



# Supply Chain Manual

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Document Owner: <b>Sr. Mgr Supplier Quality Engineering Mgr, Direct Procurement</b>	Approved By: <b>Dir, Supplier Quality AVP, Procurement</b>
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## Purpose and Scope

- Throughout this document SRC implies SRC or SRCTec unless specifically implied.
- This document defines requirements to ensure that externally provided (“Supplier”) products and services directly supporting SRC production products conform to SRC requirements.
- The SRC Purchase Order (including Terms and Conditions) is the binding contract between SRC and the Supplier and is in the order of precedence over this document.
- This document applies to production PO’s only and does not apply to R&D/Prototype PO’s. Contact your buyer if you are uncertain as to which type of PO you have.



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## Section 1: Communication/Contract Direction

- Supplier is responsible for working to the version of the SCM at time of Purchase Order acceptance/award.
- The SRC Purchasing Agent is the point of contact for all questions regarding a Request for Information (RFI), Request for Quote (RFQ), and Purchase Order (PO).
- During the Request For Quote (RFQ) phase Suppliers shall:
  - Fully review the data package provided. The quote shall contain an independent section for “Exceptions”. Any exceptions must be explicitly and clearly identified and defined along with any proposed alternatives. All exceptions must be formally documented on a **Notice of Supplier Issue (NSI)** (PUR-F-201) (see section 10) and submitted with the quote. If there are no exceptions, then document as such (i.e. N/A, None, etc.). If exceptions to documentation are identified after PO is issued, the Purchasing Agent has the right to cancel the PO or seek financial considerations depending on the change requested.
  - List NRE, qualification, first article inspection, or source inspection costs separately on the quote.
  - Evaluate any initial supply chain risks.
  - Include the Purchasing Agent when communicating with other SRC functions (i.e., Operations or Engineering) on technical content.
- Upon PO award Suppliers shall:
  - Conduct a thorough PO review and communicate any issues or questions to the Purchasing Agent **PRIOR** to PO acknowledgement.
    - In cases that involve a LOC to PO transition, the Supplier is responsible to review the PO to ensure the requirements are acceptable, as sometimes they can differ. If there are differences that are unacceptable, contact your Purchasing Agent for resolution PRIOR to accepting the PO.
  - When no issues or questions arise from the PO review, return a signed copy of the PO to the Purchasing Agent within 10 business days.
    - By acknowledging the PO, the Supplier is stating that all requirements will be met as written, including but not limited to this Supply Chain Manual (SCM), applicable Supplier Quality Clauses (SQC), first article inspection (FAI) requirements, delivery dates, and terms and conditions.
    - If a Supplier submits a NSI for a Waiver or a Deviation request, post PO issuance, SRC reserves the right to reject the request or seek restitution.
  - Evaluate any supply chain risks in greater detail within 15 business days of purchase order award.
    - Design review meeting between SRC and Supplier may be required.
  - Notify the Purchasing Agent of any delays, potential or confirmed, in shipment as soon as the issue arises. The notification shall include:
    - PO and lines number(s).



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- Part number and revision level.
  - Quantity affected.
  - A detailed description of the cause of the delay.
  - A detailed description of all recovery actions to be undertaken to expedite and reduce the delay (e.g. expedite with sub-tier Suppliers, application of additional resources, expedited shipping, overtime, etc.).
  - Recovery schedule with firm dock dates for each affected PO line number.
  - Asking for confirmation of a purchase order modification.
  - SRC reserves the right to collect financial consideration from the Supplier for late deliveries when the delay is caused by the Supplier and impacts SRC's ability to meet the production or contract schedule; as well as issues caused by the Supplier that slow down our receiving process.
- The Purchasing Agent is the only individual authorized to provide contract direction or make changes to the purchase order in accordance with the PO Terms and Conditions.
  - Always work to the latest change order of the PO.
  - Complete an existing open PO line (or line delivery date) for a given part number prior to shipping against the next line or delivery date, unless otherwise directed by the Purchasing Agent.
  - Flow all applicable SRC purchase order and quality requirements to their sub-tier suppliers.
  - Prime contract flow downs shall be flowed to sub tier suppliers.
  - Include the Purchasing Agent when communicating with other SRC functions (i.e. Operations or Engineering) on technical content.
  - Supplier contacts – Should SRC need to contact the supplier, the supplier shall ensure that there is a designated back up when they are out of office. This is imperative when there are time sensitive responses required (i.e. providing an RMA #, Corrective Actions)

## Section 2: Supplier Evaluation and Selection

SRC evaluates and selects suppliers based on their ability to supply product/services in accordance with specified requirements.

For new Suppliers, SRC will issue a supplier survey which will aid in the evaluation of the suppliers' ability to provide product/services in accordance with specified requirements. The evaluation process may involve an onsite visit. If the evaluation is acceptable, then the supplier is added to the Approved Supplier List (ASL) with the status of "Conditional". Production parts/materials/processes and services will only be purchased from suppliers on the SRC ASL.



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## Section 3: Supplier Status and On-going Monitoring

SRC issues supplier scorecards on a quarterly basis. Only suppliers which have delivered product within the 4 major commodities, (Mechanical, PCBs and CCAs, Cables, and Electronic assemblies) during that quarter will receive a scorecard. SRC utilizes a Green (acceptable), Yellow (watch), Red (unacceptable) rating system.

Supplier status and definition:

- **Approved** – A supplier that has demonstrated acceptable performance as determined by data analysis of past performance and ongoing re-evaluation of performance.
- **Conditional**
  - A new supplier that meets SRC evaluation criteria but does not have past performance data to demonstrate acceptance.
  - A supplier whose past performance is below acceptable criteria. These suppliers will continue to be eligible to quote and receive PO's for product they have previously manufactured for SRC/SRCTec; however, they will not be eligible to receive PO's for new product until their status has returned to Approved.
- **Disapproved** - A supplier that does not meet SRC evaluation criteria or has demonstrated performance that is unacceptable. Suppliers with a status of "Disapproved" pose a risk to SRC and our customers and, therefore will not be eligible to quote on future business.

SRC continuously monitors supplier performance. A supplier's status will be changed based on performance as follows

- **Approved to Conditional** - 2 consecutive quarters in the red (unacceptable) for quality or delivery.
- **Conditional to Approved.**
  - For a new supplier – 2 consecutive quarters in the green.
  - For a downgraded supplier – 2 consecutive quarters in the green for the area(s) that were red.
- **Conditional to Disapproved** – beyond 2 quarters in the red for quality or delivery.
- **Disapproved to Conditional** - At SRC discretion, the supplier may be engaged in a development plan which is mutually agreed upon. Once all activities are completed and approved by SRC, the supplier's status will be changed to "Conditional".

SRC reserves the right to change supplier status for other reasons that pose risk to SRC and our customers.



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## Section 4: Supplier Development

- SRC will provide assistance, at its discretion, to Suppliers having trouble meeting expectations set by SRC. SRC will assist in:
  - Resolution of critical issues. This may include freezing processes and or Test Plans/SW.
  - Improvement activities.
  - Conduct specific training when a need has been identified and approved by SRC.

## Section 5: Quality Management System Requirements

- It is preferred that Suppliers maintain a QMS that is **registered** to ISO 9001 or AS9100.
- Suppliers with a QMS that is not registered to ISO 9001 may be acceptable following SRC evaluation.
- FRACAS/RCCA System.
  - Supplier shall have FRACAS/RCCA system that address containment, root cause, and corrective/preventive action.

## Section 6: Workmanship

- Electronic and Electromechanical Assemblies
  - IPC-A-600 Acceptability of Printed Boards
  - IPC-A-610 Acceptability of Electronics Assemblies; Class 2 minimum
  - IPC J-STD-001 Requirements for Soldered Electrical and Electronic Assemblies; Class 2 minimum
  - ANSI/ESD S20.20
- Cables / Harnesses
  - IPC-WHMA-620 Requirements and Acceptance for Cable and Wire Harness

## Section 7: Record Retention and Data

- Traceability of Raw Components:
  - Suppliers are required to retain complete and accurate records of traceability back to original seller/manufacturer (i.e. Certificates of Conformance).
  - Material traceability shall be maintained as specified within the technical data package (i.e. circuit cards).
  - Suppliers shall flow this requirement to all sub-tier Suppliers.



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- Records of Production and Service provision (i.e. assembly, test, and verification/inspection) shall be:
  - Legible, readily identifiable, and retrievable upon SRC request.
  - Electronic test data stored and backed-up on a regular basis.
  - When required, uploaded to a file sharing location (i.e. SharePoint) without undue delay.
  - Retained for a minimum of (3) years after final payment unless otherwise stated (ref. FAR Subpart #4.7).
  - Prior to disposal, Supplier shall offer records to SRC.

## Section 8: Documents of External Origin/Standards

- When documents of external origin or industry standards (i.e. IPC, J-STD) are specified on the technical data package or the PO, Suppliers shall:
  - Build, test, and verify per the criteria provided within industry standard.
  - Work to the latest revision of these standards, unless specifically stated on the design documentation.
  - Ensure the competence (e.g. training, certification) of personnel completing the work to the industry standard, when applicable.

## Section 9: Change Management / Process Changes

- Suppliers shall ensure that internal/external changes to production processes or product do not inadvertently add risk to SRC. This includes changes that occur during or since the last PO. Ask for clarification if unclear whether a change requires this process.
- Suppliers shall:
  - Submit a **Notification of Supplier Issue (NSI)** (PUR-F-201) Submit all NSIs to your Purchasing Agent as soon as possible, **prior to implementation**, to allow for SRC review and approval.
  - Access the NSI from: <http://www.srcinc.com/suppliers/supplier-quality.html>
  - Support any verification or validation activities required by SRC to mitigate SRC' s risk.
  - When making first delivery, complete and attach a **Product Alert** (SQA-F-200) to the outside of the shipping container. Quantity 2, one each on adjacent sides, is preferred.
- Examples of when an NSI should be used include, but are not limited to:
  - Change in Equipment/Location.
  - Acquisition – (i.e., you have been acquired by another entity)
  - Production from new equipment (i.e. SMT, CNC, Punch Press, dies, molds, patterns): this applies to equipment, which due to their unique form or function, can be expected to influence the integrity of the final product.



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- Production following upgrade or rearrangement of existing equipment: upgrade means the reconstruction and/or modification of a machine or tooling to increase capacity, performance, or change its existing function. This is not to be confused with normal maintenance, repair, or replacement of parts for which no change in performance is expected.
- Production from equipment that will be moved: this includes any new or used equipment which will be moved within the existing facility or transferred to a new facility.
- Production of a product that will be moved to another location.
- Change in Material/Sub-Tier Suppliers:
  - Using a new subcomponent material lot, where it may inadvertently affect performance.
  - Using “equivalent” materials when the Supplier is the design authority (controls the BOM).
  - Part obsolescence management when the Supplier is the design authority (controls the BOM).
  - Changes in sub-tier Suppliers or subcontracting.
- Change in Method (Processes/SW/FW):
  - Rearrangement of existing equipment or tooling. Rearrangement is defined as activity that changes the sequence of product/process flow from that already approved in the FAI submission.
  - Manufacturing process changes to assembly processes.
- Change in Measurement (Test/Inspection):
  - Changes in test/inspection methods, including Supplier generated software, must be re-evaluated for equivalency.
- Continuous Improvement:
  - Supplier-initiated recommendations/improvements for manufacturability.
- SRC shall make every effort to review NSIs without undue delay and notify the Supplier of the disposition.

## Notes

1. Suppliers are not authorized to deliver product without having an approved Supplier Change Request (SCR).

## Section 10: Nonconforming Product/Requests for Deviation/Waiver

- The Supplier shall comply with all requirements of ISO 9001 to ensure that all product which does not conform to product requirements is identified and controlled to prevent its unintended use or delivery to SRC.
- Suppliers shall immediately email [supplierqa@srcinc.com](mailto:supplierqa@srcinc.com) if nonconforming product has been shipped, and provide the following:





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- Purchase order and line number(s)
- Part number(s) and revision, quantity
- Date code or serial numbers
- Ship date
- Description of nonconformance
- Material Review Board (MRB) Authority:
  - Rework is permissible.
    - Rework: NCP reprocessed in full compliance to the design specification.
  - Suppliers shall not exercise MRB authority for nonconforming material dispositions of “use-as-is” or “repair” without written approval from SRC’s Quality organization (See “Notice of Supplier Issue”).
    - Repair: NCP restored to functional capability, but not in full compliance with the design specification.
    - Use as Is: Consuming NCP without correction.
  - This applies to all SRC or SRCTec specification-controlled designs (e.g., SRCxxxx, SCPxxxx, GSxxxx or other custom, non-COTS part number designations) on an SRC PO where the Supplier is not considered the design authority.
- Notice of Supplier Issue (NSI)
  - Suppliers shall:
    - Submit a **Notice of Supplier Issue (NSI)** (PUR-F-201). Submit all NSI’s to your Purchasing Agent.
    - Access the NSI form from: <http://www.srcinc.com/suppliers/supplier-quality.html>
    - Submit all NSI that may affect the bidding process to the Purchasing Agent at time of quote to ensure the variance is considered prior to award (see Section 1: Communication / Contract Direction). If the RFQ has an assigned number, enter that number in the “RFQ Number/Name” field on the NSI. If the RFQ does NOT have an assigned number, enter the name or description associated with the quote in the “RFQ Number/Name” field on the NSI.
    - Upon discovery of a nonconformance, immediately notify SRC by submitting a NSI to your Purchasing Agent. This provides maximum time for review and disposition which can potentially minimize delivery impact. Support any verification or validation activities required by SRC to mitigate SRC’s risk.
    - SRC will create a Waiver/Deviation Request (WDR) from the NSI, disposition it, and the purchasing agent will forward to the supplier.
    - For approved WDRs, ensure traceability of the variance back to the received product at SRC by:
      - Attaching a copy of the WDR to the Certificate of Compliance (CoC) for all affected shipments.
      - Indicating the WDR number on the CoC.
      - Package WDR material separately from conforming product. Complete and attach a **Product Alert** (SQA-F-200) to the outside of the shipping container. Quantity 2, one each on adjacent sides, is preferred.



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- Place additional markings on the exterior packaging if requested by SRC.
- SRC shall make every effort to review NSIs without undue delay and notify the Supplier of the disposition.
  - SRC may not approve the WDR.
  - Submission of a NSI for review does not absolve the Supplier from meeting the PO due date.
  - Submission of a NSI for nonconforming material may impact the Supplier’s scorecard.

## Notes

1. *Suppliers are not authorized to deliver nonconforming product without having an approved Waiver/Deviation Request (WDR).*
2. *Suppliers of Circuit Card Assemblies – When SRC BOM indicates component packaging within the part number, the supplier may procure the base part number in a packaging configuration that best suits their process requirements. It is not considered a nonconformance so long as the base part number is not changed.*

## Section 11: Counterfeit Parts Prevention

- Supplier shall guarantee that only new and authentic materials are used in products.
- Supplier shall only purchase authentic material directly from the Original Equipment Manufacturers (“OEM”)/OCM or through the OEM’s/OCM’s authorized distribution chain. Upon request, Supplier must make available to the Purchasing Agent, OEM/OCM documentation that authenticates traceability of the material to that applicable OEM/OCM.
- Purchase of material from SRC approved Independent Distributors is authorized. Supplier must maintain CoC and authentication data/test result and make it available to SRC upon request.
- When SRC procures component parts from a Contract Manufacturer (CM), the CM shall supply the OCM CoC and reference it on their own CoC (see Shipping Documentation).
- Refer to applicable Purchase Order Terms and Conditions for full requirements of the counterfeit parts prevention program.

## Section 12: Obsolescence Management

- The Supplier shall notify the Purchasing Agent, in writing, within two (2) working days upon learning of a parts obsolescence issue that will affect the support of the supplied product.
- The Supplier shall provide the Purchasing Agent with a “Last Time Buy Notice” at least twelve (12) months prior to the last time buy date.
- The notification shall be accompanied by 1) a concise problem statement, 2) background data, and 3) specific recommendations to mitigate the problem.



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- As part of the recommendations, the Supplier shall propose alternative cost-effective trade-offs. The trade-off analysis shall include, but not be limited to:
  - Determine candidates for end-of-life buys.
  - In-house or other vendor re-manufacture of parts.
  - Component re-design, development of alternate parts, trade studies, make/buy decisions.
  - Use of next higher assemblies.

## Section 13: Non-SRC Generated Software/Firmware

- When the Supplier is the design authority for software or firmware, the Supplier shall:
  - Maintain configuration control over the configuration items.
  - Treat revision changes as internal process changes.
  - Notify Purchasing Agent of any changes using the SCR form (see “Process Changes”).

## Section 14: First Article Inspection/Qualification

- Qualification Testing
  - Qualification testing performed by the Supplier is required when Qualification is called out in the technical data package and:
    - Supplier has not previously manufactured product identified in the solicitation.
    - Supplier is not listed as an approved source on source-controlled documentation.
  - When Qualification is required, Suppliers shall:
    - Include all qualification costs in the quote.
    - Itemize qualification costs separately.
- First Article Inspection shall be required for any of the following:
  - New part representative of the first production run (SRC designed and SRC spec-controlled parts only).
  - Change in the design affecting the fit, form, or function of the part.
  - Change of the location point of manufacture or other changes that can potentially affect the fit, form, and function of the part including, but not limited to, changes of the manufacturing source(s), process(s), tooling, or materials. (Ref. Section 9)
  - Natural or man-made event, which may adversely affect the manufacturing process. (Ref. Section 9)
  - Lapse in production for two (2) years or as specified by SRC.
- FAI quantity is two (2), unless otherwise specified on the PO.



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- The Supplier shall clearly identify all parts used for the FAI.
- The Supplier shall include all Documentation as required per SRC Supplier Quality Clauses. (SQA-D-001)



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- The Supplier shall:
  - The Supplier shall upload the documentation via Secure File Transfer as defined in Supplier Quality Clause 09
  - Product Alert – to be completed and attached to the outside of the shipping container (Reference Section 19)
- The Supplier shall not ship additional quantities of product until FAI approval. Additional quantities of product produced prior to FAI approval are at the Supplier’s risk unless they have prior written authorization from their Purchasing Agent.
- FAI approval does not relieve the Supplier of the responsibility and/or liability for full compliance with all contract requirements.
- FAI approval/denial will be communicated to the Supplier within ten (10) business days of receipt of material (dock date).
- If a FAI Package is Rejected, the supplier shall resubmit a copy of the FAI Package for approval after action is taken to correct the issue and shall include actions taken to prevent reoccurrence.
- If the supplier is required to use SRC’s Technical Data Package (e.g.: drawing, .STEP File) to deliver conforming product, the supplier must obtain SRC Design Engineering approval to use a supplier developed document or model (e.g.: drawing, CAD model, etc.) or a modified SRC Drawing or .STEP File, the supplier developed document or model must be formally approved by SRC Design Engineering. In order to request this approval, the supplier must submit an NSI to the cognizant buyer. Supplier shall include approval with FAI package submission.

**NOTE: See Supplier Quality Clause (SQ) 09 FIRST ARTICLE INSPECTION for full requirements**

## Section 15: Critical to Function (CTF) Characteristics/Features

- Non-Electrical / Electro/Mechanical (Metal Fab, Cables, etc.)
  - 100% inspection required.
  - If sampling is desired, the supplier shall submit Gage R&R / MSA (Measurement System Analysis) and Process Capability data (CpK) along with the proposed sampling plan to SRC Supplier Quality Assurance for review. If SRC finds the review acceptable then the proposed sampling will be approved.
- The supplier is responsible for ensuring that requirements for CTF features on subcomponent parts or assemblies are flowed-to and understood by sub-tier suppliers

## Section 16: Control of Limited Shelf-Life Material

- This clause covers the certification and shipment requirements of items that require shelf-life control of uncured compounds and storage life control of cured elastomers. The items include:



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- Uncured compounds (for example: paint, adhesives, curing agents, primers, varnishes, elastomeric molding compounds, sealants, thread lock, inks etc.)

Product shall have no less than 80% of useful life remaining at time of delivery.

- Cured Elastomers (for example: O-rings, gaskets, plate seals, molded shapes, gap pads with or without pressure sensitive adhesives, etc.)

Product shall have no less than 40% of useful life remaining at time of delivery.

- The supplier shall identify each item, package, or container with the **manufacturing date or cure date and shelf/storage-life expiration date.**
- Definitions
  - Shelf Life: For uncured compounds - the maximum period of time that the uncured compounds may be stored under the manufacturer's recommended storage condition and remain suitable for use.
  - Storage Life: For cured elastomers - the maximum period of time that the appropriate packaged cured elastomers may be stored under specific conditions, after which time it is regarded as unserviceable for the purposes for which it was originally manufactured. The time of manufacture is the time of cure for thermoset elastomers or the time of conversion into a finished product for thermoplastic elastomers.
- System for Shelf Life and Storage Life Control
  - The supplier shall maintain a documented system for storing and controlling uncured compounds with limited shelf-life and age-sensitive cured elastomers. The system shall include a method of identifying and controlling such items.
- Cure Date Identification for Storage Life Controlled Elastomers
  - Elastomeric parts shall be identified by marking the cure date (quarter and year) on the part or container. The year shall be divided into quarters as follows:
    - 1st quarter: January, February, March
    - 2nd quarter: April, May, June
    - 3rd quarter: July, August, September
    - 4th quarter: October, November, December
  - The cure date shall show the applicable quarter of the year by number, the letter "Q", and the last two digits of the applicable year. Example: May 2008 would be designated by 2Q08.
  - An elastomeric part cured during any given quarter is not considered one quarter old until the end of the succeeding quarter.



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## Certification Requirements

- When shipping shelf-life controlled compounds and storage-life controlled elastomers, the supplier shall include the following additional information on the Certification of Conformance (see section 20 Shipping Documentation):
  - Date of manufacture for shelf-life controlled compounds
  - Cure date (QQ/YY) for storage-life controlled elastomers
  - Shelf-life expiration date (MMYY) for shelf-life controlled compounds
  - Storage life expiration date (QQ/YY) for storage-life controlled elastomers
  - Batch and or lot number as applicable
- Shelf Life of Compounds Applied to Products
  - The supplier shall maintain a documented system for identification and control of limited shelf-life compounds so that compounds that had expired shelf life were not used on product shipped to SRC. (Examples of limited shelf-life compounds are adhesives and paints).
- Storage Life Control of Electronic Components
  - The date codes marked on components shall be no older than specified by the purchase order at time of shipment.

## Section 17: Source Inspection

- When source inspection is necessary for the PO, SRC:
  - Designates the source inspection level on the PO using the Supplier Quality Clause **01 Level x** (see table below).
- When source inspection is required on the solicitation/PO, Suppliers shall:
  - Confirm with the PO acknowledgment.
  - Separately and clearly identify any additional costs on the RFQ/solicitation.
  - Plan the activities to ensure source inspections are scheduled and executed on-time. The Supplier's readiness includes making available all inspection and test documentation, including the PO and drawings, inspection/test equipment, and necessary personnel required to complete the source inspection.
  - Notify the Customer or Government source inspector of inspection readiness.
  - Resolve any issues identified during source inspection.



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- Communicate the source inspection status to the SRC Purchasing Agent.

**Level A1: Government Source Inspection (Product Inspection/Acceptance)**

Product inspection by Government personnel is required prior to shipment from your facility. Upon receipt of this purchase order, notify the Government representative who services your facility.

**Level A2: Government Source Inspection (Process Monitoring)**

Process monitoring by Government personnel is required, and evidence of GSI (e.g. WAWF) is *not* required prior to shipment of this product. Upon receipt of this purchase order, notify the Government representative who services your facility.

**Level B: Customer Source Inspection**

Source Inspection by a non-Government customer (non-SRC/SRCTec) is required prior to shipment from your facility. Notify your Purchasing Agent a minimum of fifteen (15) days prior to shipment for scheduling purposes.

**Level C: SRC/SRCTec Source Inspection**

Source Inspection by an SRC/SRCTec representative (or designee) is required prior to shipment from your facility. Notify your Purchasing Agent a minimum of fifteen (15) days prior to shipment for scheduling purposes.

## Section 18: Product Returns

- When it is necessary to return product to the Supplier for rework or replacement
  - The *SRC Purchasing Agent* shall
    - Request a Return Material Authorization number (RMA#), by providing a Product Return Notice (PRN) to the Supplier, which includes all the details of the product non-conformance(s).
  - The *Supplier* shall
    - provide the RMA# within 2 business days
    - Work with SRC Purchasing Agent to schedule the return of the product
- When product is ready for return to SRC, the Supplier shall
  - Record any actions taken to correct the product by completing the **Return Action Log (RAL)** (SQA-F-400), available at <http://www.srcinc.com/suppliers/supplier-quality.html> or provide a Failure Analysis Report, in suppliers format, with the shipping documentation.
  - E-mail RAL or Failure Analysis Report to [RAL@srcinc.com](mailto:RAL@srcinc.com) *prior* to returning product.
  - Package returns separately from new material.
  - Complete and attach a **Product Alert** (SQA-F-200) to the outside of the shipping container. Quantity 2, one each on adjacent sides, is preferred.
  - Provide a Packing List and Certificate of Conformance (ref. Sec. 20).
- Return Action
  - Return Action Log information is required for **all** products being returned to SRC
  - SRC does not release payment for the return until all required documentation is provided by the Supplier.
  - Examples of Return Actions include:





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- Reference designators (“Replaced component L35”)
- Replaced component part number (“Replaced control arm, P/N xxxx”)
- “Could not verify customer complaint” or “No Fault Found” (NFF)
- Repaired/Use as Is per WDRxxxx”
- Replaced entire part/unit
- Failure Analysis (FA) Requests
  - When failure trends or product concerns occur, SRC may request the Supplier to perform or support failure analysis activities to identify root cause.
  - FA requests and reporting requirements are initiated on a case-by-case basis.

## Section 19: Packaging and Marking

- Shipping Label
  - Supplier shall legibly and permanently mark all packages on the outer shipping container, and shall include, at a minimum:
    - Supplier’s name/address or CAGE code.
    - Other marking as indicated on Purchase Order.
- Product Alert – to be completed and attached to the outside of the shipping container when delivering product as defined above (FAI, WDR, SCR product, or returns).
- Standard Packaging
  - Suppliers shall package all material in accordance with good commercial practice that ensures protection against physical damage during shipment. Additional requirements may be specified on the PO.
- Electrostatic Discharge (ESD) Packaging
  - When the nature of the product requires it, Suppliers shall develop and maintain a documented process compliant with ANSI/ESD S20-20 for handling, packaging, and marking ESD devices.

## Section 20: Shipping Documentation

- Packing List Required Information:
  - Supplier Name and Address
  - PO number
    - D99 prefix - Provided on the PRN when SRC Purchasing Agent requests the RMA# (see section 18)
  - Part Number



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- Quantity Shipped
- MSDS form (i.e. raw materials or chemicals)
- Export - Packing List or Commercial Invoice
  - Because your item may be exported, we are requesting all available trade information for each part\*
  - Export Control Number  
([https://www.pmddtc.state.gov/ddtc\\_public?id=ddtc\\_public\\_portal\\_dt\\_order\\_of\\_review](https://www.pmddtc.state.gov/ddtc_public?id=ddtc_public_portal_dt_order_of_review),  
<https://www.bis.doc.gov/index.php/regulations/commerce-control-list-ccl>, or countries equivalent)
  - Harmonized Tariff Schedule (<https://www.usitc.gov/elearning/hts/menu/>)
  - Schedule B (<https://www.census.gov/foreign-trade/aes/exporttraining/videos/index.html>)
  - Country of Origin (manufacture of product not shipping point of origin)
  - \*NOTE: Trade information may also be provided using SPP 4.4\_C (or equivalent) and emailed to [exports@srcinc.com](mailto:exports@srcinc.com).
  - If there are any questions, please contact [exports@srcinc.com](mailto:exports@srcinc.com)
- Certificate of Conformance (CoC)
  - A CoC is required for all shipments.
  - The Supplier shall provide declaration that all products in the shipment meet the requirements and specifications defined on the Purchase Order by providing a Supplier authorized representative signature.
  - Electronic signatures are acceptable. Typed signatures are acceptable.
  - The CoC can be provided by either:
    - Including the declaration and signature on the Packing List.
    - Separate Certificate of Conformance (CoC).
  - CoC Required Information:
    - Supplier Name and Address
    - PO Number
    - Part Number
    - Serial numbers (SRC format as required), Lot number(s), or Date Code(s) per part drawing/specification
    - Quantity Shipped
    - When Applicable:
      - DDR number (returned material only)
      - Approved WDR or SCR form (applies to variances and changes only)



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For Shelf / Storage Life product see Section 16 Control of Limited Shelf-Life Material for additional requirements

***Refer to Shipping Documentation Checklist for guidance.***

## Section 21: Transfer of Government-Owned Material (DD1149 Form)

- Reference FAR 52.245-1
- Government-owned material shipped from SRC/SRCTec to a Supplier is accompanied by a Form #DD1149, which is used to transfer possession of the equipment from SRC to the Supplier.
- Upon receipt of Government-owned material from SRC, the Supplier shall:
  - Sign and date the pre-completed Form #DD1149 supplied by SRC ([click here for example](#)). This is the form where ownership is transferred FROM SRC TO Supplier.
  - E-mail the signed Form #DD1149 to: [srctec-products-services@srcinc.com](mailto:srctec-products-services@srcinc.com)
  - If returning by Fax, contact the Purchasing Agent to obtain a Fax number.
    - Attn: Government Property Administrator
- When Government-owned material is ready for return to SRC, the Supplier shall:
  - Verify the information on pre-completed Form #DD1149.
  - Sign block 10 of the Form #DD1149.
  - Return Form #DD1149 with the product ([click here for example](#)). This is the form where ownership is transferred FROM Supplier TO SRC.

## Section 22: Customer-Furnished Equipment

- When in possession of Government or SRC-supplied equipment, Suppliers shall:
  - Identify and inventory the equipment.
  - Exercise care when using the equipment.
  - Maintain the equipment, as required.
  - Calibrate the equipment, as required.
    - Calibration records should be retained, and any issues communicated to the Purchasing Agent.

## Section 23: SRC-Consiged Material

- When SRC consigns material for use by the Supplier, the Supplier shall:



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- Upon receipt of the Purchase Order for product(s) requiring consigned material, send a zero-dollar Purchase Order to the Purchasing Agent for the consigned material.
- Ensure that material supplied by SRC was used in the manufacture of the product when provided or consigned for the Purchase Order.
- Account for and maintain all SRC-owned materials to prevent loss or damage.
- Obtain authorization from the SRC Purchasing Agent prior to returning any unused consigned material.

## Section 24: Supplier Corrective Action Request/Supplier Notice

- When SRC identifies an opportunity to act to eliminate the causes of Supplier-responsible nonconformities, a Supplier Corrective Action Request (SCAR) may be assigned.
- Suppliers may use their own corrective action process to complete the investigation and provide the response to SRC. The response shall contain the following minimum requirements and be delivered to SRC Supplier Quality Assurance within the time frames identified below
  - Containment: ≤ 2 **business** days from receipt of SCAR
    - NOTE: inform your Purchasing Agent of any impact on deliveries.**
  - Root Cause Analysis: ≤ 10 **business** days from Containment
  - Corrective Action Plan: ≤ 30 **business** days from Root Cause Analysis
  - Implementation and Verification of Effectiveness: ≤ 120 **business** days from Corrective Action Plan
- When additional time is needed to complete any of the above steps, Suppliers may request an extension from the SRC Supplier Quality Assurance. The request shall include details on why the extension is necessary.
- The extension request is subject to review and approval by SRC Supplier Quality Assurance.
- When SRC encounters something of concern (i.e. process indicator), a Supplier Notification may be sent. The intent is to convey the details of the concern. The expectation is that the Supplier reviews the notification and takes appropriate action. The difference between a Supplier Corrective Action Request and a Supplier Notification is that a formal response is not required for the Supplier Notification. SRC may follow up at later date to understand what action was taken.

**Refer to Corrective Action Guidelines document for assistance.**

***If there are any questions about the Quality content of this manual, email [supplierqa@srcinc.com](mailto:supplierqa@srcinc.com). For all other questions, contact the purchasing agent on the purchase order.***



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***This manual and associated documents can be found at:***

<http://www.srcinc.com/suppliers/supplier-quality.html>

## Document Revision History

Date	Item	Description	Training (Y/N)	Owner / Approver
See Archive				
12/14/2021	Sec. 20	Page 18 – Removed <i>For returned material only: Designation of “Rework”, “Repair” (must have an approved WDR), “Replacement” or NFF (No Fault Found) under CoC Required Information.</i>	N	Clerical Edit
1/26/2023	Sec. 1 Sec. 14  Sec. 16  Sec 18 Sec. 20	Replaced WDR with NSI Removed – ‘Include a hardcopy with FAI parts.’ Added – ‘Product Alert Form’ requirement. Updated Secure File Transfer requirements. Uncured compounds - Removed ‘Pressure Sensitive Adhesive’ from example. Cured Compounds - Added ‘Gap Pads with and w/o pressure sensitive adhesive’ to examples. Changed ‘80% to 40% useful life.’ Clerical edits, cleanup Under Packing List – removed ‘/DDR form returned with the material.’ Added ‘when SRC Purchasing Agent requests the RMA# (see section 18)’ Under CoC, When Applicable – removed ‘PRN’ and ‘RMA number (returned material only).’	Y	<b>Owner:</b> Rob Bernhardt John Rocker  <b>Approver:</b> Joe McDermond Laurie Gloss



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Date	Item	Description	Training (Y/N)	Owner / Approver
9/1/2023	Sec. 6  Sec. 9 & 10 Sec. 18  Sec. 20	<p>In support of, and in alignment with IPC-A-610H; the following was <b>Removed</b>: Unless otherwise noted on the technical data package, printed circuit assemblies (PCAs) shall have all hand placed No Clean flux residues cleaned from the product prior to shipment to SRC/SRCTec.</p> <p><b>Added:</b> Note 1 <b>Second main bullet – added:</b> ‘or provide a Failure Analysis Report, in suppliers format, with the shipping documentation.</p> <p>Packing List Required Information Second bullet – remove PO Line number and text in parenthesis.</p>	Y	<p><b>Owner:</b> Rob Bernhardt John Rocker</p> <p><b>Approver:</b> Joe McDermond Laurie Gloss</p>