**C24. CHAPTER 24**

**PRODUCT QUALITY DEFICIENCY REPORT PROGRAM**

C24.1. GENERAL. This chapter replaces DLAR 4155.24/AR 702-7/SECNAVINST 4855.5 series/AFI 21-115/DCMA INST 1102, as the DoD Product Quality Deficiency Report (PQDR) Program authoritative source forprocedures pertaining to this program. DoD Components must first consult this chapter for PQDR program guidance before referring toDLAR 4155.24/AR 702-7/SECNAVINST 4855.5 series/AFI 21-115***/***DCMA INST 1102, pending full migration of guidance and the eventual cancellation of the Joint Service Regulation. The DoD PQDR program requires DoD Component capture and exchange product quality deficiency information to facilitate root cause determinations, corrective actions, reliability analysis, and recoupment actions (contractor caused deficiencies). This chapter provides an overview of the DLMS transaction exchange supporting the PQDR program. Initial implementation will include the DLA Enterprise Business Systems (EBS), SECNAV Product Data Reporting and Evaluation Program (PDREP), and NAVAIRSYSCOM Joint Deficiency Reporting System (JDRS). Initially, all transactions will pass through the PQDR Inter-service Interface (PQDR II). Components developing new PQDR processing systems will comply with this DLMS standard to exchange data with other DoD PQDR systems.

 ***C24.1.1. Processing Requirements.*** This chapter provides general information supporting the DOD Product Quality Deficiency Report (PQDR) ***Process.*** The DOD PQDR ***process*** requires DOD Components ***to*** capture and exchange product quality deficiency information to facilitate root cause determinations, corrective actions, reliab***ility*** analysis, and recoupment actions (contractor caused deficiencies). This chapter provides an overview of the Defense Logistics Management Standard (DLMS) transaction exchange supporting the PQDR ***process***.

 ***C24.1.2. PQDR Processing Information Systems. It is DOD policy that DOD Components maintain a reliable and standard system for investigation of Product Quality Deficiency Reports. Systems must provide feedback of product quality deficiency data across DOD AISs. Components developing or maintaining PQDR processing AISs comply with this DLMS to exchange data with other DOD PQDR AISs.***

 ***C24.1.2.1. Operations Security (OPSEC) Applicability. Due to an identified OPSEC requirement, PQDRs have been designated as controlled unclassified information (CUI) and must be identified as CUI. Physical handling and electronic transmission of PQDRs must comply with DoD rules for this level of sensitive unclassified information, to include proper labeling, protection, and encryption of communication.***

 ***C24.1.3. Standard PQDR Transactions. Under DLMS, the PQDR will be considered a common logistics information exchange to be integrated with transaction processing through DAAS. The DOD approved standard for electronic transmission of PQDR transactions is prescribed by the DLMS 842P Implementation Convention (IC) using a Web Service XML transaction format. The DLMS 842P, Standard PQDR, will be employed for transactional exchange and is available via the*** [***Implementation Convention/DLMS IC page***](http://www.dlmso.dla.mil/elibrary/TransFormats/140_997.asp) ***of the Defense Enterprise Data Standards Office (DEDSO) website.***

 ***C24.1.4.******PQDR Transaction Sets.*** The PQDR transaction set is used to move ***all*** PQDR data ***as listed in DLMS 842P*** between ***the various PQDR processing*** points (***O***riginator/***O***riginating ***P***oint, ***S***creening ***P***oint, ***A***ction ***P***oint, and ***S***upport ***P***oint).  ***It is also used to*** facilitate PQDR exhibit movement, and exchange ***pertinent correspondence and/or data regarding a PQDRs status (i.e.,*** interim responses, general correspondence, etc.). The DLMS 842P IC, PQDR Data Exchange, replaces system unique transactions currently used to exchange ***PQDR by providing*** the DOD Components with a standard electronic transmission method for PQDR ***data exchange*** ***between AIS's.***

 ***C24.1.5. Product Data Reporting and Evaluation Program (PDREP). The term PDREP refers to both the overall business process and supporting automation, including both direct web input and transaction exchange. PDREP promotes continuous process improvement of supply chain processes within the DoD for increased material readiness by providing a means to hold external DoD suppliers and internal supply chain stakeholders accountable. PDREP-AIS formerly known as the Product Quality Deficiency Report Inter-service Interface (PQDRII), is the DoD's PQDR system of record. PDREP-AIS supports DLMS implementation that enables PQDR transaction exchange; provides a web-based entry method to assist users who are not supported by another DLMS-compliant PQDR application; and provides visibility of PQDRs for research and trend analysis via management report/query capability. PDREP-AIS will allow users to query the transaction history by Report Control Number (RCN), view a composite of the PQDR, and provide central points of contact in the event of a transaction failure.***

 ***C24.1.5.1. The PDREP-AIS PQDR application automates the Standard Form (SF) 368 paper form, facilitating the DoD standard transactional exchange described above. It brings the PQDR into an integrated transactional environment, supporting both direct input (under Component business rules) and transaction exchange originating within Component applications. PDREP-AIS facilitates communication and interoperability between U.S. Military, Federal Agencies, Contractors, and the International Logistics Control Office (ILCO) on behalf of the Security Assistance customer. It controls routing of web submissions and logistics transactions according to established business rules. It supports information exchange between the customer, the Inventory Control Point (ICP)/Integrated Material Manager (IMM), the Originating Point, Screening Point, Action Point, Support Point, Contractor, and other Stakeholders. It encompasses many transaction types between multiple parties to include, but not limited to, new report submission, correction/modification, cancellation, follow-up, requests for reconsideration (rebuttals), and PQDR investigation results (including interim responses, additional information requests, and resolution responses), in addition to the capture of report and response management statistics. Access to PDREP PQDR management reports requires submission of a User Access Request (UAR) to the PDREP System home page.***

 ***C24.1.5.2. PDREP provides an automated process for tracking PQDR response information. Data collected will enable the DOD to identify trends, establish discrepancy volume and dollar values of PQDRs. This allows users to bring management attention to problems with materiel quality and supplier performance information as necessary; improving the requisitioning and distribution process within logistics operations. This process provides an effective means to report, resolve, and measure deficiencies related to supply chain performance.***

 ***C24.1.5.3. The DOD requirement is that paper submission of PQDRs and non-DLMS compliant PQDR applications will be fully phased out with migration to DLMS. By exception, until electronic reporting under DLMS is universally available, PQDRs and associated responses may be reported via hard-copy*** [***SF 36***](http://www.dlmso.dla.mil/elibrary/manuals/forms.asp#sf364)***8, email, through customer service help lines or any other manner acceptable to the submitter and recipient. All manner of inter-service transactional reporting must meet the criteria described in this chapter.***

 ***C24.1.5.4. DoD Components with an established interface with PDREP, through DAAS for PQDR processing, will designate primary and alternate representatives for the Component PQDR AIS to the PDREP System Administrator. These representatives will be notified via email when catastrophic transactional failures occur during PDREP business rule validation protocols. Catastrophic transactional failures are those that are so severe that PDREP will not generate a Transaction Set Purpose Code (T-44) and corresponding Reject Advice Code. Components will provide name, telephone, and email address to the PDREP System Administrator, and to the DAAS.***

 ***C24.1.5. DLMS Process Review Committee (PRC). The DoD Component members of the PQDR PRC will be identified on the*** [***PQDR PRC page***](http://www.dlmso.dla.mil/Programs/Committees/Supply/supplySDR.asp) ***of the Defense Enterprise Data Standards Office (DEDSO) website. The PQDR PRC is responsible for the development, expansion, improvement, maintenance, and administration of the systemic processing under the DLMS.***

 C24.1.6. Applicability. This guidance is applicable to all DOD Components responsible for reporting and processing PQDRs ***and requiring assistance from another DOD Component or AIS to process a PQDR. When more than one DOD Component or AIS is involved in processing a PQDR, it is referred to as an inter-Service PQDR and must comply with inter-Service processing instructions contained in this document.*** It applies to all supply classes not specifically excluded from PQDR reporting**.**

***C24.2. PROCEDURES***

 ***C24.2.1.*** PQDR Overview. The ***O***riginator/***O***riginating ***P***oint discovers a deficiency and submits the PQDR to the appropriate ***S***creening ***P***oint. The ***S***creening ***P***oint ***reviews the initial submission and*** determines the appropriate ***DoD*** Action Point to forward the report for investigation. The Action Point will either investigate the report or assign the report to a Support Point to assist with the ***investigation.*** When required, the PQDR exhibits are moved between the exhibit holder and the investigating point. Throughout the investigation process, each point sends interim responses and other routine correspondence transactions to keep each interested activity ***and AIS*** updated with the current investigation status.

 **C24.2.2.**Detailed Requirement. ***When data is required to be exchanged across Component lines or between EBS, PDREP and JDRS, the*** PQDR data exchanged will pass through the ***PDREP business rule validation protocol***, ***DAAS, and be compliant with the DLMS 842P IC.*** The sending system is responsible for complying with the ***DLMS*** 842P ***IC*** format and including the applicable data elements. The report control number (RCN) is the key identifier for each unique PQDR and will be perpetuated with each transaction. ***PDREP*** will validate each transaction for required data elements and reject incomplete ***or non-compliant*** transactions to the sending system. In addition, ***PDREP*** will maintain a ***transaction history and a*** ***composite*** record of the I***S*** having received a prior transaction for each RCN. ***PDREP*** ***history tracking will be by Transaction Set Purpose Code data exchanges. History tracking will display both the Transaction Set Purpose Code as well as the description of the transaction. Additionally, transactions that require a specified data element accompany that transmission, as described in Appendix 7.27 of this DLMS Volume, will also display the data element name, code and code description. PDREP*** will route a copy of all subsequent transactions to the I***S***.

 **C24.2.3. *PQDR Transactions. PQDR Inter-Service data exchange is required IAW DLMS 842P. Data required in each transaction is defined in the DLMS 842P IC. All transactions will have the ability to provide attachments as needed.***

 ***C24.2.3.1. The procedure by which PQDR processing points may update any data element and at what point in the PQDR process is also defined in the DLMS 842P IC. For inter-Service PQDRs, communication both to and from Originators must only be sent to the Screening Point for evaluation regardless of transaction code. PQDR processing points can only directly communicate with the processing point immediately preceding or following them. Additional business rules can be found in Appendix 7.27 of this volume.***

 ***C24.3.*** Exhibit Tracking. Systemic update of the PDREP-AIS for exhibit tracking is provided as a by-product of standard logistics transactions. When received at a distribution ***center,*** the receipt transaction will identify the PQDR RCN, and an information copy of the receipt will be provided. Similarly, when a DLMS shipment status transaction is prepared for the shipment of an exhibit, the shipment status will *perpetuate the PQDR RCN from the release order.*

***C24.3.1. When the Support Point returns the PQDR back to***

***the Action Point because the exhibit(s) was not received, control of the PQDR transfers back to the Action Point. If the exhibit(s) arrives at the contractors facility after the PQDR was returned by Support Point to the Action Point, and the PQDR is currently located at the Action Point, the Action Point should rebut (T-RR) the PQDR back to the Support Point for processing; if the PQDR is located at the Screening Point or was closed, the Screening Point reopens (T-RO), if necessary, and rebuts (T-RR) the PQDR to the Action Point level.***

***C24.4. PQDR Transaction Timeline. The PQDR transactional timeline, or the***

***systemic method of moving a PQDR between process points, will be conducted in accordance with Enclosure 2 of ADC 1007E. Information systems will only allow transactions within the information system when the PQDR has reached that point in the PQDR Timeline. Only the transactions at the point in the timeline will be permitted. All others will be systemically rejected by PDREP-AIS.***

 ***C24.4.1. Services/Agency information systems may perform additional tasks within their information systems as long as they do not interfere with the DoD processing of inter-Service PQDRs. Data elements may only be updated by personnel processing PQDRs at the point in the PQDR Timeline process flow IAW DLMS 842P IC.***

 ***C24.4.2. DLA will not reopen a PQDR investigation after 180 days of sending a Completion Notification (T- CN) Final Reply with no response (action) by the Screening Point. On day 181 or later, a new PQDR (RCN) would need to be issued referencing the old RCN, if further action by the Action Point or Support Point is required.***

 ***C24.4.3. When it is determined that credit should be issued after the PQDR has been closed by all parties, the Originator or Screening Point must submit a new PQDR and reference the original PQDR RCN.***

***C24.5. Product Quality Deficiency Investigative Closing Requirements.***

***C24.5.1. Input by either the PQDR Action Point or Support Point, the***

***information to be entered in each data element is dependent upon the type and cause of the deficiency, and the information requested may not be appropriate in all cases. The information requested is typical when the cause of the deficiency is due to non-conformance with contract requirements. The investigative closing codes provide specific details about the findings of the investigation. Together these codes make up seven segments of investigation related data forming a nine-character code referred to as the Summary Code. All segments of the investigative closing codes must be completed prior to the Action Point submitting a Final Reply. Failure to complete each of these data elements by the Action Point will result in the transaction being rejected.***

***C24.5.1.1. The seven segments of closing data include (1) defect***

***responsibility, (2) severity of the defect, (3) broad classification of the cause, (4) detailed cause of the defect, (5) preventative action taken because of the defect, (6) corrective action taken for the defective materiel, and (7) disposition of the deficient materiel. A complete list of investigative closing codes can be found in Appendix 7.27 of this this Volume.***

***C24.6.*** PQDR Inter-Service Interface Query Capability. The PQDR II will allow users to query the transaction history by RCN, the system inbox to view pending incoming transactions, and the system outbox to view pending outgoing transaction.