

6 Quality Assurances for DCAA & DCMA Counterfeit Electronic Parts Review

Both the Defense Contract Audit Agency (DCAA) and the Defense Contract Management Agency (DCMA) have taken a keen interest in supply chain management in the past few years. Provisions for systems used to detect and avoid the use of counterfeit electronic parts have recently been included in compliance revisions issued by the agencies.

DCAA – Defense Federal Acquisition Regulation Supplement (DFARS)

- New Clause [252.246-7007](#) – Contractor Counterfeit Electronic Parts Detection and Avoidance System
 - Revised [25.244-7001](#) for Contractor Purchasing System Administration – now includes counterfeit system criteria
 - Revised [231.205-71](#) makes the costs of counterfeit electronic parts (and any revisions to remedy inclusion of such parts) unallowable unless specific criteria are met

DCMA – Contractor Purchasing System Reviews (CPSR)

- New requirements outlined in [Counterfeit Detection and Avoidance System Checklist](#)
- Suggestions for deficient detection and avoidance systems

To best set up a DCAA and DCMA compliant system that identifies, addresses and prevents counterfeit electronic parts from entering a contractor’s supply chain, review these quality assurance suggestions for survey success.

- Revise risk-based policies and procedures to include a counterfeit parts detection and avoidance system.
- Personnel training that includes inspection, testing and criteria for acceptance and rejection of electronic parts.
- Criteria for choosing a supplier:
 - Original manufacturer
 - Source with express written authority of original manufacturer
 - Authorized aftermarket manufacturer
 - Suppliers that obtain parts from one or more of the above sources.
- Reporting and quarantining procedures for suspected counterfeit parts.
- Steps to halt counterfeit part proliferation.
- Assigning tasks to keep personnel up-to-date on latest counterfeit information and trends
 - Screening [Government Industry Data Exchange Program \(GIDEP\)](#) reports and other credible sources for identifying counterfeiting.

Have more questions on contracting compliance for agencies like DCAA and DCMA? Learn more about setting organizational standards and establishing best practices with the white paper [Understanding DCAA Compliance](#).