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IN REPLY
REFER TO DESC-BQ

July 17, 2003

MEMORANDUM FOR: DESC Quality Assurance Workforce

SUBJECT: Quality Assurance Advisory (QAA) 2003-03, Pre-Award Survey (PAS)
Responsibilities

The purpose of this advisory is to clarify the responsibilities of DESC Quality Assurance Specialists with respect to performing pre-award surveys on products and services procured by DESC. These include contracts awarded for Bulk Petroleum Products (Bulk, PC&S, Into-Plane and Bunkers), Installation Energy Products (Coal, Electricity and Natural Gas), Missile Fuels, Utility Privatization Services (electricity systems, water and wastewater systems, as well as natural gas systems) and Facilities Services (storage facilities and laboratory testing and inspection contracts).

As a result of the functional transfer of quality assurance (QA) from DCMA to DESC, we now have full responsibility for all areas of contract administration, both pre and post award for all contracts awarded by DESC. Until an electronic method is developed and implemented, Pre-Award Survey requests (SF 1403) will be sent directly to the Quality Manager. The Quality Manager will act as the Pre-Award Survey Monitor to ensure that surveys are completed in a timely manner and in accordance with the suspense and instructions established by the originating contracting officer.

The DESC QAR should be capable of conducting a PAS for all of the major factors except Financial Responsibility and Accounting System. Technical Capability, Production Capability, Quality Assurance Capability and in the case of Into-Plane contracts safety will be evaluated (note that safety and technical requirements for into-plane contract locations are contained within the ATA 103, JIG, NFPA 407 and MIL-STD 1548). Each buying division within DESC may have specific requirements so particular attention should be given to any instructions contained in the remarks section of the SF 1403 as well as the solicitation. Written reports will be forwarded to the Quality Manager for review. After review the report will be sent to the originator/requester.

For all purchase programs there are some characteristics of the survey that are the same. These descriptions are not meant to be all encompassing but rather a brief description of specific items that should be verified.

1. Production capability: Does the prospective contractor have the ability to produce product (or have verifiable supply commitments from other sources) in sufficient quantities to meet the requirements of the contract.
2. Storage capability: Does the proposed contractor have adequate and acceptable storage capability. This includes the ability to safely receive, store and ship product while maintaining the integrity of the product.
3. Transportation capability: If required by the solicitation, does the contractor have adequate transportation assets or access to the transportation assets to transport product from source to destination.
4. Technical capability: Does the prospective contractor have the technical ability or processes in place that would insure, within a reasonable degree of risk, that he can take a material (such as crude oil, coal, natural gas) and in the case of petroleum products manufacture, store and issue the required product or service. In the case of other products that we purchase are there similar processes that will result in the same outcome, which is delivery to the acceptance point of a product that meets the terms of the contract.
5. Quality capability: Are there processes in place that adequately insure that the contractor will be able to successfully maintain product quality until it is delivered to the point of acceptance. Is there an adequately qualified staff, and if they are performing analyses, does the testing facility have a quality certification equivalent to ISO 9000 series and the capability to perform all of the analysis required by the solicitation and do they have a calibration program equivalent to ISO 10012-1.

Should there be any questions regarding this advisory please contact one of the following:

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If you have questions regarding a specific PAS please contact your supervisor (QM), a BQ staff member or the requesting official prior to finalizing the report.


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