, such as “commercial off the shelf” and “government furnished equipment,” where software development is required for integration, software Product Acceptance will only be performed on the developed software.

e. If the FS performing acceptance is a quality assurance specialist, “QA Systems” and at least one other relevant skill set must be selected on the PAAF.

3.3. ACCEPTANCE AUTHORIZATION PERFORMANCE.

Prior to a “Qualified” or “Limited” Acceptance authorization, the FLS will ensure the FS:

- a. Understands the timeframes for acceptance as outlined in this manual.
- b. Ensures nonconforming material and variances are adjudicated prior to acceptance as described in Section 4 of this manual.
- c. Validates completion of all planned surveillance as described in Section 4 of this manual.
- d. Validates critical fields on the acceptance documents as described in Section 4 of this manual.

3.4. ACCEPTANCE AUTHORIZATION FORM.

The FLS must complete and update the PAAF annually for FSs performing Acceptance.

a. The annual PAAF cycle will cover a calendar year starting January 1 through December 31.

(1) PAAF completion will occur from January 1 through January 31, during which the previous PAAF is still in effect.

(2) The FLS will accomplish the annual reauthorization of the PAAF by January 31 regardless of when the previous PAAF was completed.

(3) PAAFs not reauthorized expire February 1, and the FS is not authorized to perform acceptance.

(4) If determined by the FLS that an FS is qualified to accept supplies and services, the FLS may create a PAAF outside the normal timeframe listed above. This includes new personnel to a team who are qualified to accept supplies and services or a qualified FS who has an expired PAAF.

b. If the FS obtains new skill sets, the FLS will complete and authorize a new PAAF with all relevant skill sets.

c. When new training requirements are added to a skill set, an authorized FS will remain qualified to perform acceptance for a period not to exceed 2 years from the deployment of a new requirement.

(1) During this period, the FS will apply for such training and obtain the certification or qualification. This is to allow for training to become available and account for delays.

(2) If the training requirement is not met within the 2-year window, the FS is not authorized to perform acceptance for that skill set. A new PAAF with only current skill set(s) will be completed and authorized.

d. If the FS is no longer authorized to perform acceptance in a skill set, the FLS must complete a new PAAF with the skill set removed.

e. If the FS becomes disqualified to perform overall acceptance, the FLS will update the data entry in the PAAF SoR list choosing the “Revoked” selection from the dropdown menu and the “FLS Assessment date.”

(1) The PAAF is not required to be uploaded with the Revocation.

(2) The FLS will contact the government administrator to remove the FS acceptance privileges in the SoR (i.e., Wide Area Workflow (WAWF)).

f. When a FS transfers to a new FLS or leaves the agency, the losing FLS will contact the government administrator to remove the FS privileges in the SoR.

SECTION 4: ACCEPTANCE

4.1. OVERVIEW.

- a. Typically, Acceptance is an administrative task to provide prompt, proper payment.
- b. Acceptance is not to be confused with surveillance.

(1) The preferred surveillance method is a process evaluation, which may be performed on the contractor's acceptance procedures.

(2) A deliverable product evaluation is **not** required for each acceptance document.

4.2. TIMEFRAME FOR ACCEPTANCE.

The FS will perform Acceptance as expeditiously as possible to avoid schedule and payment delays. The FS will accomplish:

- a. Acceptance of conforming material by the third business day after "Final Inspection" or notification prior to shipment and the acceptance documents (e.g., RR, RRR, DD Form 250, "Material Inspection and Receiving Report") are available.
- b. Acceptance for alternate release procedures (ARP) as expeditiously as possible but will accept no later than the seventh business day after notification of shipment.

4.3. PRIOR TO ACCEPTANCE.

- a. The FS must ensure all applicable surveillance was performed, all contractor tests and inspections were completed, and supplies or services have met the contractual requirements.
- b. When DCMA International CMO FSs are accepting product and have issued a Request for Government Quality Assurance, it is recommended that the request include the requirement for the host nation delegatee to sign a Certificate of Conformity as referenced in Allied Quality Assurance Publications 2070, "NATO Mutual Government Quality Assurance (QA) Process." Any completed and signed Certificate of Conformity must be attached to the RR, RRR, or DD Form 250 by either the contractor or the DCMA Authorized Person Performing Acceptance.
- c. The FS will ensure all nonconforming material or variances are dispositioned and have been adjudicated prior to Acceptance pursuant to DCMA-MAN 2301-06, "Discrepancy Processing," and Federal Acquisition Regulation (FAR) 46.407, "Nonconforming Supplies or Services." The adjudication will ensure all requests for consideration have been coordinated with the ACO and documented.
- d. Personnel accepting supplies or services will use RR or RRR recycles and rejections in their data analysis as the basis to determine the risk of the contractor's acceptance documentation process.

4.4. VERIFYING THE CONTRACTOR UNDERSTANDS THE SUBMISSION REQUIREMENTS FOR ACCEPTANCE.

While it is not the FS responsibility to train the contractor in the use of the SoR, the FS needs to make sure the contractor understands what acceptance documents are necessary for submission, to include supporting documentation.

a. The FS will ensure the contractor understands the requirement to include acceptance documentation or other authorized shipping documents with any supplies the contractor ships. The FS will ensure contractors distribute RRs per the instructions in Appendix F, Tables 1 and 2 of the Defense Federal Acquisition Regulation Supplement (DFARS).

b. When FAR 52.246-15, “Certificate of Conformance,” is contained in a contract, the CAO can invoke the Certificate of Conformance (CoC) clause with the condition that the contractor will not ship the item(s) prior to DCMA Acceptance.

c. Upon notification an item shipped without the appropriate acceptance document, the FS must issue the appropriate level corrective action request (CAR).

d. If the contractor was on ARP or CoC and did not indicate this within the SoR, the FS must reject the acceptance document and issue the appropriate level CAR.

4.5. VERIFYING ACCEPTANCE DOCUMENTS.

a. Final Shipments.

For final acceptance documents, verify that the contractor:

(1) Has placed a “Z” at the end of the shipment number for final shipment.

(2) Has placed a “Z” in the Advice Code block of the RR or RRR, or below the quantity, Block 17, of the DD Form 250 when the final shipments contain an authorized variation of quantity and an underrun condition exists pursuant to Appendix F, Subparts F301 or F401, of the DFARS.

b. Critical fields.

When validating a RR or RRR or DD Form 250, as a minimum, ensure the following fields match the contract or delivery order, as applicable:

(1) Contract Number, Order Number, Procurement Instrument Identifier, Procurement Instrument Identifier Number, or Supplemental Procurement Instrument Identification Number.

(2) The appropriate radio button is checked (i.e., ARP, CoC, supplies, or services).

(3) Acceptance Code (i.e., Source or Destination).

- (4) Contract Line Item Number, Subline Item Number, Exhibit Line Item Number.
- (5) Quantity, within the specified variance of the contract or less than or equal to the contract quantity.
- (6) Unit of Measure (i.e., Lot or Each).
- (7) Item Description closely matches the contract Item Description, the Product Identification, Part Number, or National Stock Number.
- (8) Ship To and Mark for DoDAAC.
- (9) Military Standard Requisitioning and Issue Procedures.
- (10) Foreign Military Sales (FMS) RRs:
 - (a) FMS Case Identifier, mandatory.
 - (b) Military Standard Requisitioning and Issue Procedures, mandatory if included in the contract.
 - (c) Ship To and Mark for Location Code, Military Assistance Program Address Code, mandatory.
 - (d) Unit Price, mandatory.
 - (e) Cube, optional.
 - (f) Project Code, optional.
 - (g) Transportation Account Code, optional.
 - (h) Special Package Markings or Special Handling Requirements, optional.
 - (i) Military Articles and Services List, optional.
 - (j) Transportation Control Number, optional.
- c. If any of the critical fields listed in Paragraph 4.5.b.(1) through (10) do not match contractual requirements, the FS will reject the acceptance document and may issue an appropriate level CAR to the contractor.
- d. CMOs will monitor aging RR or RRRs over 30 days that are in “Correction Required,” “In Process,” “Submitted,” and “Resubmitted” status that are “Active” and “Archive” documents and will either process or reject back to the contractor. For aging RR or RRR that are out of the CMO control, contact their OU for assistance.

e. DCMA Special Programs will verify acceptance documents are handled and maintained as required by the contractual requirements in the appropriate customer SoR.

4.6. ACCEPTANCE RECORD.

The only required acceptance record is the acceptance document (e.g., the RR, RRR, or DD Form 250).

4.7. PROCESS CORRECTED ACCEPTANCE DOCUMENTS.

When corrections are needed for an acceptance document, the FS must process corrected RRs or RRRs using the SoR and corrected DD Form 250s must be processed pursuant to the correction instructions contained in Appendix F of the DFARS.

4.8. PROCESS A REPLACEMENT ACCEPTANCE DOCUMENT.

When replacing a lost or missing RR or RRR, the FS may go to the SoR and reprint the document. For a lost or missing DD Form 250 acceptance document, the date of acceptance on the replacement copy will be the actual date of acceptance from the original acceptance document.

4.9. PROCEDURES FOR VALIDATING AGING RRs.

During the validation of the aging RRs or RRRs, one category of these is “Correction Required.” CMOs will validate that the “Correction Required” RR or RRR has been processed and if there are repeat findings for the same contractor, the CMO will determine why the “Correction Required” needed to be accomplished. When warranted, the FS will write a CAR for failing to input the data correctly. The CMOs and OUs will **not** count “Correction Required” in the calculations for the aging RR and RRR agency metrics.

SECTION 5: RELEASE AND SHIPMENTS

5.1. AUTHORIZE SHIPMENT OF SUPPLIES.

The CAO must, consistent with the contract terms and conditions, determine the appropriate method of authorizing shipment of supplies.

- a. The FS will complete the acceptance document in the SoR only after validating surveillance was successfully performed.
- b. Where objective evidence supports alternate methods, FSs are authorized to use ARP pursuant to DFARS 246.471, “Authorizing Shipment of Supplies.”

(1) When the conditions described in DFARS 246.471(b) are met and ARP is used:

(a) ARP does not relieve contractors from complying with U.S. Government source inspection requirements and must not be used in lieu of performing surveillance.

(b) No contract clause is required to utilize ARP.

(c) ARP must be authorized in writing by the CAO and provided to the contractor.

(d) ARP is applicable for supplies but not services.

(e) ARP is applicable to prime contractors and place of performance contractors.

(f) ARP may be authorized at the facility, program, product line, or contract level.

(2) ARP will not be authorized on any contracts involving shipments for National Aeronautics and Space Administration, Level 1, SUBSAFE, the Navy Special Emphasis Program, unless specifically authorized in writing by the procuring contracting officer.

(3) ARP is not authorized for FMS shipments.

(4) ARP requires continuing surveillance pursuant to DCMA-MAN 2303-01, “Surveillance.” ARP does not require the contractor to wait for the FS to accept or sign the RR, RRR, or DD Form 250 prior to shipping the supplies. Using ARP eliminates the delay between the time the contractor is ready to ship and the time when DCMA performs Acceptance.

(5) When shipments are made via ARP using WAWF, in accordance with Appendix F of the DFARS, the contractor is only required to select the appropriate “radio button” on the RR or RRR screen in lieu of annotating the statement identified in DFARS 246.471. This document can then be printed and included with the shipments prior to the FS performing acceptance in the SoR.

c. When the contract includes FAR 52.246-15 and when objective evidence supports its use, FSs may invoke CoC in accordance with FAR 46.504, “Certificate of Conformance.”

(1) CoC is used in lieu of performing surveillance.

(2) When determining the use of CoC:

(a) CoC clause must be contained in the contract.

(b) CoC must be authorized in writing by the CAO.

(c) CoC is applicable to supplies and services.

(d) CoC is applicable to prime contractor and invoking the CoC on the prime contract results in no government surveillance at sub-tier contractor’s supporting the prime contract.

(e) If a delegation is warranted to mitigate risks identified at a subcontract level, CoC is not appropriate.

(3) Pursuant to DFARS 246.504, before authorizing a CoC for aviation or ship critical safety items, obtain the concurrence of the head of the design control activity in writing. When used, CoC must be authorized or withdrawn in writing on a contract-by-contract basis.

(4) When shipments are made via CoC using WAWF, the contractor is only required to select the appropriate “radio button” on the RR or RRR screen in lieu of annotating the signed certificate identified in FAR 52.246-15. The FS will complete the acceptance document or the SoR by selecting the Accept, Date, Sign, Submit and communicate with the contractor that shipment of supplies can commence.

5.2. PARTIAL SHIPMENT AUTHORIZATION.

a. To promote availability of supplies, DCMA can accept discrete partial quantities, unless prohibited by the contract.

b. The partial quantities should benefit the government and does not change requirements for advance notification by the contractor for acceptance at source.

5.3. SHIPMENTS BETWEEN CONTRACTORS.

Communication is key between the AMTs when shipments occur between contractors to ensure that the surveillance has provided a sufficient level of confidence. The objective evidence may be provided by signing shipment documents or other acceptable documentation between AMTs.

a. If shipment is being conducted between contractors, a DD Form 1149 “Requisition and Invoice/Shipping Document,” may be used.

b. In some instances, even if not yet a product of the government, shipments between contractors will still need to follow certain government requirements. For example, Defense Transportation Regulation 4500.9-R, Part II, Chapter 205, “Transportation Protective Services Shipments,” Paragraph A.2.C, applies to the transportation of cargo items.

5.4. SHIPMENTS AT THE SUBCONTRACT LEVEL.

a. The prime contract takes precedence specifying where acceptance takes place. Items will be accepted at the prime contractor location unless specified otherwise in the contract.

b. For acceptance at locations other than the prime, communication between prime and subcontractor location(s) is key. During surveillance planning, the FS must determine what objective evidence is required prior to acceptance.

c. The last place of inspection, prior to final shipment, will perform acceptance unless otherwise stated in the contract.

5.5. SHIP-IN-PLACE (SIP).

When supplies are accepted and deemed as SIP, FAR 46.505, “Transfer of Title and Risk of Loss,” Paragraph (a), and FAR 52.246-16, “Responsibility for Supplies,” take precedence regarding responsibility for the supplies. Personnel may refer to DCMA Guidebook for Government Property Administration, Revision 3.1, for more information. In addition, personnel may refer to Appendix F of the DFARS for the “Ship To” instructions regarding SIP.

GLOSSARY

G.1. ABBREVIATIONS AND ACRONYMS.

ACRONYM	MEANING
ACO	administrative contracting officer
AMT	award management team
ARP	alternate release procedure
CAO	contract administration office
CAR	corrective action request
CMO	contract management office
CoC	Certificate of Conformance
DCMA Form 2101-01	Product Acceptance Authorization Form
DCMA-MAN	DCMA Manual
DD Form 1149	Requisition and Invoice/Shipping Document
DD Form 250	Material Inspection and Receiving Report
DFARS	Defense Federal Acquisition Regulation Supplement
DoDAAC	Department of Defense Activity Address Code
FAR	Federal Acquisition Regulation
FLS	first level supervisor
FMS	foreign military sales
OU	operational unit
PAAF	Product Acceptance Authorization Form
RR	receiving report
RRR	reparable receiving report
SIP	Ship-In-Place
SOR	system of record
WAWF	Wide Area Workflow

GLOSSARY

G.2. DEFINITIONS.

TERM	DEFINITION
2-in-1 Invoice	A billing statement for services supplied prior to submission of payment when a contract requires it. This billing statement is submitted for service contracts with no supply deliverables or for goods with an "all or nothing" acceptance requirement. This billing statement serves as both an invoice and a certificate of performance for services.
acceptance	The act of an authorized representative of the government by which the government, for itself or as agent of another, assumes ownership of existing identified supplies tendered or approves specific services rendered as partial or complete performance of the contract.
capability manager	The capability manager serves as the agency proponent for a capability and conduit to the council, participates as a voting member of the DCMA Requirements Oversight Council, champions strategic planning initiatives to include, but not limited to, development and refinement of DCMA goals and initiatives, exercise decision making authority and lead the decision-making process, and facilitates consensus whenever possible. Employ conflict resolution internal and external to the capability board, prioritize, assign, and manage activities and tasks. Establish working groups, integrated process teams, tiger teams, and Lean Six Sigma or Business Process Re-engineering project teams as required.
CoC	A certificate that may be used in certain instances instead of source inspection, whether the contract calls for acceptance at source or destination, at the discretion of the contracting officer. Acceptance is on the basis that a contractor's CoC is in the government's interest and that only small losses would be incurred in the event of a defect, or because the contractor's reputation or past performance gives assurance that the supplies or services furnished will be acceptable and any defective work would be replaced, corrected, or repaired without contest. The government's right to inspect supplies under the inspection provisions of the contract are still enforceable.

Certificate of Conformity	Certificate stating that apart from any identified and approved deviation permits and concessions, the contract deliverables conform to contractual requirements.
contractor	An organization or a separate entity of it, such as an affiliate, division, or plant that produces supplies or services under contract for the Government.
FS	Personnel assigned to perform various tasks or functions in support of the agency's mission (e.g., ACO, contract administrator, contracting officer representative, cost monitor, engineer, industrial specialist, information technology specialist, or quality assurance specialist).
FS Meeting	A documented meeting between the FS and the contractor when an ACO determines a Post Award Orientation is not required. The objective is to achieve a clear and mutual understanding of contract requirements.
inspection	Examining and testing supplies or services, including raw materials, components, and intermediate assemblies when appropriate, to determine whether they conform to contract requirements.
OU	For purposes of this manual only, the OUs consist of the three regions: DCMA-East, DCMA-Central, and DCMA-West; and the three commands DCMA-Special Programs, DCMA-International, and Aircraft Integrated Maintenance Organization that oversee the CMOs assigned to them.
SIP	Accepted product is held by the contractor until a yet to be determined shipment date will occur. This allows the contractor to be paid even though the items have not shipped to the customer per the customer's instruction.
SoR	Any system used to store data (e.g., WAWF, Procurement Integrated Enterprise Environment, etc.).
subcontract	A contract entered into by a subcontractor to furnish supplies or services for performance of a prime contract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.
subcontractor	Any contractor, distributor, vendor, or firm that furnishes supplies or services to or for a prime contractor or another subcontractor.

surveillance

Activities to review, analyze, and report on contractor plans, financials, schedules, policies, procedures, systems, processes, process outputs, product, or services. Reviews for adequacy, when applicable, and to determine compliance to contractual, statutory, regulatory, or contractor requirements. Involves collecting data and assessing it to support a determination or conclusion (e.g., acceptance, disapproval, recommendation).

REFERENCES

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DCMA Manual 2301-06, “Discrepancy Processing,” December 20, 2021
DCMA Manual 2303-01, “Surveillance,” December 28, 2022
DCMA Manual 4201-17, “Training, Tuition Assistance, Conferences, and Leadership Development,” February 1, 2022
Defense Federal Acquisition Regulation Supplement, current edition
Defense Transportation Regulation 4500.9-R, Part II, Chapter 205, “Transportation Protective Services Shipments”
DoD Directive 5105.64, “Defense Contract Management Agency (DCMA),” January 10, 2013, as amended
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