

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
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APR 20 1996

MEMORANDUM FOR COMMANDER, DEFENSE SUPPLY CENTER, COLUMBUS
COMMANDER, DEFENSE SUPPLY CENTER, PHILADELPHIA
COMMANDER, DEFENSE SUPPLY CENTER, RICHMOND,
ADMINISTRATOR, DEFENSE INDUSTRIAL SUPPLY CENTER

SUBJECT: Inspector General (IG) Report on the Defense Logistic Agency (DLA) Product
Quality Deficiency Reporting (PQDR) Program, (Project No. 7CF-0027)
Recommendation B2

The DLA PQDR IG Report (Attached) (Project No. 7CF-0027) Recommendation B2 stated: Notify contractors that their product deficiency will be reported in the Automated Best Value System (ABVS) quality ratings after completing an investigation. DLA concurred in the recommendation by stating that DLA's quality assurance (QA) component has the responsibility to notify contractors of a deficiency. Once a contractor is notified of a deficiency, this deficiency is flagged in the ABVS system through the challenge program and the contractor is given the opportunity to challenge the deficiency. It is only after this is done that a quality score is given in ABVS. The DLA PQDR Process Action Team (PAT) was tasked to review and clarify procedures for contractor notification. It should be noted that this particular finding does not apply to DSCP as they do not use the ABVS. However, DSCP should also notify contractors of PQDRs that will influence past performance ratings for best value award decisions.

During discussions at the initial DLA PQDR PAT meeting on February 10-11, 1998 it was discovered that notifying contractors is handled differently at each center. DISC has developed a program whereby the QA Specialist is permitted to send a memo directly to the contractor in case of contractor-caused PQDRs. We now ask that DSCC and DSCR have their Procurement and Quality offices work together to develop a method of contractor notification that will comply with the recommendation of the IG report and provide the most accurate and timely contractor information to the ABVS quality rating.

Please provide your implementation plan for this finding by May 1, 1998, to Ms. Lynn Harris, DLSC-LEQ, DSN 427-2635. Should you like to know more about how DUX has established their plan, please contact Ms. Diane Dunn at DSN 442-2387 for more information.

Rear Admiral, SC, USNR
Executive Director
Logistics Management

Acting Executive Director
Procurement Management

Attachment