Quality Management Systems

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A. Authority
B. Intent of a Higher-Level Quality Requirement
C. 52.246-11 Contractual Requirements
D. Higher Level Quality
E. Quality Management Systems (QMS)
F. DCMA Audit Policy
• FAR 42.302—Ensure supplier complies with contractual QA requirements
• FAR 46.402—Requires Government QA performance at the source if QA activities elsewhere are uneconomical, unreasonable, or destructive
• FAR 46.202-4—Requires compliance with higher-level quality standards in contracts for complex or critical items
• FAR 46.5 Acceptance
• FAR 52.246-2 thru 9
• FAR 52.246-11 Higher Level Contract Quality Requirement
• DFAR 246.102 General (Auditing Requirement)
• DFARS 246.202-4 Higher Level Contract Quality Requirement
• DCMA Inst 303 CRITICAL SAFETY ITEMS-QA
• DCMA Inst 309 GOVERNMENT CONTRACT QUALITY ASSURANCE (GCQA) SURVEILLANCE PLANNING
• DCMA Inst 322 QUALITY SYSTEM AUDIT
• DCMA Inst 326 RISK ASSESSMENT
Intent of Higher Level Quality

• Higher-level quality requirements
  • Control work operations, in-process controls, and inspections
  • Bring attention to organization, planning, work instructions, documentation control, and advanced methodology
  • Help ensure quality requirements are met on complex and critical items
  • Mitigate the risk of nonconforming items to include counterfeit materials. *Counterfeit materials are NOT just electronic parts.*
  • Prime contractors are responsible for ensuring quality requirements are flowed-down to their subcontractors
  • Prime contractors are responsible for the quality of products by their subcontractors.
52.246-11 -- Higher-Level Contract Quality Requirement.
As prescribed in 46.311, insert the following clause:

Higher-Level Contract Quality Requirement (Dec 2014)
(a) The Contractor shall comply with the higher-level quality standard(s) listed below.

Title | Number | Date | Tailoring
------|--------|------|---------
[Contracting Officer insert the title, number, date, and tailoring (if any) of the higher-level quality standards.]

(b) The Contractor shall include applicable requirements of the higher-level quality standard(s) listed in paragraph (a) of this clause and the requirement to flow down such standards, as applicable, to lower-tier subcontracts, in—

(1) Any subcontract for critical and complex items (see 46.203(b) and (c)); or
(2) When the technical requirements of a subcontract require—
   (i) Control of such things as design, work operations, in-process control, testing, and inspection; or
   (ii) Attention to such factors as organization, planning, work instruction, documentation control, and advanced metrology.
• If section A is blank? Contact your ACO or the PCO to verify which standard is required.
• The Higher-Level Contract Quality Requirements clause requires the contractor to implement one or more of the documented quality systems that meets the applicable standard(s) cited in the contract:
  • International Standardization Organization (ISO) standard(s)
  • Other recognized applicable industry standard(s) and/or
  • Specified Government requirement
• For evaluation purposes, any higher-level contract quality system proposed by the contractor needs to provide for the Government's ability to audit/validate its capabilities to ensure the safety and satisfaction of our customers.
Quality Management System

• Contracts with higher-level quality requirements require supplier to establish and maintain a documented QMS

• QMS documentation may consist of:
  (1) Supplier quality manual/contract-specific quality plan
  (2) Support process procedures, may be part of quality manual/plan
  (3) Manufacturing process procedures, to include inspection and testing
According to FAR 46.105, supplier must carry out contractual QA obligations by:

- Controlling quality of product/service
- Ensuring their vendor’s have acceptable quality control system
- Maintaining evidence that products/services conform to contract quality requirements
- Tendering to the Government ONLY products/services that conform to contract requirements
Quality Management System

• Examples of higher-level quality standards include overarching quality management system standards such as:
  • ISO 9001, ASQ/ANSI E4; ASME NQA-1, SAE AS9100, SAE AS9003, and ISO/TS 16949, and product or process specific quality standards such as SAE AS5553.
  • NOTE: The government does not require registration of a contractor's quality system. Government does require compliance to an auditable standard.
DCMA Auditing Policy

- DCMA will audit a contractors quality management system.
  - Baseline audits are 2\textsuperscript{nd} party audits based on the international standards and should be very similar to 3\textsuperscript{rd} party audits/registration body audits
    - These are full system audits. Regardless of certification.
    - DCMA uses audit results to risk rate contractors systems
    - Follow-on audits can be focused on specific areas or full audits and are determined by risk factors that have been identified.
  - For AS9100 contractors DCMA will request permissions for OASIS access from the contractor and utilize audit results found there. This will substitute for DCMA audits if found acceptable.
DCMA Auditing Policy

- **What happen if DCMA identifies findings with my QMS?**
  - DCMA will provide an audit report if findings were part of an audit
  - DCMA will issue a Corrective Action Request (CAR)
  - DCMA will verify the corrective actions have been implemented and close the CAR
  - If contractor fails to implement changes in a reasonable time DCMA will recommend contract cancellation

- **What happens if DCMA finds I do not have a higher level QMS?**
  - DCMA will recommend contract cancellation due to not meeting the terms and conditions of the contract.

- **What if DCMA finds my QMS not acceptable.**
  - DCMA will issue a CAR
  - Contractor will have a reasonable time to correct. If corrected CAR is closed
  - If contractor fails to correct, a recommendation to cancel the contract will be forwarded to the ACO