

PQDR

Date: August 26, 2026

I. PURPOSE.

This meeting establishes a recurring battle rhythm of the Defense Logistics Management Standards (DLMS) Product Quality Deficiency Reporting (PQDR) Process Review Committee (PRC) Working Group to develop and recommend policy and procedures for submitting, processing, investigating, and resolving PQDRs across the Department of War (DoW) Components.

II. ATTENDEES.

Component	Primary	Alternate
ODASW(LOG)	☒ Jessica Rainey ☐ Will Banks	
DEDSO	☒ Steve Nace	☒ Corbin Austin
DAAS	☐ Pablo Gomez	☐ George "Scott" Amburgey
Army	☒ Maria Manriquez	☒ Chad Lang
Marine Corps	☐ CWO5 Pierce	☒ Matt Dunn
Navy	☐ Krystal Abreu	☐ Adam Altice
Air Force	☒ John Beal	☐ (Vacant)
DLA	☒ Tim Thurston	☒ Jose Pereira
DCMA	☐ Chris Ford	☒ Tracy Jones

III. Action Items.

Date Opened	Action	Assigned To	Date Due	Date Closed	Status
2/15/2026	OIG Response for Restitution Qualifier Code QR in the 527D/527R	☐ DLA ☐ U.S. Air Force ☐ U.S. Army ☐ U.S. Marine Corps ☐ U.S. Navy ☐ DCMA	10/01/2026		Open
4/2/2026	Update Ch. 24 with new procedures for parent/child/repetitive	☐ DLA ☐ U.S. Air Force	7/1/2026		Open

	PQDRs and their definitions.	☐ U.S. Army ☐ U.S. Marine Corps ☐ U.S. Navy ☐ DCMA			
4/20/2026	Review Proposal to remove Rejection Codes 920-923	☐ DLA ☐ U.S. Air Force ☐ U.S. Army ☐ U.S. Marine Corps ☐ U.S. Navy ☐ DCMA	7/1/2026		Open
8/12/2026	Review draft PDC 1533 and be prepared to discuss positions during the next working group meeting.	☐ DLA ☒ U.S. Air Force ☒ U.S. Army ☐ U.S. Marine Corps ☒ U.S. Navy ☐ DCMA	8/26/2026		Open

IV. PDC/ADC Pipeline.

PDC/ADC #	Title	Status
PDC 1533	Restitution Tracking for Product Quality Deficiencies (PQDR)	Informal Adjudication

V. Agenda Items.

1. OIG Audit Findings on Restitution

- **(Update 8/26/2026)** The DLMS PQDR PRC working group conducted a review of the revised version of PDC 1533. Revisions were the result of discussions that had taken place with Army, Navy and Air Force representatives since the last working group meeting. Revisions discussed included:
 - The removal of the upfront credit process
 - The scope of the repair and replacement traceability to commercial contractors as part of the restitution process
 - During the meeting it was agreed upon that documenting the materiel disposition communication and exhibit disposition of the materiel disposition action by commercial contractors would be expanded to all materiel providers.
 - The need to include the requirement that all entities receiving materiel that included the PQDR Report Control Number (RCN) must have the ability to ingest it as part of the DLMS 527R Materiel Receipt process
- Additionally, both Army and Air Force personnel clarified how restitution is processed for both organic and non-organic PQDRs when they are the responsible action point. This included the complexities that occur based on who the originator of the PQDR is, the total quantity being reported, and involvement of wholesale supply.
- The meeting concluded with the working group agreeing to have an out-of-sync meeting on September 1, 2026, to continue development discussions.

- **(Update 8/12/2026)** DEDSO conducted another review of PDC 1533 with the working group, which provided more details than the previous discussion. Multiple working group members expressed concerns about whether they would be able to obtain buy-in over the changes to the PQDR credit process. Military service representatives provided feedback on how drastically different the crediting/repair/replacement process is compared to the way that DLA conducts business for the materiel that they manage. The current draft PDC largely works on a framework that is consistent with how DLA conducts business. At the conclusion of the meeting, representatives were requested to review a copy of the draft PDC (to be provided via email) and be prepared to discuss their positions during the next working group meeting.
- **(Update 7/1/2026)** DEDSO reviewed draft PDC 1533, outlining changes to bring better traceability to repair or replacement materiel that are associated with a PQDR. Key changes to include:
 - Action point personnel will be required to document materiel disposition instructions provided to the materiel provider when no support point has been assigned and routed to WebPQDR for history tracking.
 - All repaired or replacement materiel will be required to be delivered back to a DoW storage activity, and action point personnel will be responsible for ensuring that a prepositioned materiel receipt is submitted to the storage activity.
 - PQDR credit codes will be updated to more clearly distinguish when credit, repair, or replacement is associated with materiel provider restitution.
 - Need to discuss any changes to the credit process are required.
- **(Updated 6/3/2026)** DEDSO informed the group that they are currently evaluating different options for capturing the repair/replace/restitution details to meet the OIG's recommendations. DEDSO will work a proposed solution via a DLMS PDC which will include both changes to the DLMS 527D and DLMS 527R transactions. Additionally, there will be some recommended changes to the current Credit Codes to provide better information on credit that was associated with restitution versus just the source of supply crediting funds back to the reporting entity.
- DEDSO expressed the need to have an offline discussion with DCMA and DLA Acquisition to consider any additional requirements that may affect contractual paperwork.
- DEDSO to send DCMA an email regarding the purpose of the discussion.
- DCMA asked if MRB considerations have been discussed and stated that this may be an overlap of that process.
- DEDSO requested support from DLA on who to include from the DLA HQ acquisition community, to which DLA assisted.
- **(Updated 5/13/2026)** To address the OIG findings regarding material restitution, we must ensure that all repaired or replacement items are linked to their original deficiency reports. When a contractor is found at fault via PQDR and agrees to provide restitution, the Inventory Control Point (ICP) must generate a "due in" transaction (DLMS 527D) using the "QR" qualifier code. This code carries the PQDR's Report Control Number (RCN), which identifies the material as restitution. By including this RCN in both the "due in" and the final "receipt" (DLMS 527R) transactions, we create a clear audit trail. This process provides the evidence needed to prove the contractor successfully replaced or

repaired the material specifically to resolve the PQDR. Each Service to determine if their supply system can transmit the “QR” qualifier in the 527D/527R.

VI. ACTIVITIES AND NEWLETTER.

DEDSO monthly updates and activities for the DLMS Community can be found via the following link:

<https://www.dla.mil/Defense-Data-Standards/About-Us/>

VII. ADDITIONAL DEDSO PDQR GENERAL COMMUNICATION.

Do you have a question, hot topic, or an update related to **PDQR**; we encourage you to send us an email at DEDSO.PQDR@dlm.mil.