

JUL-UC-50 10E:10:41



DEFENSE LOGISTICS AGENCY
DEFENSE DISTRIBUTION REGION EAST
14 DEDICATION DRIVE, SUITE 2
NEW CUMBERLAND, PENNSYLVANIA 17070-5001



DDRV

REPLY
AFFRATO

DDRE-TO

JUN 24 1996

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: New Policy on Product Evaluation of DLA-Managed and Serviced-Managed Material at Distribution Depots

The attached policy update supersedes the inspection policy guidance of March 8, 1996 from MMSLD. The basic change which will have an effect on our distribution depots, is that technical inspections will not be reimbursable at time of receipt, but handled under normal unit cost. Only special inspections request from the centers or services will continue to be handled under reimbursable cost as in the past.

Questions/concerns can be addressed to either Mr. Jim Bradbury, MMSLD, DSN 427-3509 or Paul Bricker, DDRE-TO, DSN 977-8749, commercial (717) 770-8749; cc-mail address pbricker@ddre.dla.mil. We apologize for any inconvenience or confusion caused by this change.

BRUCE J. LYSNE
LTC, USA
Chief, Distribution Operations and
Administrative Division

Attachment

- Distribution:
- DDAA-D DDRV-D
- DDAG-D DDSP-D
- DDCN-D DDTP-D
- DDCO-D DDWG-D
- DDJF-D DDRE-RB
- DDL P-D
- DDMT-D
- DDNV-D

TO: [unclear]	18
FROM: [unclear]	
DATE: JUN 24 1996	7749



DEFENSE LOGISTICS AGENCY
HEADQUARTERS
8725 JOHN J. KINGMAN ROAD, SUITE 2533
FT. BELVOIR, VIRGINIA 22060-6221

REPLY
REFER TO

DDRV
MMLSD

JUN 14 1996

MEMORANDUM FOR DISTRIBUTION

SUBJECT: New Policy on Product Evaluation of DLA-Managed and Service-Managed Material at Distribution Depots

This is to reissue our policy letter dated March 8, 1996, subject: Updated Policy on Product Evaluation of DLA-Managed Material at Distribution Depots. This letter includes policy for technical inspections and acceptance of material received from vendors, other storage installations, and returned from customers (includes identification, classification, and conformance to specified requirements) as defined in Office of the Under Secretary of Defense (OSD) Memorandum dated Dec 23, 1993, subject: Definitions of Distribution Depot Functions. It rescinds previously issued policy on reimbursement for technical inspections during receipt on Service-managed items.

a. New Procurements.

(1) DLA-or Service-managed new procurement items designated as Contract Quality Assurance (COA) and Acceptance at Source will receive the following evaluation upon receipt. Verify the contract number, item identification, quantity, package marking, and packaging level against the Material Inspection and Receiving Report, DD Form 250, which should correlate to the Prepositioned Material Receipt Document data. ~~The DD Form 250 should have~~ been signed by the authorized government representative at source, in block 21.A, (unless the statement "ALTERNATE RELEASE PROCEDURE," "FAST PAY," or "CERTIFICATE OF CONFORMANCE" appears in block 21.A). In this case, only the payment office copy of the DD Form 250 requires a signature. The Depot copy is not required to be signed in accordance with DFAR, Appendix F-301(21).

(2) DLA-managed new procurement items, designated COA and Acceptance at Destination will be evaluated at receipt for "Kind-Count-Condition" (K-C-C) as defined below.

KIND: Visual identification of at least one item per item description, verification of part number, contract number, and National Stock Number.

COUNT: Contents of one package per line item and number of packages received.

CONDITION: Visual verification of physical appearance.

The DD Form 250, block 21.B, is provided for the signature of authorized government representatives at the Depot who perform CQA and Acceptance of Destination items. It is DLA Policy that Destination Acceptance is based on the CQA performed during K-C-C inspections and against the information on the DD Form 250. The K-C-C visual verification as defined above constitutes the CQA necessary for acceptance of items on contracts specifying Destination Acceptance.

(3) Military Service-managed new procurement items designated CQA and Acceptance at Destination will be evaluated based on the same K-C-C criteria defined for DLA-managed Destination Acceptance items. Additionally, technical inspection and acceptance of material received from vendors to confirm identification, classification, and conformance to specified requirements will be performed in accordance with referenced OSD memorandum.

b. Returned Material. DLA-managed returned material, regardless of the original acceptance point (Source or Destination), will be evaluated as follows:

(1) Customer returned material or redistribution material, returned in the original, unopened manufacturer's packaging, will not be opened, but evaluated to verify item identification, quantity, package marking, and packaging integrity.

(2) Material in opened packages, bare items, unauthorized returns, or opened redistribution orders will be evaluated based on the K-C-C criteria. When MIL-STD-130 markings are missing, positive identification will be made using item description criteria in FEDLOG.

(3) In addition to the above, technical inspections shall be performed on customer returns at sites where the Distribution Standard System (DSS) has been implemented. During receipt processing, the Product Receipt Evaluation Process (PREP) program flags DLA-managed Weapon System Critical (WSC) coded items designated for CQA/Acceptance at Destination for technical inspections. When these WSC items exceed the technical capabilities of the Material Examiner and Identifier receipt personnel, they will be referred to Quality Assurance Product Auditors and technically evaluated in accordance with PREP Procedure 92-07. At non-DSS sites, the PREP functionality does not exist. Therefore, this requirement only applies to Depots operating under DSS. The PREP technical inspections will be implemented at all sites as DSS is deployed.

(4) Military Service-managed returned material turned in at DLA Depots for credit, repair, or storage will be evaluated as follows:

(a) Material returned in the original, unopened manufacturer's packaging will not be opened, but evaluated to verify item identification, quantity, package marking, and packaging integrity.

129

(b) Opened packages or bare items will be evaluated based on the K-C-C criteria. When MIL-STD-130 markings are missing, positive identification will be made using dimensional data from the FEDLOG item description.

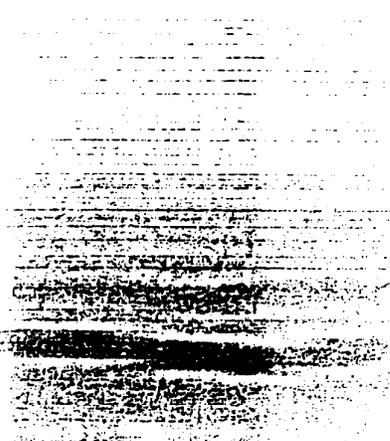
(c) Technical inspection and acceptance of material received from other storage installations or returned by customers to confirm identification, classification, and conformance to specified requirements, will be performed in accordance with referenced OSD memorandum.

Qualified Quality Assurance/Equipment Specialists will be made available, as required, to perform the above inspections under standard unit cost. The above technical inspections excludes special inspections required by the Inventory Control Points which are reimbursable.

The policies provided above will be incorporated into the DoD Stock Readiness Directive, when it is revised and published. Our point of contact for this subject is Mr. Jim Bradbury, MMI.SD, DSN 427-3508.

JAMES E. SANCHEZ
Assistant Executive Director
Logistics Policy
(Logistics Management)

DISTRIBUTION:
MMBBP, MMLSI
MMLXQ, AQCOG
Region Commanders



DDR



DEFENSE LOGISTICS AGENCY
HEADQUARTERS
8725 JOHN J. KINGMAN ROAD, SUITE 2533
FT. BELVOIR, VIRGINIA 22060-6221

IN REPLY
REFER TO

MMLSD

March 8, 1996

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Updated Policy on Product Evaluation of DLA-Managed Material at Distribution Depots

This is to reissue and clarify our letter, January 16, 1996, subject: Policy on Product Evaluation of DLA-Managed Material at Distribution Depots. This letter will also define policy for product receipt evaluation of Redistribution Orders on material transferred from one Depot to another.

a. New Procurements

(1) DLA-or Service-managed new procurement items designated as Contract Quality Assurance (COA) and Acceptance at Source will receive the following evaluation upon receipt. Verify the contract number, item identification, quantity, package marking, and packaging level against the Material Inspection and Receiving Report, DD Form 250, which should correlate to the Prepositioned Material Receipt Document data. The DD Form 250 should have been signed by the authorized government representative at source on block 21.A, (unless the statement "ALTERNATE RELEASE PROCEDURE," "FAST PAY," or "CERTIFICATE OF CONFORMANCE" appears in block 21.A). In this case, only the payment office copy of the DD Form 250 requires a signature. The Depot copy is not required to be signed in accordance with DFAR, Appendix F-301(21).

(2) DLA-managed new procurement items, designated COA and Acceptance at Destination will be evaluated at receipt for "Kind-Count-Condition" (K-C-C) as defined below.

KIND: Visual identification of at least one item per item description, verification of part number, contract number, and National Stock Number

COUNT: Contents of one package per line item and number of packages received.

CONDITION: Visual verification of physical appearance.

The DD Form 250, block 21.B, is provided for the signature of authorized government representatives at the Depot who perform CQA and Acceptance of Destination items. It is DLA Policy that Destination Acceptance is based on the CQA performed during K-C-C inspections and against the information on the DD Form 250. The K-C-C visual verification as defined above constitutes the CQA necessary for acceptance of items on contracts specifying Destination Acceptance.

(3) **Military Service-managed new procurement items designated CQA and Acceptance at Destination** will be evaluated based on the same K-C-C criteria defined for DLA-managed Destination Acceptance items unless the Service negotiates a reimbursable Memorandum of Agreement (MOA) or Inter-Service Support Agreement (ISSA) with the Region/Depot for a more detailed technical CQA of new procurements. The authorized government representative at the Depot will sign off on the DD Form 250, block 21.B.

b. **Returned Material.** DLA-managed returned material, regardless of the original acceptance point (Source or Destination), will be evaluated as follows:

(1) **Customer returned material or redistribution material returned in the original, unopened manufacturer's packaging** will not be opened, but evaluated to verify item identification, quantity, package marking, and packaging integrity.

(2) **Material in opened packages, bare items, unauthorized returns, or opened redistribution orders** will be evaluated based on the K-C-C criteria. When MIL-STD-130 markings are missing, positive identification will be made using item description criteria in FEDLOG.

(3) In addition to the above, technical inspections shall be performed on customer returns at sites where the Distribution Standard System (DSS) has been implemented. During receipt processing, the Product Receipt Evaluation Process (PREP) program flags DLA-managed Weapon System Critical (WSC) coded items designated for CQA/Acceptance at Destination for technical inspections. When these WSC items exceed the technical capabilities of the Material Examiner and Identifier receipt personnel, they will be referred to Quality Assurance Product Auditors and technically evaluated in accordance with PREP procedure 92-07. At non-DSS sites, the PREP functionality does not exist. Therefore, this requirement only applies to Depots operating under DSS. The PREP technical inspections will be implemented at all sites as DSS is deployed.

(4) **Military Service-managed returned material** turned in at DLA Depots for credit, repair, or storage will be evaluated as follows unless the Service negotiates a reimbursable MOA or ISSA with the Region/Depot for a more technical inspection on reparable.

(a) **Material returned in the original, unopened manufacturer's packaging** will not be opened, but evaluated to verify item identification, quantity, package marking, and packaging integrity.

(b) **Opened packages or bare items** will be evaluated based on the K-C-C criteria. When MIL-STD-130 markings are missing, positive identification will be made using dimensional data from the FEDLOG item description.

DLA Depots will accommodate higher level detailed inspections as required by our customers. Qualified Quality Assurance/Equipment Specialists will be provided as required after negotiation of MOAs or ISSAs. Otherwise, the above defined K-C-C inspections or PREP technical inspections, where available, will continue to be the maximum level of inspection performed by DLA Depots under standard unit cost.

The policies provided above will be incorporated into the DoD Stock Readiness Directive when it is revised and published. Our point of contact for this subject is Mr. Jim Bradbury, MMLSD, DSN 427-3508.


JAMES E. SANCHEZ
Assistant Executive Director
Logistics Policy
(Logistics Management)

DISTRIBUTION:
MMBBP, MMLSI
MMLXQ, AQCOG
Region Commanders