Army Regulation 702–7–1

Product Assurance

Reporting of Product Quality Deficiencies Within the U.S. Army

Headquarters
Department of the Army
Washington, DC
15 July 2009

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SUMMARY of CHANGE

AR 702–7–1
Reporting of Product Quality Deficiencies Within the U.S. Army

This administrative revision, dated 15 July 2009--

- Makes organizational updates (throughout).

- Makes administrative changes (throughout).

Headquarters
Department of the Army
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***Army Regulation 702–7–1**

Effective 30 July 2009

Product Assurance

Reporting of Product Quality Deficiencies Within the U.S. Army

By Order of the Secretary of the Army:

GEORGE W. CASEY, JR.
General, United States Army
Chief of Staff

Official:

JOYCE E. MORROW
Administrative Assistant to the Secretary of the Army

History. This publication is an administrative revision. The portions affected by this administrative revision are listed in the summary of change.

Summary. This regulation prescribes policies and procedures for reporting product quality deficiencies within the Army.

Applicability. This regulation applies to the Active Army, the Army National Guard/Army National Guard of the United States, and the U.S. Army Reserve, unless otherwise stated.

Proponent and exception authority. The proponent of this regulation is the Deputy Chief of Staff, G–4. The proponent has the authority to approve exceptions or waivers to this regulation that are consistent with controlling law and regulations. The proponent may delegate this approval authority, in writing, to a division chief within the proponent agency or its direct reporting unit or field operating agency, in the grade of colonel or the civilian equivalent. Activities may request a waiver to this regulation by providing justification that includes a full analysis of the expected benefits and must include formal review by the activity's senior legal officer. All waiver requests will be endorsed by the commander or senior leader of the requesting activity and forwarded through their higher headquarters to the policy proponent. Refer to AR 25–30 for specific guidance.

Army management control process. This regulation contains management control provisions in accordance with AR 11–2, but does not identify key management controls that must be evaluated.

Supplementation. Supplementation of this regulation and establishment of command and local forms are prohibited without prior approval from Deputy Chief of Staff, G–4 (DALO-MNN), Washington, DC 20310.

Suggested improvements. Users are invited to send comments and suggested improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) directly to the Deputy Chief of Staff, G–4 (DALO-MNN), 500 Army Pentagon, Washington, DC 20310–0500.

Distribution. This publication is available in electronic media only and is intended for command levels C, D, and E for the Active Army, the Army National Guard/Army National Guard of the United States, and the U.S. Army Reserve.

Contents (Listed by paragraph and page number)

*This regulation supersedes AR 702-7-1, dated 25 April 2005.

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Table List

Glossary

Chapter 1
Introduction

1–1. Purpose
This regulation sets forth policies and responsibilities for reporting product quality deficiencies within the Army. It complements AR 702-7, a joint regulation, which covers reporting of product quality deficiencies among the Services.

1–2. References
Required and related publications and prescribed and referenced forms are listed in appendix A.

1–3. Explanation of abbreviations and terms
Abbreviations and special terms used in this regulation are explained in the glossary.

1–4. Responsibilities
a. The Deputy Chief of Staff, G–4 is responsible for the Army Product Quality Deficiency Reporting System (PQDR) in the field.

b. Commanders, Army commands, Army Service component commands, direct reporting units, and the Director, Installation Management Command will ensure that users report defects pointed out during receipt, storage, and use of materials.

c. The Commanding General, Army Materiel Command (AMC) as the responsible agent, will manage the PQDR system for the DCS, G–4. AMC will set up—

(1) Methods, metrics and provide technical guidance to the field for the Army PQDR system.

(2) A system for receiving, identifying, processing, controlling, and resolving quality deficiency reports (QDRs). The system currently being used is the Electronic Deficiency Reporting System (EDRS) at the Army Electronic Product Support Network Web site, although AMC will begin transitioning to Logistics Modernization Program (LMP) to process PQDRs in FY05. Contact your AMC logistics assistance representative for assistance and/or training.

(3) Methods for reporting defects on materiel within the AMC wholesale system.

Chapter 2
Product Quality Deficiencies

2–1. Reporting and processing deficiencies
a. Categories. For reporting and processing purposes, each QDR will be grouped in either category I or II.

(1) *Category I.* This deficiency is one that—

(a) May cause death, injury, or severe occupational illness.

(b) Would cause loss or major damage to a weapon system.

(c) Would restrict the combat readiness of the using organization.

(2) *Category II.* This deficiency does not meet the standards for category I.

b. Wholesale and retail level reporting.

(1) Except for deficiencies excluded in this AR, those on materiel within the AMC wholesale level will be reported according to an AMC supplement. Urgent category I reports may be sent by Defense Switched Network. However, they must be confirmed by message within 48 hours.

(2) Deficiencies at the retail level will be reported per DA Pam 750–8 using SF 368, Product Quality Deficiency Report, or prescribed message format.

c. Responsibilities of activities receiving QDRs. Activities receiving QDRs will—

(1) Acknowledge receipt within 7 days.

(2) Establish controls to ensure that reports are investigated.

(3) Request exhibit for investigation and provide unit with Transportation Account Code in the disposition instructions.

(4) Advise originators of action taken.

d. Disposition of defective materiel. Disposition instructions for defective materiel will be given within 45 calendar days from date of report. After that time, unless told otherwise, the holder of the exhibit will dispose of it.

e. Suspension of use of defective items.

(1) Deficiencies that degrade safety, greatly reduce operation, or severely damage an end item will be suspended from use promptly. Suspension will be as follows:

(a) Aviation, per AR 95-1.

(b) Ammunitions and explosives, per AR 75-1.

(c) All other items, per AR 750-10.

(2) Supply stocks (wholesale and retail) must not be issued until the condition is corrected. The Army Materiel Manager will tell users that delivery of materiel with that defect under the current contract will cease.

f. QDRs to be processed with another Service. These QDRs will be processed according to AR 702-7.

g. Deficient materiel under warranty. This materiel will be reported according to AMC supplementation or DA Pam 750–8.

2–2. Exclusions

For deficiencies reportable under other provisions, see table 2-1.

Table 2–1
Deficiencies reportable under other provisions

Deficiencies: In local purchases **Method of reporting:** Local methods **Prescribing directive:** AR 12-12 and AR 735-11-2
Deficiencies: On equipment involved in foreign military sales or grant aid under the Security Assistance Program after transfer of title **Method of reporting:** SF 364 (Report of Discrepancy) **Prescribing directive:** AR 12-12 and AR 735-11-2
Deficiencies: Wrong or improperly classified items, missing, or improper documents, overages or shortages, and hidden damages **Method of reporting:** SF 364 (Report of Discrepancy) **Prescribing directive:** AR 735-11-2
Deficiencies: Preserving, packaging, packing, and related markings **Method of reporting:** SF 364 (Report of Discrepancy) **Prescribing directive:** AR 735-11-2
Deficiencies: Subsistence materiel **Method of reporting:** DD Form 1608 (Unsatisfactory Materiel Report (Subsistence) **Prescribing directive:** AR 30-22

Appendix A
References

Section I
Required Publications
This section contains no entries.

Section II
Related Publications
A related publication is a source of additional information. The user does not have to read it to understand this publication.

AR 12–12
Processing Discrepancy Reports Against Foreign Military Sales Shipments

AR 30–22
The Army Food Program

AR 40–61
Medical Logistics Policies

AR 75–1
Malfunctions Involving Ammunition and Explosives

AR 95–1
Flight Regulations

AR 702–7
Product Quality Deficiency Report Program

AR 702–11
Army Quality Program

AR 702–18
Materiel Quality Storage Standards Policy for Shelf-Life Materiel

AR 725–50
Requisition, Receipt, and Issue System

AR 735–11–2
Reporting of Supply Discrepancies

AR 750–1
Army Materiel Maintenance Policy

AR 750–10
Army Modification Program

DA Pam 738–751
Functional Users Manual for the Army Maintenance Management System-Aviation (TAMMS-A)

DA Pam 750–8
The Army Maintenance Management System (TAMMS) Users Manual

Section III
Prescribed Forms
Unless otherwise indicated below, DA forms are available from the APD Web site (www.apd.army.mil); DD forms are available from the OSD Web site (www.dior.whs.mil); standard forms (SFs) are available from the GSA Web site (www.gsa.gov).

SF 368
Product Quality Deficiency Report

Section IV
Referenced Forms

DA Form 11–2–R
Management Control Evaluation Certification Statement

DA Form 2028
Recommended Changes to Publications and Blank Forms

DD Form 1608
Unsatisfactory Materiel Report (Subsistence)

SF 364
Report of Discrepancy (ROD)

Appendix B
Management Control Evaluation Process

B–1. Function
The function covered by this checklist is the Army Product Quality Deficiency Report (PQDR) Program.

B–2. Purpose
To assist Commanders and managers within the PQDR Program in evaluating key management controls. The following checklist is not intended to cover all controls, but does cover those controls considered to be the most important in evaluating the overall effectiveness of the PQDR program.

B–3. Instructions
Answers to the below questions must be based on the actual testing of controls (for example, direct observation, timeline analysis, interviewing and sampling). Those answers that indicate deficiencies must be explained, to include corrective action taken, with supporting documentation. These controls must be evaluated at least once every year. Certification that the evaluation has been conducted must be accomplished in accordance with AR 11–2 and DA Form 11–2–R (Management Control Evaluation Certification Statement).

B–4. Test questions
a. Is there Army doctrine and organizational structures in place to support the PQDR program? (AR 702–7, DA Pam 750–8, and DA Pam 738–751)

b. Is the overall PQDR program adequately funded to ensure execution of the program? (DCS, G-4/Headquarters AMC)

c. Are units (originators) reporting Category I and Category II quality deficiency reports (QDRs) within the prescribed time frame: Cat I–24 hours/Cat II–3 days? (AR 702–7, figure A-1)

d. Are units/MSCs/AMC using the EDRS to report and process QDRs? (AR 702–7–1)

e. Are exhibits being requested and processed in accordance with the prescribed time frame: Cat I-20 days after receipt of exhibit/Cat II-30 days after receipt of exhibit? (AR 702–7, figure A-1)

f. Are all open QDRs being tracked on a monthly basis to ensure timely processing? (DCS G-4/AMC)

B–5. Supersession
This checklist replaces the checklist for the Army PDQR Program published in AR 702–7–1, 25 April 2005.

B–6. Comments
Help make this a better tool for evaluating management controls. Please submit comments to the DCS, G-4 (DALO-MMN), 500 Army Pentagon, Washington, DC 20310–0500.

Glossary

Section I
Abbreviations

AMC
Army Materiel Command

DCS, G-4
Deputy Chief of Staff, G-4

EDRS
Electronic Deficiency Reporting System

PQDR
Product Quality Deficiency Report

QDR
Quality Deficiency Report

Section II
Terms

Army Materiel Manager
The AMC Major Subordinate Command shown by position one of the Materiel Category Code in the Army Master Data File for each national stock number.

Category I Deficiency Report
A report of a product quality deficiency which may cause death, injury or severe occupational illness; would cause loss or major damage to a weapon system; critically resttricts the combat readiness capabilities of the using organization; or which would result in a production line stoppage.

Category II Deficiency Report
A report of a product quality deficiency that does not meet the criteria set forth in Category I.

Exhibit
A deficient item, or a sample item that represents the deficient condition, that can be analyzed to determine the cause of the defect.

Originator
An activity or person that discovers and reports a deficiency on SF 368, Product Quality Deficiency Report, or in a message of a prescribed format.

Product quality deficiency
A nonconforming condition that limits or prevents the product from fulfilling its purpose. This includes defects in design, specification, material, manufacturing, and workmanship.

Product Quality Deficiency Report
The SF 368 form or format used to record and transmit product quality deficiency data.

Quality deficiency report
The SF 368 or format used to record and send product quality deficiency data.

Section III
Special Abbreviations and Terms
This section contains no entries.

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PIN: 046787–000
DATE: 07-15-09
TIME: 08:26:13
PAGES SET: 10

DATA FILE: C:\wincomp\r70-2-7-1.fil
DOCUMENT: AR 702–7–1

SECURITY: UNCLASSIFIED
DOC STATUS: NEW PUBLICATION