



DEFENSE CONTRACT MANAGEMENT AGENCY

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August 16, 2016

MEMORANDUM FOR CUSTOMER LIAISON REPRESENTATIVES

COL Marvin Baugh, USAF
COL Clyde E. Richards
CAPT Chris Schimenti
Lisa Haptonstall

SUBJECT: Buying Activities required use of DFARS 246.370

Our Process Working Group (PWG) Business Process Reengineering (BPR) Team addressing Contract Closeout Overage has discovered that a major driver of overage contracts and untimely return of funds to the services is unbalanced line items attributed to the lack of a DD Form 250 Material Inspection and Receiving Report requirement. The use of a DD Form 250 facilitates accurate accounting for the items being shipped, accepted, and paid in the MOCAS system.

DFARS clause 246.370 calls for the insertion of DFARS 252.232-7003 and 252.246-7000 Material Inspection and Receiving Report “in nearly all cases.”

The use of the 2-1 invoice can be used to approve payment, but it DOES NOT negate the need for a DD Form 250 Material Inspection and Receiving Report.

In the future, during Contract Receipt and Review, DCMA will issue Contract Deficiency Reports (CDR) to correct this deficiency.

Please advise all the Procurement Contracting Officers (PCO) in your network to include the two DFARS clauses underlined above in all future contracts.

Questions concerning this memo should be addressed to InboxBPRContractCloseout@dcma.mil.

Thank you for your attention to this matter.

for

NICHOLAS VERNA
Process Development Office Program Manager
Chief of Staff Office
Defense Contract Management Agency

Link(s):

1. <http://farsite.hill.af.mil/vfdfara.htm>