



DEPARTMENT OF THE NAVY

NAVAL SEA SYSTEMS COMMAND
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IN REPLY TO

NAVSEAINST 5400.106
Ser 04/031
28 Jul 05

NAVSEA INSTRUCTION 5400.106

From: Commander, Naval Sea Systems Command

Subj: NAVSEA SUPPLIER PRODUCT QUALITY GROUP (SEA 04P) CHARTER

Ref: (a) NAVSEA NOTICE 5400 OPR 031/5605 of 31 May 1990
(b) NAVSEAINST 5400.1F, "Organizational Manual for NAVSEA Headquarters"

Encl: (1) Charter for the NAVSEA Supplier Product Quality Group (SEA 04P)

1. Purpose: To issue the charter for the Supplier Product Quality Group (SEA 04P).

2. Discussion

a. Reference (a) disestablished the Office of the Chief Engineer of the Navy (CHENG) and reassigned responsibilities to other Directorates within NAVSEA.

b. One of the offices within the CHENG was the Deputy Chief Engineer for Design and Manufacturing Quality (CHENG-Q) which served as the NAVSEA focal point and principal advisor to the Commander, Vice Commander, Deputy Commanders, Program Managers, and shore activity commanding officers on design and manufacturing quality functions.

c. With the disestablishment of the CHENG, the responsibilities for CHENG-Q were reassigned to various offices within SEA 05, and some have since been reassigned elsewhere within NAVSEA HQ or field activities. The result was loss of a central focus within the Command for Quality issues affecting ships and ship systems.

d. In February 2005, in recognition of an increasing trend in supplier quality assurance (QA) failures involving critical material, NAVSEA chartered the Task Force on Improving Supplier Product Quality for Ships and Ship Systems (TFQA). A key recommendation of TFQA was to establish a central NAVSEA Command Authority for overall management of Supplier QA processes.

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3. Action

a. The Supplier Product Quality Group, SEA 04P, is hereby established to provide Command level policy, coordination, leadership and awareness in supplier quality functions and disciplines used in producing non-nuclear ship Critical Safety Items (CSIs.) CSIs are defined as items that, if they failed, would have catastrophic or critical consequences to personnel or equipment and therefore require additional quality oversight. SEA 04P will act as the Command focal point with external Government organizations for issues related to supplier quality assurance for non-nuclear ship CSIs. SEA 04P will coordinate the review of significant material and process quality discrepancies within NAVSEA. SEA 04P will also provide overall program management of the Level I material control program within NAVSEA.

b. The NAVSEA Material Management Division (SEA 04L), the Quality Programs and Certification Division (SEA 04XQ), the Deputy Commander for Ship Design, Integration and Engineering (SEA 05), the Submarine Safety and Quality Assurance Division (SEA 07Q), the Submarine Safety Branch (SEA 07TC) and the Naval Sea Logistics Center (NAVSEALOGCEN) all provide direct and indirect management and engineering functions for product and process quality in their respective areas. SEA 04P will provide overall Command critical product and process supplier quality policy and will work with these organizations, and with the NAVSEA affiliated PEOs/PMs, for policy implementation as outlined in, and within the limitations of, the Operating Relationships defined in the enclosure (1) Charter.

4. Cancellation Contingency: When these changes are incorporated into the next revision of the NAVSEA HQ Organization Manual, reference (b), this instruction will be canceled.



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Distribution:

SNDL FKA1A COMNAVAIRSYSCOM (AIR 4.0, 4.1C)
FKA1F COMNAVSUPSYSCOM (SUP 00, ED, 04)
FKA1G COMNAVSEASYSYSCOM (SEA 02, 03, 04, 05, 06, 07, 08S,
08H, NSTR-PGH)
FKM14 NAVICP
FKP COMNAVSEASYSYSCOM Shore Activities
C84 COMNAVSEASYSYSCOM Shore Based Detachments
21A1 COMLANT
21A2 COMPAC
24A Air Force Commanders
24D Surface Force Commanders
24G Submarine Force Commanders
26U Regional Maintenance Centers
A1J ASSTSECNAV RDA
A1J1L PEO IWS
A1J1M PEO LMW
AIJIN PEO SUBS
A1J1P PEO SHIPS
AIJ1Q PEO CARRIERS
A2A Navy Staff (NCIS only)
B2A DLA (Columbus and Richmond)
B2D DCMA (District East)

**CHARTER
FOR THE
SUPPLIER PRODUCT QUALITY GROUP
NAVSEA 04P**

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Encl: (1) Group Organization

1. Purpose. This document covers the background, scope, authorities and responsibilities, and operating relationships for the Supplier Product Quality Group.

2. Background

a. From 1985 to 1990, NAVSEA had a Command focal point for manufacturing and material quality matters within the Office of the Chief Engineer of the Navy, CHENG-Q. With the disestablishment of the CHENG Office in 1990, those responsibilities were realigned to the Deputy Commander for Ship Design and Engineering, and in subsequent realignments some of those responsibilities were further assigned to other organizations. As of January 2005, Command responsibilities for manufacturing and material quality were distributed among the Deputy Commander for Ship Design, Integration and Engineering (SEA 05); the Deputy Commander for Logistics, Maintenance and Industrial Operations (Quality Programs and Certification Division, SEA 04XQ); and the Deputy Commander for Undersea Warfare (SUBSAFE/Quality Assurance Division SEA 07Q) without a clear central Command Authority.

b. In February 2005, in recognition of an increasing trend in supplier quality assurance (QA) failures involving critical material, NAVSEA Chartered the Task Force on Improving Supplier Product Quality for Ships and Ship Systems. The purpose was to establish the basic approach, responsibilities and organizational alignments needed in NAVSEA to improve supplier product quality outcomes. Key recommendations from the Task Force included:

(1) Establish a central NAVSEA Command Authority for overall management of Supplier QA processes.

(2) Emphasize the role of the NAVSEA Technical Authorities to include "ownership" of equipment quality requirements.

(3) Implement a strategic partnership with the Defense Contract Management Agency (DCMA) to upgrade the support provided by their Navy Special Emphasis Programs (NSEP) Office, including providing technical assistance and training to Quality Assurance Representatives (QARs) and other DCMA specialists as required.

3. Roles and Responsibilities. The SEA 04P Supplier Product Quality Group shall:

a. Provide Command level policy, coordination, leadership, and awareness in supplier quality functions and disciplines used in producing non-nuclear ship Critical Safety Items (CSIs.) Be the Command focal point with external Government organizations for all issues related to supplier quality assurance for non-nuclear ship CSIs. Coordinate the review of significant material and process quality discrepancies across the Command.

b. Support the Technical Authority community in establishing the list of ship Critical Safety Items (CSIs) - items that, if they failed, would have catastrophic or critical consequences to personnel or equipment and therefore require additional quality oversight. Develop and maintain a list of Suppliers/Vendors approved by the Technical Authorities for these ship Critical Safety Items.

c. Be NAVSEA's point of contact with DCMA for all quality assurance matters related to their Navy Special Emphasis Programs.

d. Manage the Level I material control program within NAVSEA. Provide overall quality assurance and material control guidelines and be the Command focal point with external organizations for Level I material control matters. Be NAVSEA's point of contact with purchasing activities (NAVICP, Naval shipyards, etc.) for all quality assurance matters related to procurement of Level I material.

e. Maintain a Technical Authority Warrant (Technical Process Owner) for Level I material and identification control processes, including responsibility for the Level I Material Identification and Control Standard (NAVSEA 0948-LP-045-7010).

f. Develop a useful set of Quality Tracking Metrics to be extracted from the Product Deficiency Reporting and Evaluation Program (PDREP) quality database that is managed by SEA 04L.

g. Establish Command policy for implementing deterrence, detection and investigation programs for material procurement fraud and deliberate malpractice.

h. Assist the PEOs in establishing effective supplier material QA oversight for ship Critical Safety Items in ship acquisition programs. Assist SEA 04XQ in assessing the effectiveness of these QA programs at SUPSHIPS and the shipyards. Work with the PEOs, SUPSHIPS and shipyards in establishing Enterprise-wide solutions for effective supplier critical material QA oversight and management in these areas.

4. Relationship to Chartering Authority. Enclosure (1) shows the primary organizational structure of SEA 04P. Specifically:

a. The Director, SEA 04P, reports to the Deputy Commander for Logistics, Maintenance and Industrial Operations, SEA 04. The Director has full authority and responsibility for the overall management of the assigned programs and is accountable to the Deputy Commander for the successful execution.

b. The Director, SEA 04P, has a dual reporting relationship to the Deputy Commander for Ship Design, Integration and Engineering, SEA 05, for coordination of the Technical Authority functions identified in paragraph 5.e.

c. Military and Civilian Performance Monitoring Responsibilities. The Director shall prepare and sign fitness reports for all military personnel assigned fulltime to the Group and execute performance ratings for civilian personnel assigned full-time to the Group.

5. Operating Relationships

a. General. The Director will ensure that all necessary organizational interfaces, and related support requirements are identified and established, including agreements with program managers and functional organizations within and outside SEA 04. Agreements will be documented in Memoranda of Agreement (MOA) as appropriate.

b. Naval Sea Systems Command (NAVSEA). As the host Systems Command, NAVSEA will provide Commander leadership.

c. NAVSEA Material Management Division (SEA 04L). SEA 04L is responsible for management of the Navy Product Deficiency Reporting and Evaluation Program (PDREP), including the Product Quality Deficiency Reporting (PQDR) program, the Contractor Evaluation System (CES), and the Red/Yellow/Green (YRG) program. SEA 04P will work with SEA 04L in identifying necessary metrics for evaluating product quality to be accessed through the PDREP database.

d. NAVSEA Quality Programs and Certification Division (SEA 04XQ). SEA 04XQ is responsible for analyzing and evaluating product and process quality performance at SEA 04 shore activities, including the Supervisors of Shipbuilding and the Naval shipyards. SEA 04XQ maintains the Naval Shipyard Quality Program Manual, manages NDT certification and training programs for SEA 04 shore activities, manages shipyard quality measurement systems and assesses technical compliance of SEA 04 shore activities with quality and material control programs, including conducting audits as necessary. SEA 04P provides overall critical product and process quality policy and will assist SEA 04XQ in interpreting those policies for application to SEA 04 shore activities.

e. NAVSEA Deputy Commander for Ship Design, Integration and Engineering (SEA 05). SEA 05 establishes and maintains technical and engineering standards for all aspects of acquisition and in-service support of ships and their systems. This includes equipment, material and process quality requirements. SEA 05 also provides a technical authority framework for NAVSEA HQ, field organization and affiliated PEOs that accommodates the delegation of technical authority from SEA 05 to shipyards, engineering agents, program offices, and other field activities. The SEA 05 organization will support SEA 04P by identifying ship Critical Safety Items and the approved suppliers/vendors for these CSIs. The Technical Warrant Holders will ensure all critical material attributes affecting product quality are included in material specifications, and will work to develop improved test methods for verifying material mechanical/chemical properties. SEA 05 engineers and the extended Technical Authority support network will participate in selected in-plant surveillance activities as coordinated with

SEA 04P. SEA 05 engineers will provide technical support to SEA 04P in reviewing significant supplier material and process quality discrepancies and developing corrective action plans. SEA 05 engineers and the extended Technical Authority Support Network will provide technical assistance to DCMA for support and training of NSEP Quality Assurance Representatives (QARs) and other DCMA specialists, as coordinated through SEA 04P. The Director, SEA 04P, will report to the Deputy Commander, SEA 05, for coordination of support to SEA 04P in these areas.

f. NAVSEA Undersea Warfare Directorate (SEA 07). The Submarine Safety and Quality Assurance Division, SEA 07Q, retains full authority, responsibility and accountability for the Submarine Safety (SUBSAFE) and Deep Submergence Systems (DSS) Safety Programs. The Submarine Safety Branch, SEA 07TC, retains full authority, responsibility and accountability for the Fly by Wire (FBW) program. SEA 04P provides overall supplier product and process quality policy and will assist SEA 07Q and SEA 07TC in interpreting those policies for application to SUBSAFE, Deep Submergence Systems, and Fly by Wire programs. However, SEA 04P does not have the authority to impose, delete, or change material technical requirements, material control requirements, or material certification requirements of the SUBSAFE, DSS, or FBW Programs.

g. Program Executive Offices (PEOs). As delineated in the applicable DOD/SECNAV 5000 series guidance, the PEOs and Program Managers are vested with the authority, accountability and resources necessary to manage all aspects of assigned programs, from concept to disposal. SEA 04P will assist the PEOs/PMs in applying supplier material quality and process quality policies to ship and critical ship system acquisitions, but programmatic authority remains with the PEOs/PMs. SEA 04P will advise PEOs/PMs on significant supplier quality discrepancies with possible cross-program impacts.

h. Naval Sea Logistics Center (NAVSEALOGCEN). NAVSEALOGCEN mission and functions are identified in NAVSEAINST 5450.47A, including responsibilities to provide technical and QA support of Level I/SUBSAFE Stock Program material and act as NAVSEA's principal agent in the program. NAVSEALOGCEN will support SEA 04P in managing supplier product quality for the Level I material control program.

i. Defense Contract Management Administration (DCMA). SEA 04P will work with DCMA in support of the Navy Special Emphasis Programs (NSEP). SEA 04P, NAVICP and DCMA NSEP will jointly develop metrics to assess the quality of NSEP products, and SEA 04P will coordinate NAVSEA 05 support to provide technical assistance and training for NSEP QARs and other specialists as required.

j. NAVICP. SEA 04P will work with NAVICP to establish approved sources for supply of ship Critical Safety Items (CSIs), and to ensure Small Business set-aside goals do not result in contract awards to non-approved supplier of CSIs.

k. Naval Criminal Investigative Service (NCIS). SEA 04P will work with NCIS representatives to implement an effective program for deterrence, detection and investigation of fraud and deliberate malpractice in the procurement of ship CSIs. SEA 04P will be the NAVSEA central point of contact for NCIS for supplier fraud and deliberate malpractice issues.

l. Naval Air Systems Command. SEA 04P will coordinate with NAVAIR counterparts, under the Virtual SYSCOM framework, to address items of common interest for supplier material and process QA.

6. Limitations of Authority. The Authorities, Roles and Responsibilities of SEA 04P do not apply to material under the cognizance of the Deputy Commander for Nuclear Propulsion (SEA 08).

NAVSEA 04P ORGANIZATION

