

ATTACHMENT V.Q.2

DIRECT PROCUREMENT METHOD (DPM) QUALITY ASSURANCE (QA)

A. INTRODUCTION

QA standards in the Direct Procurement Method (DPM) Defense Personal Property Program (DP3) consist of scored and non-scored factors. Non-scored factors include the requirements of the Defense Transportation Regulation (DTR), Part IV, and other guidance provided by the Regional Storage Management Office (RSMO) and Headquarters (HQ) Military Surface Deployment and Distribution Command (SDDC).

B. QA REQUIREMENTS

1. **Guidance:** The DTR Part IV, the Tender of Service (TOS) for DPM, and other guidance provided by the RSMO or SDDC specify the requirements of service that the DPM Transportation Service Provider (TSP) agrees to fulfill in the packing, crating, and movement of the Department of Defense (DOD)-sponsored DPM personal property shipments. The provisions of these business rules provide guidance for the use of QA procedures with DPM shipments in the DP3.
2. **TSP Accountability:** The TSP listed on the service order is fully responsible for providing the services requested (including, but not limited to, loss and damage prevention, and claims processing in accordance with (IAW) the DP3 Claims and Liability program. The freight TSP on the Bill of Lading (BL) is responsible for the requested line-haul transportation (including, but not limited to, loss and damage, claims, or other violations, IAW the DTR, Part II) and are subject to the requirements of the SDDC Strategic Business Directorate (G9) Carrier Performance Program (CPP). No subcontractor or separate entity is considered to have moved or stored the shipment for the purposes of QA. It is the responsibility of all DPM TSPs to use sound judgment in their selections of personnel as company representatives. Any violation of the rules is considered an act of the DPM TSP listed on the service order or BL and is dealt with according to the procedures listed herein.
3. **Satisfactory Service:** The DPM TSP must consider the satisfaction of the DOD customer, the Personal Property Shipping Office (PPSO), and the RSMO. The DOD customer is the primary gauge of the quality of service as determined by the results of the Customer Satisfaction Survey (CSS) reports, and the PPSO and RSMO must use quality control procedures to help ensure only DPM TSPs providing high-quality service are used.
4. **Time Frames:** All time frames, unless otherwise noted, are in calendar days.
5. **Correspondence:** All correspondence to/from a DPM TSP must be handled expeditiously. All correspondence concerning appeals must be supported by evidence of timely submission via DPS, unless otherwise authorized by the PPSO or responsible RSMO.

C. INSPECTIONS ACTIONS AND PERFORMANCE EVALUATION

Evaluation of DPM TSP performance begins when the origin PPSO offers a shipment to the DPM TSP. Acceptance of the offer binds the DPM TSP to perform IAW the general terms established by the DOD and agreed upon by the DPM TSP and the specific terms contained on the service order and the TOS for DPM.

1. Shipment Inspections:

- a. Non-Scored Factors in DP3: Non-scored factors include all the requirements of the DTR Part IV, the TOS for DPM, and other guidance provided by the RSMO or SDDC. The monitoring of services via inspections is a critical component of this program and necessary to ensure DOD customers continue to receive the quality service promised by this program and provided by industry. The RSMO can take punitive action after a noted violation has occurred and/or the PPSO has requested an action based on its inspections and observations.
- b. Inspection Goal: A PPSO inspection goal of not less than 50 percent (of all the personal property shipments inbound/outbound) must be set by individual Service policy. Inspections can be physical and/or telephonic.
- c. Inspection Requests: When requested by another PPSO, the DOD customer, a RSMO, or the TSP, a PPSO must make a maximum effort to inspect a specific shipment subject to the PPSO's ability and the Service's policy. The following considerations must be made when requesting an inspection:
 - (1) Whether or not an inspection was conducted at the origin
 - (2) An indication of poor quality service or DPM TOS violations on the shipment (which must be identified in the request for inspection)
 - (3) Indications of the DOD customer's dissatisfaction with the service provided by the DPM TSP.
- d. Shipment Evaluation and Inspection Record, DD Form 1780 Procedures: The DD Form 1780, Shipment Evaluation and Inspection Record, Figure V.Q.2-1, is a Web form in DPS that inspectors must use to record any DPM TOS violations found on inbound or outbound DPM shipments.

2. DPM TSP Performance File: A performance file must be kept for DPM TSPs. The files may be maintained in DPS, electronically, and/or as a hard copy. PPSOs should utilize DPS capabilities to the fullest extent possible, minimizing hard copies. The DPM TSP performance file should contain, or make reference to, the following (as applicable):

- a. Origin and destination shipment inspections (e.g., DD Form 1780)
- b. CSSs
- c. Investigation records of complaints made against the DPM TSP
- d. Shipment reweigh records
- e. Non-use actions by the RSMO
- f. DPM TSP responses/corrective actions to non-use or complaints
- g. All other communications concerning the DPM TSP's performance
- h. Photographs depicting substandard service.

NOTE: Items a., b., d., and e. are maintained in DPS and are available for review by the PPSO, RSMO, SDDC, and Service HQs.

Performance File Maintenance: DPM TSP performance files must contain shipment information for two calendar years.

3. [RSMO Review](#): When requesting punitive action, the RSMO will review the overall DPM TSP's performance within DPS. The RSMO must look for recurring deficiencies or patterns of unacceptable performance and initiate action to warn, suspend, or place the DPM TSP in non-use.
4. [DPM TSP Review](#): DPM TSPs may review their performances within DPS. These include their CSSs, their claims scores, and other performance factors. PPSOs will allow the DPM TSPs to review their applicable performance file information that is not contained within DPS.

D. PUNITIVE ACTIONS

When a DPM TSP violates any provision of its agreement and/or the DP3 Business rules, the PPSO or Service Military Claims Office (MCO) may ask the RSMO to direct and require the DPM TSP to take all the appropriate corrective actions or recommend a non-use, disqualification action to the RSMO. CSS comments may be used as supporting evidence in the PPSO's request for action by the RSMO. The PPSO, MCO, and RSMO must take into consideration the severity of the violation, the impact on the DOD customer, the quality of the DPM TSP's past performance, and the actions the DPM TSP may have taken to correct the deficiencies. Following are summaries of QA actions in the DP3:

1. [Request to RSMO for Corrective Action](#):

This request serves as notice to a DPM TSP that, if violations or performance problems continue, a non-use action may follow. The PPSO must prepare requests for RSMO involvement using DPS, or the MCO may prepare requests inside or outside of DPS. A request is generated after the PPSO inputs the violation in DPS. Violations are tallied by the system for an installation Area of Responsibility (AOR) for a rolling 180 days for DPM TSP inbound/outbound traffic. When a DPM TSP commits the same violation three or more times during a 180-day period, non-use action may be considered.

NOTE: A RSMO may direct corrective action for any violation(s) and is not limited to those listed on the DD Form 1780.

A request by the PPSO or MCO to a RSMO for actions against a DPM TSP for unacceptable performance must state, as a minimum:

- a. The DOD customer's name
- b. The service order number
- c. The rule or regulation indicating the violation that resulted in the request.

The DPM TSP may view (when applicable) the DD Form 1780, which supports the request and subsequent RSMO action in DPS. Notification of the RSMO action is sent to the DPM TSP via DPS. Unless the RSMO requests a written response, DPM TSPs are not required to respond to the directed corrective action.

2. [Non-Use](#):

- a. When a non-use is issued, DPS notifies the DPM TSP of the non-use action. The notification must state the following to substantiate the non-use:
 - (1) The DOD customer's name
 - (2) The service order number
 - (3) The rule or regulation violated on the shipment(s) (e.g., IAW DTR Part IV).

- b. The RSMO must enter “Failure to provide corrective action within 30 days from the effective date of a non-use notification may result in the non-use remaining in effect, until corrective action has been provided and accepted.”

NOTE: See Table 405-1 for an overview of QA actions in DPS. DPS tallies violations of the DPM TSP’s TOS to facilitate the RSMO’s/PPSO’s/SDDC’s visibility of any trends or performance failures. DPS reporting supports monitoring the number of non-uses by the RSMO for a DPM TSP.

- c. For regular non-use:

(1) A regular non-use may be imposed when a DPM TSP repeatedly violates any provision of its TOS agreement or commits any single violation that merits a non-use. When a regular non-use notification is issued in DPS, a DPM TSP has 10 days to respond to the notification. The effective date of the non-use is immediate but may be reversed by the RSMO if there are mitigating circumstances surrounding the violation. As a guideline, when a TSP commits the same violation three or more times within a 180-day period, non-use action will be considered. The following are examples of violations that include some, but not all, reasonable grounds to impose a regular non-use:

- (a) Repeated failure to perform a pre-move survey as required
- (b) Repeated failure to meet the pickup or delivery dates entered on the service order.

(2) The regular non-use period is for a minimum of 30 days or until the required corrective actions have been taken, whichever is greater.

- d. For immediate non-use:

The PPSO/Personal Property Processing Office (PPPO) may request immediate non-use by entering violations in DPS and requesting that the responsible RSMO issue an immediate non-use. An immediate non-use is effective on the date the RSMO initiates the non-use (e.g., the system date on which DPS sends the DPM TSP notification).

- (1) An immediate non-use may be issued for, but is not limited to:

- (a) **Selective Refusal:** A pattern of standard shipment refusals based on the weight or location of the shipments (e.g., accepting large shipments while refusing smaller shipments or accepting shipments local to the DPM TSP facility while refusing those in outlying zones).
- (b) **Multiple Refusals:** A pattern of standard shipment refusals reflecting a low level of participation in the DPM program without utilizing the calendar blackout option.
- (c) **Missed Pickup:** The DPM TSP does not keep the appointed pickup date and causes severe inconvenience to the customer or fails to meet the pickup date without any type of communication with the customer.
- (d) **Communication Failure:** The origin DPM TSP fails to contact the DPM freight TSP, and the DOD customer’s property remains in the origin DPM TSP’s warehouse on or after the Required Delivery Date (RDD). This does not apply when the DPM freight TSP fails to pick up the property as requested.
- (e) **Smoking:** DPM TSP personnel smoking in the customer’s residence, within 10 feet of the customer’s personal property, or at any time in the moving van or container.
- (f) **Turn-Back:** The DPM TSP notifies the origin PPSO that it is unable to service a shipment previously accepted.

- (g) Drugs and/or Alcohol: DPM TSP personnel being under the influence of, or using, alcohol or unlawful drugs at the DOD customer's residence.
 - (h) Inappropriate Behavior: DPM TSP personnel using abusive language, actions, or immoral conduct in the presence of the DOD customer or the DOD customer's family.
 - (i) Theft: Evidence of fraud and/or theft on the part of the DPM TSP's personnel.
 - (j) Destructiveness: Evidence of deliberate damage to the DOD customer's possessions.
 - (k) Dishonesty: Evidence of a DPM TSP or DPM TSP's representative who falsifies, conceals, or covers up by any trick, scheme, or device, a material fact; or makes any false, fictitious, or fraudulent statements, or representation; or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement.
 - (l) Unapproved Storage: Use of a non-qualified/ineligible DOD warehouse for storage of a DOD customer's shipment.
- (2) The immediate non-use period is for a minimum of 30 days or until all corrective actions have been completed and procedures are in place to preclude recurrence.
- e. To be removed from non-use, a DPM TSP must provide proof of corrective action to the RSMO via DPS. The DPM TSP will remain in non-use status until such time as acceptable corrective action is received and reinstatement is accomplished within DPS. If the DPM TSP's corrective action is deemed to be insufficient, the RSMO must notify the DPM TSP via DPS within five days of the date of the DPM TSP's notice of corrective action.
3. Other RSMO Non-Use Actions:
- Action may be taken immediately after receipt of information indicating there is a threat to the safety or security of personal property shipments or where a DPM TSP fails to meet the requirements necessary to be an approved participant in the DPM program. The RSMO can initiate non-use of a DPM TSP for a definite or indefinite period of time. Non-use of a DPM TSP may be directed by the RSMO, as a result of, but not limited to, the following:
- a. Non-payment of debts owed to the government (Federal Claims Collection Act of 1966), or DPM TSP agents or other entities exposing government shipments to actual and/or potential delay, frustration, seizure, or detention.
 - b. Overall performance (this includes but is not limited to not meeting the minimum performance score and repeated violations of the TOS agreement).
 - c. Failure to meet or maintain the requirements in DPM TSP Qualification business rules.
- NOTE:** Any outstanding claims against a DPM TSP that has been placed in a non-use status by a RSMO can be transferred by the customer to their Service MCO and still be eligible for full replacement value.

E. DPM TSP APPEALS

NOTE: Any appeal opens the entire case for reevaluation.

1. **Appeals to the RSMO:** A DPM TSP has the right to appeal any punitive action imposed by the RSMO. All appeals must be processed in DPS. DPS will send a notice directly to the RSMO who imposed the punitive action. The DPM TSP's appeal must be factual fully documented and must provide irrefutable evidence of why the punitive action was erroneous and/or why it should be removed.

NOTE: RSMOs will not accept appeals of scored Best Value Score (BVS) factors or of BVS scores. Such appeals must be sent directly to HQ SDDC.

2. **RSMO Appeal Outcomes:** The RSMO must respond to the DPM TSP's appeal via DPS no later than five days from the date of the appeal. The RSMO must either inform the DPM TSP that the appeal is granted or provide a reason for its denial.
 - a. For a successful appeal in the DPM TSP's favor: For a regular or immediate non-use, when DPM TSP's appeal is granted in its favor, the DPM TSP will be immediately returned to the TDL.
 - b. For an unsuccessful appeal (not in the DPM TSP's favor): If a DPM TSP's immediate non-use appeal is denied they will remain in a non-use status for a minimum of 30 days.

F. PPSO RECOMMENDATION FOR SDDC DISQUALIFICATION

A PPSO may request via DPS that the RSMO disqualify/impose non-use of a DPM TSP IAW SDDC Regulation 15-1, which can be found on the SDDC Personal Property Web site.

Only RSMOs may disqualify a DPM TSP. Disqualification action may be taken independently by RSMO or may result from the recommendation of a PPSO (reference SDDC Regulation 15-1).

SHIPMENT EVALUATION AND INSPECTION RECORD				1. DATE (YYYYMMDD)	REPORT CONTROL SYMBOL
2. MEMBER'S NAME (Last, First, Middle Initial)		3. GRADE/ RANK	4. COMPONENT	5. CARRIER NAME	SCAC
6. PPGBL/ORDER NUMBER	7. ORIGIN PPSO		GBLOC	8. DESTINATION PPSO	GBLOC
9. CODE OF SERVICE					
10. PICKUP ADDRESS <i>(Street, City, State and ZIP Code)</i>			11. DELIVERY ADDRESS <i>(Street, City, State and ZIP Code)</i>		
12. PICKUP DATE (YYYYMMDD)		13. MISSED PICKUP <i>(X one)</i>	14. REQUIRED DELIVERY DATE (RDD) (YYYYMMDD)	15. MISSED RDD <i>(X one)</i>	16. ESTIMATED LOSS/ DAMAGE
		<input type="checkbox"/> YES <input type="checkbox"/> NO		<input type="checkbox"/> YES <i>(No. of days)</i> <input type="checkbox"/> NO	
17. DATE IN STORAGE-IN- TRANSIT (SIT) (YYYYMMDD)		18. DATE OUT OF SIT (YYYYMMDD)		19. DELIVERY DATE (YYYYMMDD)	
20. WEIGHT					
21. LOSS/DAMAGE <i>(If applicable)</i>			22. CUSTOMER SATISFACTION <i>(X one)</i>		23. TENDER OF SERVICE VIOLATIONS CODE(S)
a. TYPE		b. SOURCE		<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> UNKNOWN	
24. SHIPMENT INSPECTION <i>(Explain all marked Tender of Service (T/S) Violations in Remarks.)</i>					
T/S (X) CODE VIOLATION			T/S (X) CODE VIOLATION		
A	FAILED TO PERFORM REMOVE SURVEY <i>(If applicable)</i>		N	FAILED TO PROVIDE REQUIRED DOCUMENTS TO MEMBER	
B	IMPROPERLY PACKED/LOADED SHIPMENT		O	FAILED TO UNPACK/REASSEMBLE	
C	IMPROPER/INADEQUATE PACKING MATERIAL		P	FAILED TO COMPLY WITH SIT REQUIREMENTS	
D	PREPARED INVENTORY IMPROPERLY		Q	CONTAINERS NOT PROPERLY MARKED	
E	PREPARED DD619/DD1840 IMPROPERLY		R	FAILED TO PROTECT CONTAINERS FROM WEATHER	
F	USED UNQUALIFIED PERSONNEL		S	FAILED TO PACK, WEIGH AND ENTER PBP&E ON INVENTORY/PPGBL	
G	IMPROPERLY SERVICED/DESERVED APPLIANCES		T	FAILED TO REPORT SHIPMENT IN WEEKLY REPORT	
H	FOLDED/FAILED TO PROPERLY ROLL RUG(S)		U	UB/HHG CONTAINERS FAILED TO MEET SPECIFICATIONS	
I	FAILED TO RECORD LOSS/DAMAGE		V	FAILED TO NOTIFY PPSO OF INABILITY TO MEET RDD	
J	FAILED TO WEIGH SHIPMENT AS PRESCRIBED BY ICC		W	FAILED TO TRACE WITHIN 24/48 HOURS <i>(As applicable)</i>	
K	FAILED TO REMOVE PACKING MATERIALS/DEBRIS		X	FAILED TO NOTIFY PPSO OF ARRIVAL/DELIVERY	
L	FAILED TO REWEIGH WHEN REQUESTED		Y	FAILED TO CONTAINERIZE AT RESIDENCE	
M	FAILED TO PROVIDE REQUIRED DOCUMENTS TO PPSO		Z	OTHER <i>(See Remarks)</i>	
25. REMARKS					
26. PRINTED NAME/SIGNATURE OF ORIGIN INSPECTOR			DATE SIGNED		29. SHIPMENT EVALUATION <i>(X one)</i>
27. PRINTED NAME/SIGNATURE OF DESTINATION INSPECTOR			DATE SIGNED		
28. PRINTED NAME/SIGNATURE OF SHIPPING OFFICE REPRESENTATIVE			DATE SIGNED		SATISFACTORY
					UNSATISFACTORY
					30. SHIPMENT SCORE

DD FORM 1780, SEP 1998

PREVIOUS EDITION IS OBSOLETE.

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Figure V.Q.2-1. DD Form 1780, Shipment Evaluation and Inspection Record

Table V.Q.2-1. QA Actions in the DP3

Type	PPSO Actions	RSMO actions
Regular Non-Use	Request non-use for/when: DPM TSP has been issued three or more performance failures for the same violation(s) during a 180 day period, or commits any single violation which merits non-use.	Initiates non-use based on appropriate PPSO requests
Immediate Non-Use	Request non-use for/when: DPM TSP selectively or repeated refuse shipments. May also be issued for missed pickup date, shipment remaining at origin facility past the RDD, etc (see paragraph D.2.c.).	Initiates non-use based on appropriate PPSO requests
Immediate Non-use		Immediate non-use taken against a DPM TSP when determined that DPM TSP has failed to meet regulatory requirements of the program and/or to protect the safety/security of Government shipments.
Disqualification	Request may be submitted when: DPM TSP has been placed in non-use three times within a 180 day period, or DPM TSP shows total disregard for DP3 requirements and continued participation in the program is not in the best interest of the US Government.	RSMO will consider all PPSO requests for disqualification. RSMO may elect to place DPM TSP in a non-use status pending disqualification actions. RSMO will request Transportation Review Board when required SDDC Regulation 15-1.