

## **APPENDIX 2**

**W8485-23SL03/C**

**MANAGED REPAIR AND  
OVERHAUL (R&O) PROCESS**

**FOR**

**REPAIR, OVERHAUL AND IN-SERVICE SUPPORT OF  
TEST EQUIPMENT & ALTIMETERS**

# **1 Managed Repair and Overhaul Process**

## **1.1 General**

- 1.1.1 The Managed Repair and Overhaul (R&O) Process comprises all the steps to be carried out by either DND or the Contractor from the point when an item is identified as requiring 3<sup>rd</sup> Level maintenance to when the item is returned to DND or is disposed of.
- 1.1.2 This Appendix will describe the activities that will be performed by Government of Canada (GoC) entities and the Contractor within the framework of the Managed R&O Process.

## **2.1 Managed R&O Process Steps**

- 2.1.1 The following activities are to be executed by the entity outlined in each step:
  - a) The DND Life Cycle Materiel Manager (LCMM) will create and manage an Annual R&O Plan for all in scope NSNs. These plans will include, but will not be limited to, the forecasted number of each NSN DND plans to repair, the maximum quantity of each NSN that could be repaired, historical Average Repair Costs (ARC) and the Repair Priority Code (RPC).
  - b) The DND Technical Authority (TA), in coordination with the DND Procurement Authority (PA), will review and approve the Annual R&O Plan to ensure they meet operational requirements and are within the approved budget.
  - c) DND will send the Annual R&O Plan (see screenshot in section 4) to the Contractor to communicate the planned R&O activities and to solicit their feedback with respect to their capability and capacity to execute the planned activities within the timeframe defined by the corresponding RPC.
  - d) The Contractor will use the Annual R&O Plan to create and submit to DND an Annual Activity Forecast (AAF) in accordance with Contract Data Requirements (CDRL) PM-002. Once the AAF has been approved by DND, any changes will need to be made via a Change Order request in accordance with CDRL PM-007.
  - e) If required, the DND LCMMs will update their Annual R&O Plan based on feedback received from the Contractor's AAF. The revised Annual R&O Plan is subject to approval by the TA and PA before it is integrated into the Annual R&O Plan before it is provided to the Contractor.
  - f) DND will update the Defence Resource Management Information System (DRMIS) Selection Notice and Priority Summary (SNAPS) with the approved forecasts on an annual basis and as required.
  - g) DND will validate each internal repair request against the approved R&O Annual Plan and budget. If repair is required, DND will direct the requestor, via the R&O Coordination Email Account (ROCEA), to send the item to the Contractor's facility. This email will also be sent to the Contractor to authorize them to initiate the Preliminary Evaluation and Estimate on receipt of the item at their facility. The email will include the current RPC for the NSN as well as the desired return date.

- h) Within two working days of receipt of an item at the Contactor's facility, the Contractor will:
  - i. Verify that they have email authorization from ROCEA to initiate the Preliminary Evaluation and Estimate. Reply to the email from ROCEA to notify them that the item has been received. If there is no email, they will send an email to ROCEA requesting instructions prior to beginning any work on the item, including the Preliminary Evaluation and Estimate; and
  - ii. If there is an email from ROCEA authorizing that the item be sent to them they shall proceed to the next step.
- i) Once authorized, the Contractor must perform a Preliminary Evaluation and Estimate for the item. To complete the Preliminary Evaluation and Estimate, the Contractor must:
  - i. Register each item in the Monthly Summary Report in accordance with CDRL MAT-001;
  - ii. Open a work order for this specific item in their internal management system;
  - iii. Perform a physical check to ensure that the item is complete and is in accordance with the accompanying vouchers. If a discrepancy is found, it must be reported to the designated National Defence Quality Assurance Representative (NDQAR) and to DND via the ROCEA;
  - iv. Advise the designated NDQAR that an item has arrived and request a DRMIS work order number. The work order number will be entered into the Contractor's internal management system and the Monthly Summary Report in accordance with CDRL MAT-001 and will be used as a cross reference between systems;
  - v. Confirm that the item is marked in accordance with C-19-010-002/AM-000. If the item is not properly marked, the Contractor will mark the item in accordance with C-19-010-002/AM-000;
  - vi. Review the paperwork received with the item as well as the email from the ROCEA, carry out an initial pre-induction inspection of the item to determine the extent of the maintenance activities required to return the item to service; and
  - vii. Within 10 working days, create a Repair and Overhaul Estimate in accordance with CDRL PM-005, email it to the ROCEA and wait for authorization to proceed.

- j) DND will assess the Contractor's Repair and Overhaul Estimate (CDRL PM-005), and determine if the scope of work, price and return date are acceptable. They will check the DND supply system to determine if any of the parts that the Contractor is planning to repair or replace are available and assess if it is more cost effective for the Contractor to use the part from the DND supply system. If it is more cost effective, DND will arrange for the part(s) to be sent to the Contractor. If required, DND may request changes to the proposed maintenance activities or request additional information before approval is granted.
- k) When the Contractor and DND have agreed on an acceptable price and return date, DND will authorize the repair through ROCEA. The Contractor will then induct the item into the repair line and update the Monthly Summary Report file in accordance with CDRL MAT-001.
- l) The Contractor will carry out the maintenance activities on the item in accordance with DND authorization and within the agreed upon price and return date. If, during the execution of the maintenance activities, the Contractor determines that a change to the authorized price and/or return date is required, they will create a Change Order request in accordance with CDRL PM-007, and attach it to an email reply to the authorization email from ROCEA.

**NOTE:** All Change Orders must be sent prior to the Close of Business (COB) of the Max Change Date for the item on the CDRL MAT-001 Monthly Summary Report.

- m) If repair is not authorized, DND will provide direction for the disposition of the item, via ROCEA. The Contractor will update the Monthly Summary Report in accordance with CDRL MAT-001. The Contractor will also inform the designated NDQAR that DND has decided not to repair the item and provide them with the instructions received from ROCEA (i.e. code, shipment and/or disposal instructions) so that the NDQAR can update DRIMS accordingly.
- n) Upon completion of the authorized maintenance activities, the Contractor will:
  - i. Complete, stamp and sign "Contractor Certification" Annex K and the DND 2227 Annex L. Send completed copies to the supporting NDQAR with the DRIMS work order printout, they will finalize the closure of the work order process. An additional copy of the DND 2227 and Contractor Certification is required to be attached with the item in the shipment.
  - ii. Prepare and affix a CF942 Materiel Condition Tag in accordance with C-02-005-009/AM-000;
  - iii. Update the applicable maintenance records and/or work orders in their internal management system;
  - iv. Create a Repair and Overhaul Detail Report for the item in accordance with CDRL MAT-002, and attach it to a reply email from ROCEA for the item, requesting shipping instructions;

- v. Once shipping instructions received, contact the appropriate DND Inbound Logistics Coordination Center (ILCC) as specified in the contract. Provide ILCC with the associated details received from ROCEA in order to coordinate shipment;
  - vi. Prepare the item for shipment; and
  - vii. Complete the remaining details in the Monthly Summary Report in accordance with CDRL MAT-001.
- o) Send an updated copy of the Monthly Summary Report, in accordance with CDRL MAT-001, to ROCEA with the monthly invoice.

### 3.1 Repair Priority Code Details

- 3.1.1 Repair Priority Code (RPC). The RPC is used to indicate how urgently the item is required to be returned to service and to assist in determining the priority of the repairs that are already at the repair facility. The RPC relates to the number of months of serviceable stock available at the time that an item was sent for repair.

Code	Description	Applies when
C	Critical	DND has less than three months serviceable stock-on-hand
U	Urgent	DND has between 3 and 6 months serviceable stock-on-hand inclusively
R	Routine	DND has between 7 and 24 months serviceable stock-on-hand inclusively
P	Pending	DND has more than 24 months serviceable stock-on-hand

## 4.1 Annual R&O Plan

- 4.1.1 Below is a sample of the Annual R&O Plan that DND will send to the Contractor prior to the beginning of each fiscal year. As indicated above, the Contractor will use the Annual R&O Plan and other information to create an Annual Activity Forecast (AAF) in accordance with Contract Data Requirements (CDRL) PM-002.

### Sample Annual R&O Plan

Annual R&O Plan for AMSE - (COM1) Complex AMSE NSNs RPF Pending

Fiscal Year 20/21

Item Summary						Inventory			Forecast					
Sparing Group Description	Indicator	Stock Code	RR	RPC	LCMM - SM	Serv Stock	US Stock	RR Stock	Repairs This FY	Repairs Next FY	Target Stock Level	Scraps per Year	Stock This FY	Indicator Next
R&O Remarks														
000138813 JACK AIRCRAFT LANDING GEAR		000138813	P		DAEPMFT 6-3-4C - 54B Spin 614	14	0	0	1	1	5	0	2.0	2.0
000646638 FILTER,FLUID		000646638	R		DAEPMFT 6-3-4B - 54B Spin 614	28	2	2	2	2	20	0	1.4	1.4
000750603 TESTER,NOZZLE ACTUA		000750603	Y	R	DAEPMFT 6-3-4B - 54B Spin 614	8	0	0	1	1	7	0	1.1	1.1
002943397 TRAILER,RAIL TYPE		002943397		R	DAEPMFT 6-3-4C - 54B Spin 614	12	6	4	1	1	10	0	1.2	1.2
004743234 TEST STAND,PROPELLE		004743234	Y	R	DAEPMFT 6-3-4B - 54B Spin 614	1	0	0	1	1	1	0	1.0	1.0
008125019 PUMP,RADIAL PISTONS	CR	008125019	Y	C	DAEPMFT 6-3-4C - 54B Spin 614	0	2	2	2	0	1	0	0.0	0.0
008885119 PREOILER		008885119		R	DAEPMFT 6-3-4B - 54B Spin 614	28	1	0	2	2	20	0	1.4	1.4