



## DEPARTMENT OF THE NAVY

CHIEF OF NAVAL AIR TRAINING  
CNATRA  
250 LEXINGTON BLVD SUITE 102  
CORPUS CHRISTI TX 78419-5041

CNATRAINST 4245.1A

N4

03 JUN 09

### CNATRA INSTRUCTION 4245.1A

Subj: PERFORMANCE OF CONTRACT PRODUCTION ADMINISTRATION AND INDUSTRIAL RESOURCES IN SUPPORT OF THE NAVAL AIR TRAINING COMMAND

Ref: (a) Federal Acquisition Regulation (FAR)  
(b) Defense Acquisition University Catalog

Encl (1) CNATRA 4245/1, Technical Analysis of Cost Proposals (TACP)/Value Engineering Change Proposal (VECP)  
(2) DD Form 375-2, Delay in Delivery  
(3) DD Form 1423, Contract Data Requirements List (CDRL)  
(4) Critical Process Flowcharts

1. Purpose. To outline duties, responsibilities and training requirements for the Administrative Contracting Officer (ACO), detachment Officers In Charge (OIC), and Industrial Specialists in the performance of Contract Production Administration and Industrial Resources in support of Naval Air Training Command (NATRACOM).

2. Cancellation. CNATRAINST 4245.1

3. Scope. This instruction applies to all NATRACOM Detachments, which have contract oversight.

4. Discussion. Production surveillance is a function of contract administration for determining contractor progress and identifying any factors that may delay or impact contract performance. Production surveillance involves government review and analysis of the contractor's performance plans, schedules, controls, industrial processes, quality compliance, and the contractor's actual performance as it relates to the contract and the requirements. This surveillance applies to all contracts for supplies and services with the exception of facilities, construction and Federal Supply Schedule (FSS) contracts. It is imperative that Industrial Specialists (IS) completely understand the mission requirements for the respective Training Air Wings (TRAWINGS). Additionally, it is critical that the production elements of each contract be thoroughly understood.

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Production personnel are responsible for assessing and evaluating issues being experienced by the contractor which directly affect Contract Performance Metrics and reporting recommended actions to the detachment OIC and the Chief of Naval Air Training (CNATRA) Quality Assurance Program Office (QAPO). Contracts at or below the simplified acquisition threshold should not normally require production surveillance. In planning and conducting surveillance, personnel shall make maximum use of any reliable contractor generated management data. In performing surveillance, personnel shall avoid any action that may:

- a. Be inconsistent with any contract requirement; or
- b. Result in claims of waivers, of changes, or of other contract modifications per FAR 42.1104 of reference (a).

#### 5. Responsibilities

a. Administrative Contracting Officer (ACO). Determines the extent of production surveillance based on the criticality assigned by the Contracting Officer. This is conveyed at post-award. The ACO will consider the following factors:

- (1) The contract requirements for reporting production progress and performance.
- (2) The contract performance schedule.
- (3) The contractor's production plan.
- (4) The contractor's history of performance.
- (5) The contractor's experience with the contract supplies or services.
- (6) The contractor's financial capability.
- (7) Any supplementary written instructions from the contract office.

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b. Quality Assurance Program Office. Establishes and administers the Type Commanders Quality Assurance Program with the consent of the ACO. Provides program and technical direction to CNATRA detachments. Utilizes detachment IS to:

(1) Ensure Contractor meets performance/production metrics.

(2) Conducts manpower and production studies to address areas of concern with the contractor's performance.

(3) Compiles data of various maintenance anomalies.

(4) Provides comprehensive analysis of contractor's parts/material usage.

c. Detachment Officer in Charge (OIC). Ultimately responsible for the accurate and timely reporting of detachment contract production surveillance.

(1) Ensure the respective Commodore is thoroughly briefed on any issues that could impact production.

(2) Liaison with station departments as necessary to meet contract requirements.

(3) Keep the ACO and the CNATRA headquarters Quality Assurance/Production Surveillance Office informed on all production related matters.

(4) Review, assess and make recommendations on all Technical Analysis of Cost Proposal(s) (TACPs) and Value Engineering Change Proposal(s) (VECPs), enclosure (1).

d. Industrial Specialist. Provide accurate and timely reporting of assigned contract production surveillance. Their input to daily production surveillance is invaluable to the overall success of the assigned TRAWING. Surveillance factors include, but are not limited to the following:

(1) Daily measurement of contract performance for each contract assigned.

(2) Monitor the completion and pass/fail rate of Functional Check Flights (FCFs) on a daily basis.

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(3) Monitor and validate accuracy of daily aircraft and Ground Training Systems (GTS) status reports.

(4) Provide daily, weekly, monthly, quarterly and annual flight data and GTS data summaries.

(5) Monitor maintenance issues, which will have the potential to directly affect production. Appropriately document any delays on enclosure (2). This form must be forwarded via the OIC within three working days of discovery of such issues, unless there will be production stoppage which requires IMMEDIATE notification.

(6) Monitor supply and parts issues, which will have the potential to directly affect production. Assist the contractor to the extent feasible to accelerate/expedite delivery of vendor or government furnished material that is urgently required. Appropriately document any delays on enclosure (2). This form must be forwarded via the OIC within three working days of discovery of such issues, unless there will be production stoppage which requires IMMEDIATE notification to the ACO and CNATRA QAPO.

(7) Note any contractor specific issues, which will have the potential to directly affect any Contract Data Requirements List (CDRL), enclosure (3).

(8) Provide a monthly report to the OIC documenting the contractor's cannibalization actions. Verify continuous improvement of this process.

(9) Work in conjunction with assigned QAS personnel on issues which may have the potential to impact production. Report finding to the OIC, ACO and/or CNATRA QAPO.

(10) Review and verify any other issues which may pertain to the specific contracts held at the respective TRAWINGS that have not been specifically addressed.

(11) Review production-related reports submitted by the contractor for accuracy and verification.

(12) Review over and above requests as deemed necessary by the OIC and/or ACO.

(13) When deemed necessary by the OIC and CNATRA QAPO, verify any violations of reference (a).

(14) When deemed necessary by the ACO conduct analysis per enclosure (2). For TACP refer to FAR 15.205 and for VECP refer to FAR 52.248-2(b) of reference (a).

(15) Coordinate maintenance hour verification for aircraft and GTS.

(16) Assess excusable delays. Be prepared to provide written justification for your assessment.

(17) Serve as performance assessment agent on award fee contracts.

(18) Review Work Authorization Requests to ensure hour and labor mix is reasonable.

(19) Prepare a written plan for conducting contractor surveillance for each contract. The plan will be routed via the OIC to the ACO and the CNATRA QAPO for approval. If a contract is applicable at multiple CNATRA sites, detachment IS personnel are responsible for coordinating efforts with each other to develop a surveillance plan to be used at all of the applicable sites.

(20) Document and address, with OIC, ACO, and CNATRA QAPO any potential/projected delays or issues, which may interrupt production.

## 6. Training Requirements

a. As specified in reference (b), Defense Acquisition Workforce Improvement Act (DAWIA) certification standards for Manufacturing and Production career field (Industrial Specialist) and the Quality Assurance career field were combined effective 1 January 1995. The new career field was designated Manufacturing, Production, and Quality Assurance, and certification requirements became identical for personnel from both former career fields. Aviation training requisites are as follows:

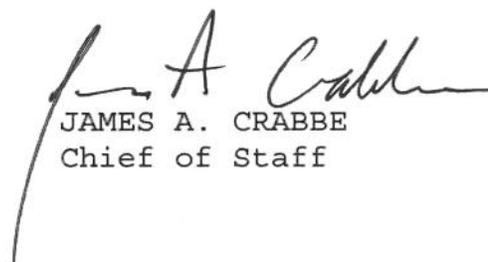
(1) OIC's will be Level I certified. Recommended Level II certification be achieved as workload permits.

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(2) IS's will be Level II certified within 18 months of assignment.

b. Continuous Learning Certification. All military and civilian employees in designated DAWIA billets shall annually assess their needs for training, education and developmental experiences per DON Policy Guidance on Continuous Learning for Acquisition Workforce of November 4, 2002.

6. Critical Processes. Each detachment is required to develop local flowcharts and desktop procedures unique to their respective contracts. Enclosure (4) contains Critical Process Flowcharts that can be tailored to your specific site/operation or can be followed as written.



JAMES A. CRABBE  
Chief of Staff

Distribution:  
CNATRAINST 5215.1S  
List I (AA)  
N4 (2)

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### VECP/TACP FORMAT

1. References

2. Background

3. Scope and Limitations

a. Scope

b. Limitations

4. Fact-Finding

5. Summary - Recommendations/Discussion

6. Other Pertinent Information

\_\_\_\_\_  
TCP CONSULTANT'S SIGNATURE

\_\_\_\_\_  
TACP PERFORMER'S SIGNATURE

\_\_\_\_\_  
REVIEWING AUTHORITY'S SIGNATURE

<b>VECP/TACP CHECKLIST</b>		
<b>REMARKS</b>	<b>YES</b>	<b>NO</b>
1. Is report responsive to the CNATRA ACO request?		
2. Does report state scope, method, and depth of analysis? (e.g., sample size choices, how analysis was performed, etc.)		
3. Does report fully identify what reference material and data was used in the analysis?		
4. Is all the backup material provided by the contractor in support of the proposal and utilized by the TE positively identified and traceable to the contractor's proposal? If not, is the C/PA so informed?		
5. Is report on time? Has extension date been documented in accordance with CNATRAINST 4245.1?		
6. Does report contain TACP supervisory review signature?		
7. Is the report written in a manner that is traceable to the SF 1411 or equivalent document?		
8. Does the report state clear rationale for recommended conclusions?		
9. Is the overall report written coherently and presented in an organized fashion in accordance with TACP Format (CNATRAINST 4245/1)?		
10. Has an evaluation been performed on software, special tooling, and test equipment, and packaging costs, if applicable/requested?		
11. Are the TE backup files so organized to provide a clear documentation trail to the contractor's proposal and corresponding CNATRA ACO recommended conclusions?		
<b>Comments:</b>		

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<b>DELAY IN DELIVERY</b>		1. NAME OF CONTRACTOR		2. CONTRACT NUMBER	
		3. PLANT LOCATION (City and State)		4. TYPE OF DELAY (X one)	
				a. ACTUAL	b. ANTICIPATED
5. CLIN/ELIN	6. QUANTITY AFFECTED	7. DESCRIPTION (Include NSN and MIFR Numbers, if known)		8. CONTRACT DELIVERY DATE	9. FORECAST DELIVERY DATE
10. REASON FOR DELAY					
11. PRODUCTION REPRESENTATIVE					
a. NAME			b. OFFICE SYMBOL	c. TELEPHONE NUMBER	
d. SIGNATURE			e. DATE FORWARDED		

NAME OF CONTRACTOR				CONTRACT NUMBER	
12. ACO RECOMMENDED ACTION			13. PCO INSTRUCTION		
a. NEGOTIATE NEW SCHEDULE		e. DD FORM 375 (X one ↓ )	a. NEGOTIATE NEW SCHEDULE (X one → )	(1) ACO	(2) PCO
b. ISSUE MODIFICATION		(1) Will follow by (Date)	b. ISSUE MODIFICATION (X one → )	(1) ACO	(2) PCO
c. LEAVE DELINQUENT (See Remarks)			c. NEED MORE WRITTEN DETAIL		
d. OTHER (See Remarks)		(2) Will not follow	d. LEAVE DELINQUENT (See Remarks)	e. OTHER (See Remarks)	
f. ACO REMARKS			f. PCO REMARKS		
14. ACO			15. PCO		
a. NAME			a. NAME		
b. OFFICE SYMBOL		c. TELEPHONE NO.	b. OFFICE SYMBOL		c. TELEPHONE NO.
d. SIGNATURE		e. DATE FORWARDED	d. SIGNATURE		e. DATE FORWARDED

DD FORM 375-2, MAY 89

Previous editions are obsolete.

Enclosure (2)

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**INSTRUCTIONS**

1. The Production Representative will complete the top half of the report only. The report is to be typewritten, if possible. If not, assure all copies are legible. *(The Production Representative will also enter the contract administration office address in the "Send To" block on the bottom half of the reverse side.)*
2. If the anticipated or actual delay will be 30 days or less, the Production Representative will distribute the report as follows. Copies requiring mailing will be inserted into an envelope.
  - a. Two copies *(last two pages)* to the PCO.
  - b. One copy to the IM, or ICP, or SCA *(except for ALCs)*.
  - c. One copy to the ACO.
  - d. One copy to the Production working file.
3. If the anticipated or actual delay will be more than 30 days, or the cumulative delay will exceed 30 days, the Production Representative will forward the complete set to the ACO. *(Note: Unilateral Purchase Orders are exempt from ACO coordination.)* The ACO will complete the bottom half of the report and distribute as follows. Copies requiring mailing will be inserted into an envelope.
  - a. Two copies *(last two pages)* to the PCO.
  - b. One copy to the IM or ICP, or SCA *(except for ALCs)*.
  - c. One copy to the official file.
  - d. One copy to the Production Representative.
4. When block 12.e(1) is marked, the date of issue, mutually agreed to by the ACO and Production Representative, will be inserted.
5. The PCO may use the bottom half of the perforated copy to acknowledge receipt of the report and to issue instructions. *(The buying activity address will be entered in the return address portion of the mailer. The buying activity will pay the postage.)*

DD FORM 375-2, MAY 89 (BACK)

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**OFFICIAL BUSINESS****SEND TO:**

CONTRACT DATA REQUIREMENTS LIST												Form Approved OMB No. 0704-0188										
The public reporting burden for this collection of information is estimated to average 440 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0704-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. Please DO NOT RETURN your form to the above address. Send completed form to the Government Issuing Contracting Officer for the Contract/PR No. listed in Block E.																						
A. CONTRACT LINE ITEM NO.				B. EXHIBIT			C. CATEGORY: TDP _____ TM _____ OTHER _____															
D. SYSTEM/ITEM						E. CONTRACT/PR NO.				F. CONTRACTOR												
1. DATA ITEM NO.		2. TITLE OF DATA ITEM						3. SUBTITLE														
4. AUTHORITY (Data Acquisition Document No.)					5. CONTRACT REFERENCE				6. REQUIRING OFFICE													
7. DD 250 REQ		9. DIST STATEMENT REQUIRED		10. FREQUENCY		12. DATE OF FIRST SUBMISSION				14. DISTRIBUTION												
8. APP CODE				11. AS OF DATE		13. DATE OF SUBSEQUENT SUBMISSION				a. ADDRESSEE			b. COPIES									
16. REMARKS												Draft	Final		Reg	Repro						
15. TOTAL →																						
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8. APP CODE				11. AS OF DATE		13. DATE OF SUBSEQUENT SUBMISSION				a. ADDRESSEE			b. COPIES									
16. REMARKS												Draft	Final		Reg	Repro						
15. TOTAL →																						
G. PREPARED BY				H. DATE			I. APPROVED BY				J. DATE											

17. PRICE GROUP
18. ESTIMATED TOTAL PRICE

17. PRICE GROUP
18. ESTIMATED TOTAL PRICE

17. PRICE GROUP
18. ESTIMATED TOTAL PRICE

17. PRICE GROUP
18. ESTIMATED TOTAL PRICE

**INSTRUCTIONS FOR COMPLETING DD FORM 1423**  
(See DoD 5010.12-M for detailed instructions.)

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**FOR GOVERNMENT PERSONNEL****Item A.** Self-explanatory.**Item B.** Self-explanatory.**Item C.** Mark (X) appropriate category: TDP - Technical Data Package; TM - Technical Manual; Other - other category of data, such as "Provisioning," "Configuration Management," etc.**Item D.** Enter name of system/item being acquired that data will support.**Item E.** Self-explanatory (to be filled in after contract award).**Item F.** Self-explanatory (to be filled in after contract award).**Item G.** Signature of preparer of CDRL.**Item H.** Date CDRL was prepared.**Item I.** Signature of CDRL approval authority.**Item J.** Date CDRL was approved.**Item 1.** See DoD FAR Supplement Subpart 4.71 for proper numbering.**Item 2.** Enter title as it appears on data acquisition document cited in Item 4.**Item 3.** Enter subtitle of data item for further definition of data item (optional entry).**Item 4.** Enter Data Item Description (DID) number, military specification number, or military standard number listed in DoD 5010.12-L (AMS DL), or one-time DID number, that defines data content and format requirements.**Item 5.** Enter reference to tasking in contract that generates requirement for the data item (e.g., Statement of Work paragraph number).**Item 6.** Enter technical office responsible for ensuring adequacy of the data item.**Item 7.** Specify requirement for inspection/acceptance of the data item by the Government.**Item 8.** Specify requirement for approval of a draft before preparation of the final data item.**Item 9.** For technical data, specify requirement for contractor to mark the appropriate distribution statement on the data (ref. DoDD 5230.24).**Item 10.** Specify number of times data items are to be delivered.**Item 11.** Specify as-of date of data item, when applicable.**Item 12.** Specify when first submittal is required.**Item 13.** Specify when subsequent submittals are required, when applicable.**Item 14.** Enter addressees and number of draft/final copies to be delivered to each addressee. Explain reproducible copies in Item 16.**Item 15.** Enter total number of draft/final copies to be delivered.**Item 16.** Use for additional/clarifying information for Items 1 through 15. Examples are: Tailoring of documents cited in Item 4; Clarification of submittal dates in Items 12 and 13; Explanation of reproducible copies in Item 14.; Desired medium for delivery of the data item.**FOR THE CONTRACTOR****Item 17.** Specify appropriate price group from one of the following groups of effort in developing estimated prices for each data item listed on the DD Form 1423.

a. Group I. Definition - Data which is not otherwise essential to the contractor's performance of the primary contracted effort (production, development, testing, and administration) but which is required by DD Form 1423.

Estimated Price - Costs to be included under Group I are those applicable to preparing and assembling the data item in conformance with Government requirements, and the administration and other expenses related to reproducing and delivering such data items to the Government.

b. Group II. Definition - Data which is essential to the performance of the primary contracted effort but the contractor is required to perform additional work to conform to Government requirements with regard to depth of content, format, frequency of submittal, preparation, control, or quality of the data item.

Estimated Price - Costs to be included under Group II are those incurred over and above the cost of the essential data item without conforming to Government requirements, and the administrative and other expenses related to reproducing and delivering such data item to the Government.

c. Group III. Definition - Data which the contractor must develop for his internal use in performance of the primary contracted effort and does not require any substantial change to conform to Government requirements with regard to depth of content, format, frequency of submittal, preparation, control, and quality of the data item.

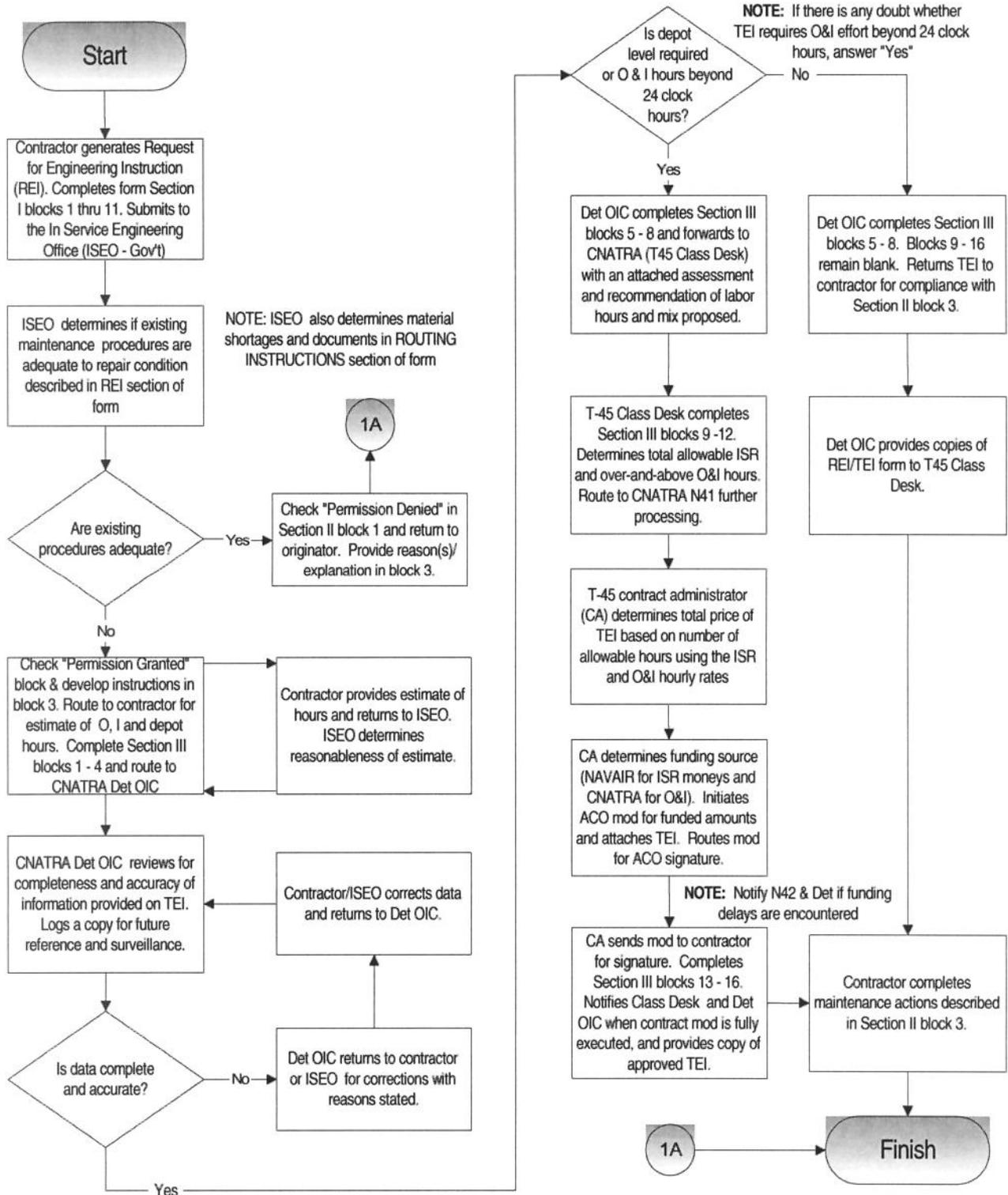
Estimated Price - Costs to be included under Group III are the administrative and other expenses related to reproducing and delivering such data item to the Government.

d. Group IV. Definition - Data which is developed by the contractor as part of his normal operating procedures and his effort in supplying these data to the Government is minimal.

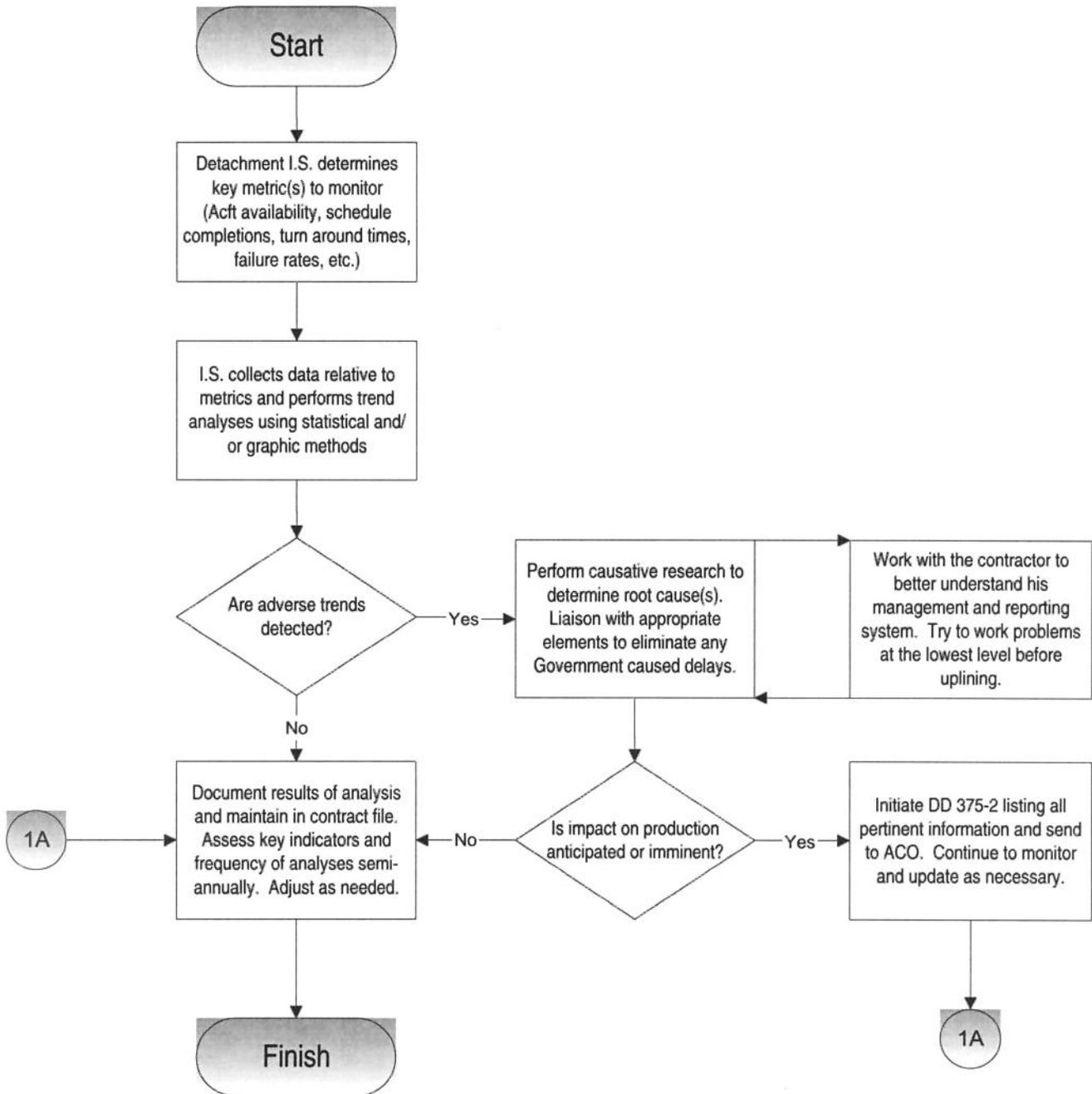
Estimated Price - Group IV items should normally be shown on the DD Form 1423 at no cost.

**Item 18.** For each data item, enter an amount equal to that portion of the total price which is estimated to be attributable to the production or development for the Government of that item of data. These estimated data prices shall be developed only from those costs which will be incurred as a direct result of the requirement to supply the data, over and above those costs which would otherwise be incurred in performance of the contract if no data were required. The estimated data prices shall not include any amount for rights in data. The Government's right to use the data shall be governed by the pertinent provisions of the contract.

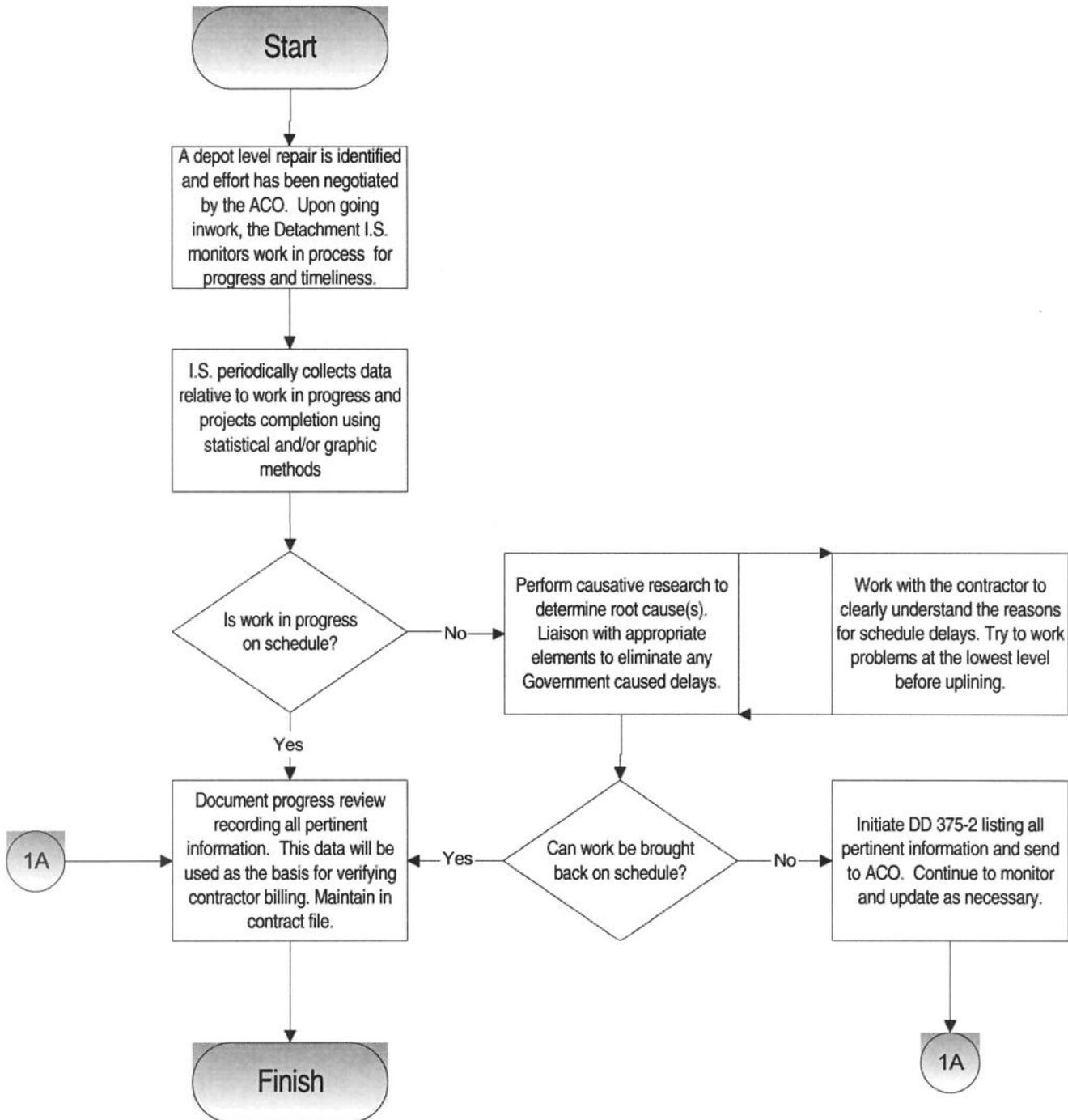
CNATRA N42 MID LEVEL	<b>TEMPORARY ENGINEERING INSTRUCTION (TEI)</b>	Process Owner CNATRA Det
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CNATRA DET MACRO	<b>PRODUCTIVITY TREND ANALYSIS</b>	Process Owner CNATRA Det
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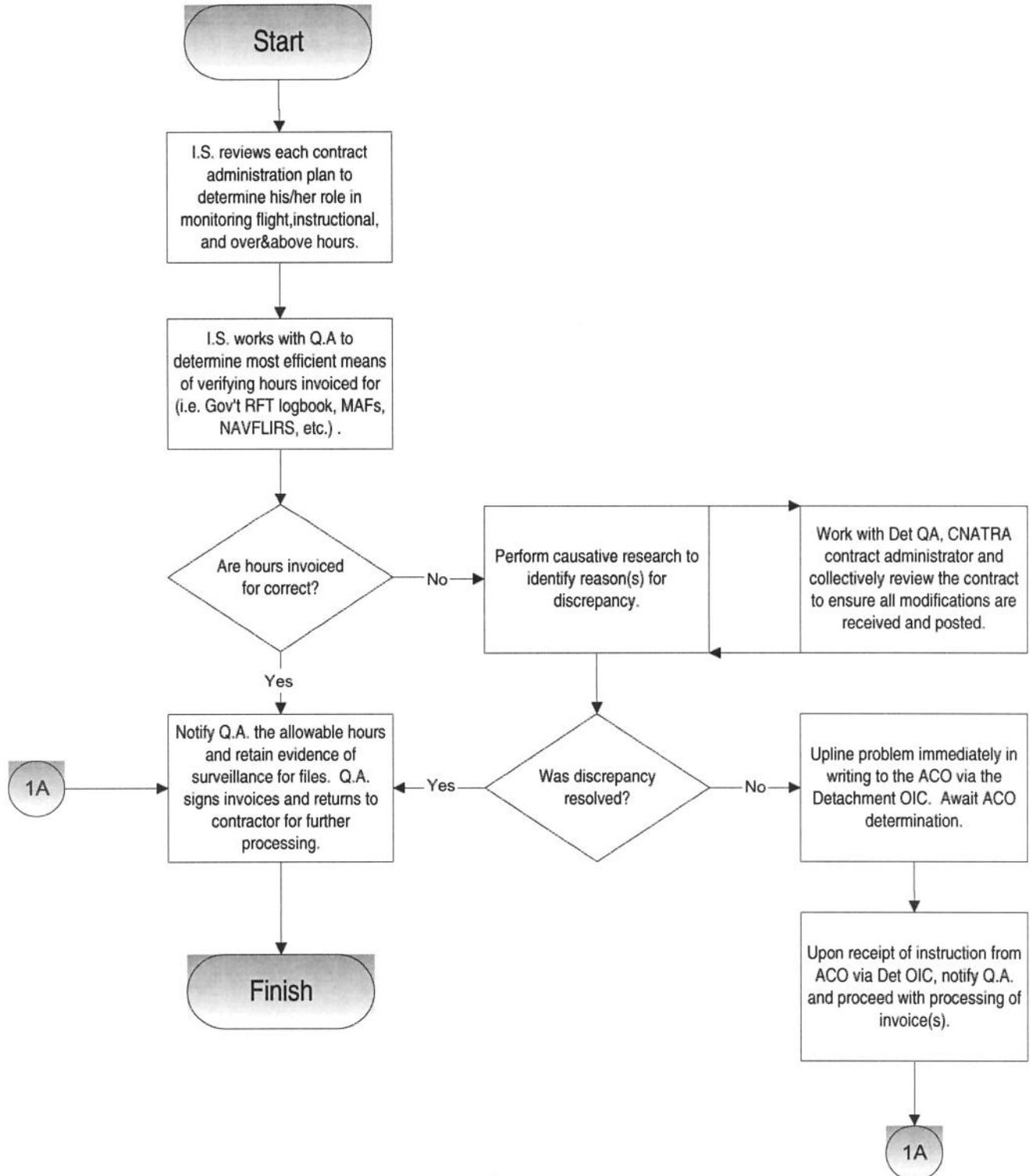


CNATRA DET MACRO	<i>PRODUCTION SURVEILLANCE OF DEPOT REPAIRS</i>	Process Owner CNATRA Det
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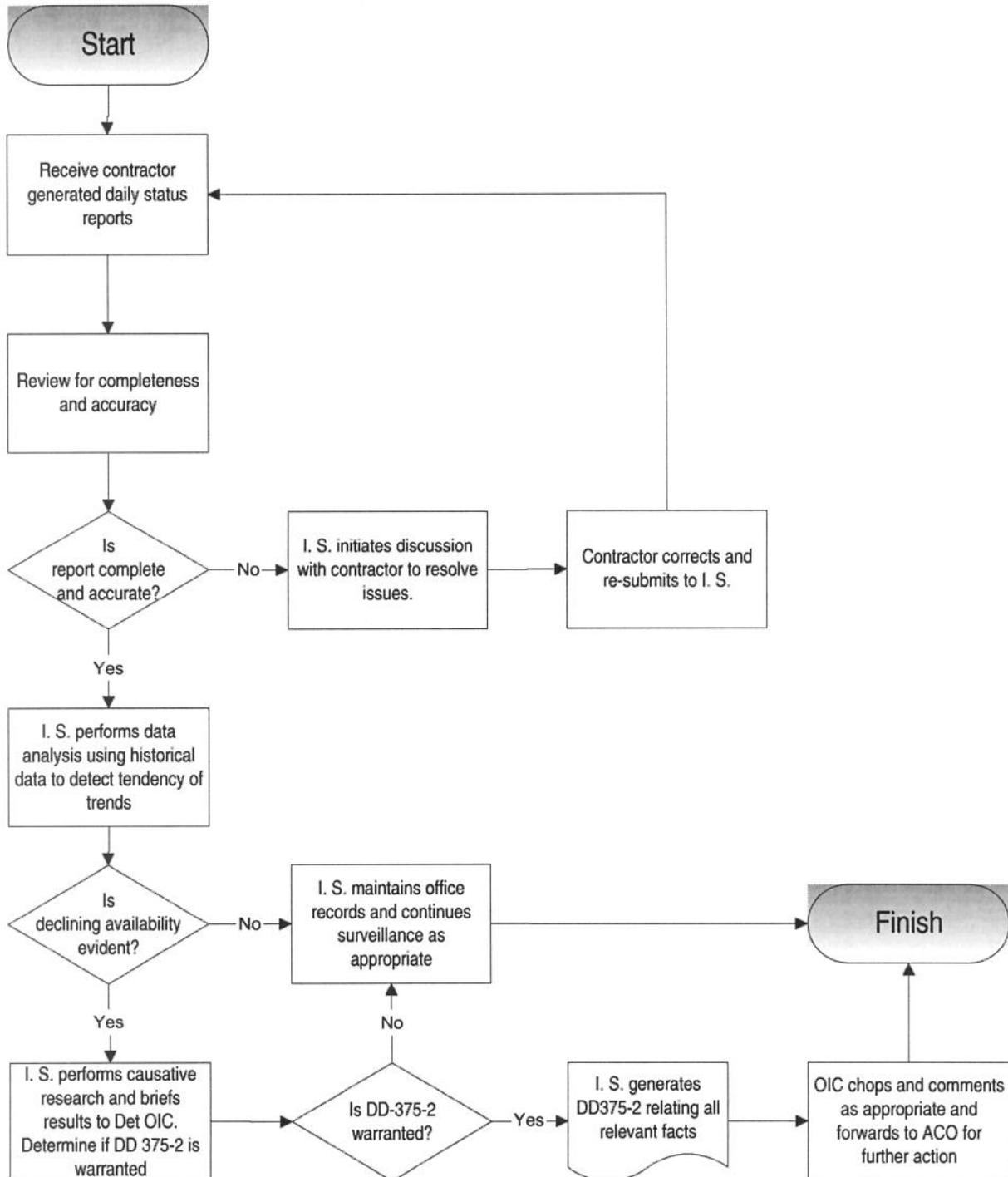


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<p>CNATRA DET MACRO</p>	<p><b>PRODUCTION SURVEILLANCE OF "HOURS"</b></p>	<p>Process Owner CNATRA Det</p>
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CNATRA DET Mid Level	<h2 style="margin: 0;">MONITORING DAILY STATUS REPORTS</h2>	Process Owner Det OIC
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CNATRA DET MACRO	<h1>TACP/VECP PROCESS FLOW</h1>	03 JUN 09 Process Owner Det OIC
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