



Section 6 : QUALITY ASSURANCE CLAUSES / CQAR

665. Preferred Supplier Inspection Delegation (PSID) Program (4/20/00). Seller is approved for participation in Buyer's Preferred Supplier Inspection Delegation (PSID) Program and will follow the requirements of this clause.

(a) Purpose. Buyer's PSID program delegates authority to Seller to accept goods on behalf of Buyer. Goods thus accepted will not require receiving/source inspection by Buyer.

(b) Requirements.

(1) Program Entry.

(A) Seller must exhibit a minimum quality performance of 98%.

(B) When an approved quality system is required, Seller must have successfully passed a quality-system evaluation and have no open findings within the past 12 months.

(2) Maintenance. Seller is required to maintain entry-level quality performance (98%) and quality-system approval to remain in the PSID program. If Seller is not required to have an approved quality system, Seller will be reviewed for compliance with contractual requirements, such as statements of work. Buyer will determine the frequency of such reviews based on the complexity of the goods it provides to Buyer. Corrective action will be required if Seller's quality performance falls below 98%.

(3) Seller shall appoint personnel to act as Designated Supplier Representatives (DSRs) from its quality assurance department. A DSR is an individual with authority to administer the PSID process for Seller. DSRs shall have experience with Buyer's specifications, standards, and products to ensure that all requirements are met. Seller shall provide Buyer an up-to-date list of its DSRs on the Preferred Supplier Inspection Delegation Designated Supplier Representatives form ([MD-2119-02 Form](#)).

(4) Only DSRs can accept goods on behalf of Buyer.

(5) Participation in the PSID program does not relieve Seller of its obligation to control nonconforming material in accordance with applicable contractual requirements.

(6) Seller is responsible for performing all inspections required to ensure that the goods it delivers to Buyer comply with all contractual requirements.

(7) Seller shall show evidence of compliance and certify acceptance of all product tests/inspections by affixing an impression from a Buyer-provided block stamp prominently on the shipping document. The DSR shall affix Seller's acceptance stamp and date of inspection within the block stamp. Stamp impressions shall be legible and shall not obscure pertinent information on the shipping document.

(8) Seller shall complete and maintain a PSID Shipping Log ([MD-2119-05 Form](#)) or equivalent in

accordance with the requirement stated on the MD-2119-05.

(9) Seller shall have available all documents required by Buyer's quality assurance clauses specified in the contract; however, only the shipping document is required to be included with each shipment. The remainder of the required documents shall be retained in Seller's archives and will not be destroyed without Buyer's written permission.

(10) Goods accepted by Seller shall be stamped by the DSR with Seller's acceptance stamp on each part or label.

(11) Prior to the shipment of any goods, Seller is required to complete the Preferred Supplier Inspection Delegation Shipment Checklist ([MD-2119-04 Form](#)). Seller is authorized to substitute an equivalent form or computer records that provide the same type of data required on the MD-2119-04.

(12) Seller's failure to comply with the above-stated requirements may result in the revocation of its PSID status. Revocation will result in the imposition of additional quality requirements to the contract.