



*Helping Managers and Businesses
Succeed Through Real Experience*

Building a Compliance Matrix

An Example for Project Managers



What is A Compliance Matrix?

- A Compliance Matrix is a project management **tool**.
 - Helps you organize, track and trace customer requirements.
 - Ensures you do not miss important details.
 - Identifies gaps and areas of risk for the project.
 - Links customer expectations to evidence you've fulfilled your obligation.
 - Improves communication of project status to stakeholders and customers.
- A Compliance Matrix helps **drive rigor and accountability** within your organization to ensure you've fulfilled contractual obligations.
- A Compliance Matrix helps the project team **identify issues to be negotiated with the client**.

Who Benefits From a Compliance Matrix?

- Everyone!
 - A Compliance Matrix helps protect both you *and* the client.
- Here are Some Examples:
 - Proposal Managers – To ensure proposal satisfies all RFP details.
 - Program Managers – To link customer’s request to work performed.
 - Product Developers – To verify product meet performance needs.
 - Lab Managers – To verify test setup meets the prescribed conditions.
 - Project Team – To confirm all details have been review and addressed.
 - Customers – For receiving proof of work completion.

Key Steps in Building a Compliance Matrix

1. Establish a Header
2. Create a Unique Identification System for Requirements
3. Add the Customer / Stakeholder Requirements
4. Assign a Compliance Status at a Given Point of Time
5. Evaluate Risk of Meeting The Requirement
6. List Specific Details as Evidence of Requirement Fulfillment
7. Identify Actions Necessary for Closure



Helping Managers and Businesses
Succeed Through Real Experience

Some Definitions...

- **Compliant** – You fully satisfy the requirement.
- **Non-Compliant** – You do not meet or cannot meet the requirement.
- **Partially Compliant** – You comply in some areas, but not others.
- **Intend to Comply** – You do not meet the requirement currently, but have a plan to become compliant.
- **Heading/Information** – For non-requirements (such as a section title)



A Hypothetical Example...

- You were awarded a contract to develop and build a motor for a treadmill.
 - Customer: Prime Fitness
- You received two documents:
 - Statement of Work #592
 - Performance Specification #4452
- Let's create a simple Compliance Matrix for each



**Compliance Matrix for
Statement of Work #592**

Project Title	TRS Treadmill Motor		
Customer / Stakeholder	Prime Fitness	Total # of Requirements	15 (100%)
Reference Document	Statement of Work #592	Total # (%) Compliant	6 (40%)
Project Kickoff Date	January 19th	Total # (%) Intend to Comply	5 (33%)
Project Completion Date	September 1st	Total # (%) Partial Compliant	2 (13%)
Date of Last Evaluation	March 9th.	Total # (%) Non-Compliant	2 (13%)

Reference Number	Requirement	Compliance Status	Risk Level	Justification	Action
SOW-01	Supplier shall provide a weekly progress report	Compliant	Low	Reference Weekly report log	None
SOW-02	Supplier shall deliver product within 8 month of contract	Compliant	Low	Current schedule shows delivery in 6 months.	None
SOW-03	Product shall be shipped in fully recyclable materials	Intend to Comply	Medium	TBD	Review standad packaging processes
SOW-04	Product must be guaranteed for a 2 year warranty	Non-Compliant	High	Standard warranty is 1-year	Negotiate with customer
SOW-05	Supplier shall establish a redunant supply chain for all parts	Compliant	Low	See Standard procedure document SP96	None
SOW-06	Supplier must provide a user guide and parts list for product	Compliant	Low	Provided in Program Memo 52	None
SOW-07	Supplier shall provide a blueprint to illustrate specific bolt patterns	Partial Compliant	Medium	Must add 4th bolt hole per TS-11, and wil create blueprint	
SOW-08	Supplier shall permit a factory inspection if requested by customer	Intend to Comply	Low	TBD	Plan a visit for customer.
SOW-09	Supplier shall provide biographies and CV of project team members	Intend to Comply	Low	TBD	Understand from customer what bio must contain.
SOW-10	Supplier shall provide 5 year pricing breakdown	Compliant	Low	See Program Memo 42 for pricing breakdown	None
SOW-11	All supply chain changes shall be identified 60 days prior to implementation.	Non-Compliant	High	To be removed	Negotiate with customer to remove. Cannot guarantee this.
SOW-12	Supplier shall include 10 intial motors free of charge for test purposes	Intend to Comply	Medium	TBD	Need to evaluate impact on business case.
SOW-13	Supplier shall bear cost of any rejected or defective motors	Partial Compliant	Medium	Accept returns for defective parts	Send contract letter saying part must be verified to be defective through diagnostic tests
SOW-14	Product shall be delivered in lot quantities of no less than 20 units	Intend to Comply	Low	Will reference shipment lot quantity plan	Issue shipment lot quantity plan
SOW-15	Supplier shall notify customer of any prorotype test failures with 48 hours.	Compliant	Low	See Standard procedure document SP32	None



Project Title	TRS Treadmill Motor		
Customer / Stakeholder	Prime Fitness	Total # of Requirements	15 (100%)
Reference Document	Statement of Work #592	Total # (%) Compliant	6 (40%)
Project Kickoff Date	January 19th	Total # (%) Intend to Comply	5 (33%)
Project Completion Date	September 1st	Total # (%) Partial Compliant	2 (13%)
Date of Last Evaluation	March 9th.	Total # (%) Non-Compliant	2 (13%)

Reference Number	Requirement	Compliance Status	Risk Level	Justification	Action
SOW-01	Supplier shall...				
SOW-02					
SOW-03					
SOW-04					
SOW-05					
SOW-06					
SOW-07					
SOW-08					
SOW-09					
SOW-10					
SOW-11					
SOW-12					
SOW-13					
SOW-14					
SOW-15	Supplier shall prototype test failures with 48 hours.	Compliant	Low	document SP32	None

Step 1: Create a Header

Since a Compliance Matrix is a tool for both managing projects and for reporting, create a header of key information about the project. You should include:

- Project Title
- Document subject to the Compliance Matrix
- Customer
- Key Project Dates
- Date of Last Review

Project Title	TRS Treadmill Motor
Customer / Stakeholder	Prime Fitness
Reference Document	Statement of Work #592
Project Kickoff Date	January 19th
Project Completion Date	September 1st
Date of Last Evaluation	March 9th



Project Title	TRS Treadmill Motor		
Customer / Stakeholder	Prime Fitness	Total # of Requirements	15 (100%)
Reference Document	Statement of Work #592	Total # (%) Compliant	6 (40%)
Project Kickoff Date	January 19th	Total # (%) Intend to Comply	5 (33%)
Project Completion Date	September 1st	Total # (%) Partial Compliant	2 (13%)
Date of Last Evaluation	March 9th.	Total # (%) Non-Compliant	2 (13%)

Reference Number	Requirement	Compliance Status	Risk Level	Justification	Action
SOW-01	Supplier shall include 10 initial motors free of charge for test purposes	Intend to Comply	Medium	TBD	Need to evaluate impact on business case.
SOW-02	Supplier shall bear cost of any rejected or defective motors	Partial Compliant	Medium	Accept returns for defective parts	Send contract letter saying part must be verified to be defective through diagnostic tests
SOW-03	Product shall be delivered in lot quantities of no less than 20 units	Intend to Comply	Low	Will reference shipment lot quantity plan	Issue shipment lot quantity plan
SOW-04	Supplier shall notify customer of any prorotype test failures with 48 hours.	Compliant	Low	See Standard procedure document SP32	None

Step 1: Create a Header (Continued)

For reporting purposes, include key statistics about the state of requirements at the time of review.

Total # of Requirements	15 (100%)
Total # (%) Compliant	8 (53%)
Total # (%) Intend to Comply	1 (7%)
Total # (%) Partial Compliant	2 (13%)
Total # (%) Non-Compliant	4 (27%)



Project Title	TRS Treadmill Motor		
Customer / Stakeholder	Prime Fitness	Total # of Requirements	15 (100%)
Reference Document	Statement of Work #592	Total # (%) Compliant	6 (40%)
Project Kickoff Date	January 19th	Total # (%) Intend to Comply	5 (33%)
Project Completion Date	September 1st	Total # (%) Partial Compliant	2 (13%)
Date of Last Evaluation	March 9th.	Total # (%) Non-Compliant	2 (13%)

Reference Number	Requirement	Compliance Status	Risk Level	Justification	Action
SOW-01	Supplier shall provide a weekly progress report	Compliant	Low	Reference Weekly report log	None
SOW-02	Supplier shall deliver product within 8 month of contract	Compliant	Low	Current schedule shows delivery in 6 months.	None
SOW-03	Product shall be shipped materials				
SOW-04	Product must be				
SOW-05	cha				
SOW-06	Supplier list for pr				
SOW-07	Supplier shall illustrate speci				
SOW-08	Supplier shall pe requested by cu				
SOW-09	Supplier shall pr project team me				
SOW-10	Supplier shall pr breakdown				
SOW-11	All supply chain 60 days prior to i				
SOW-12	Supplier shall in charge for test p				
SOW-13	Supplier shall bear c defective motors				
SOW-14	Product shall be delivered in lot quantities of no less than 20 units	Intend to Comply	Low	Will reference shipment lot quantity plan	Issue shipment lot quantity plan
SOW-15	Supplier shall notify customer of any prorotype test failures with 48 hours.	Compliant	Low	See Standard procedure document SP32	None

Step 2: Create a Unique Numbering or Identifier System

A unique numbering scheme that you assign allows you to track, sort and reference each item.

Examples:

- 1, 2, 3, etc.
- SOW-01, SOW-02, etc.
- 592-01, 592-02, etc.

Reference Number
SOW-01
SOW-02
SOW-03
SOW-04



Project Title	TRS Treadmill Motor		
Customer / Stakeholder	Prime Fitness	Total # of Requirements	15 (100%)
Reference Document	Statement of Work #592	Total # (%) Compliant	6 (40%)
Project Kickoff Date	January 19th	Total # (%) Intend to Comply	5 (33%)
Project Completion Date	September 1st	Total # (%) Partial Compliant	2 (13%)
Date of Last Evaluation	March 9th.	Total # (%) Non-Compliant	2 (13%)

Reference Number	Requirement	Compliance Status	Risk Level	Justification	Action
SOW-01	Supplier shall provide a weekly progress report	Compliant	Low	Reference Weekly report log	None
SOW-02	Supplier shall deliver product within 8 month of contract	Compliant	Low	Current schedule shows delivery in 6 months.	None
SOW-03	Product shall be designed in fully recyclable materials	Intend to Comply	Medium	TBD	Review standad packaging processes
SOW-04	Product must be gu... warranty	Non-Compliant	High	Standard warranty is 1-year	Negotiate with customer
SOW-05	Supplier shall establish a chain for all parts	Compliant	Low	See Standard procedure document SPOC	None
SOW-06					
SOW-07					
SOW-08					
SOW-09					
SOW-10					
SOW-11					
SOW-12					
SOW-13					
SOW-14					
SOW-15					

Step 3: List Each Requirement

List each customer requirement, one per unique identifier.

Optional: Include Headings, Paragraph Descriptions, Titles, etc.

- List things like paragraph titles, table descriptions, chapter headings, etc.
 - Example: "Section 2 – Deliverables"
- Simply list them as "Heading / Information Only"
- More up-front work, BUT ensures everything is reviewed and no stone unturned!



Project Title	TRS Treadmill Motor		
Customer / Stakeholder	Prime Fitness	Total # of Requirements	15 (100%)
Reference Document	Statement of Work #592	Total # (%) Compliant	6 (40%)
Project Kickoff Date	January 19th	Total # (%) Intend to Comply	5 (33%)
Project Completion Date	September 1st	Total # (%) Partial Compliant	2 (13%)
Date of Last Evaluation	March 9th.	Total # (%) Non-Compliant	2 (13%)

Reference Number	Requirement	Compliance Status	Risk Level	Justification	Action
SOW-01	Supplier shall provide a weekly progress report	Compliant	Low	Reference Weekly report log	None
SOW-02	Supplier shall deliver product within 8 month of contract	Compliant	Low	Current schedule shows delivery in 6 months.	None
SOW-03	Product shall be shipped in fully recyclable materials	Intend to Comply		TBD	Review standad packaging processes
SOW-04	Product must be guaranteed for a 2 year warranty	Non-Compliant		is 1-year	Negotiate with customer

Step 4: Assign Compliance Status

- Use definitions as described on page 5.
- As of the date of your review, where do you stand with respect to each requirement?
- Tips:
 - Be tough on yourself.
 - Never say “Yeah, it’s good enough.”
 - Ask: “Would the customer agree?”
 - Ask: “Can I prove it?”

Compliance Status

Compliant

Compliant

Intend to Comply

Non-Compliant

SOW-15	prorotype test failures with 48 hours.	Compliant	Low	document SP32	None
--------	--	-----------	-----	---------------	------



Project Title	TRS Treadmill Motor		
Customer / Stakeholder	Prime Fitness	Total # of Requirements	15 (100%)
Reference Document	Statement of Work #592	Total # (%) Compliant	6 (40%)
Project Kickoff Date	January 19th	Total # (%) Intend to Comply	5 (33%)
Project Completion Date	September 1st	Total # (%) Partial Compliant	2 (13%)
Date of Last Evaluation	March 9th.	Total # (%) Non-Compliant	2 (13%)

Reference Number	Requirement	Compliance Status	Risk Level	Justification	Action
SOW-01	Supplier shall provide a weekly progress report	Compliant	Low	Reference Weekly report log	None
SOW-02	Supplier shall deliver product within 8 month of contract	Compliant	Low	Current schedule shows delivery in 6 months.	None
SOW-03	Product shall be shipped in fully recyclable materials	Intend to Comply	Medium	TBD	Review standad packaging processes
SOW-04	Product must be guaranteed for a 2 year warranty	Non-Compliant	High	Standard warranty is 1-year	Negotiate with customer
SOW-05	Supplier shall establish a redunant supply chain for all parts	Compliant	Low	See Standard procedure document SP96	None
SOW-06	Supplier must provide a user guide and parts list for product	Compliant	Low	Provided in Program Memo 52	None
SOW-07	Supplier shall provide a blueprint to illustrate specific bolt patterns	Partial Compliant	Medium	Add 4th bolt hole per TS-11, create blueprint	
SOW-08					Plan a visit for customer.
SOW-09					Understand from customer what bio must contain.
SOW-10					None
SOW-11					Negotiate with customer to remove. Cannot guarantee this.
SOW-12					Need to evaluate impact on business case.
SOW-13					Send contract letter saying part must be verified to be defective through diagnostic tests
SOW-14					Issue shipment lot quantity plan
SOW-15					None

Step 5: Identify the Risk Level

How much risk is there in meeting the requirement?

Generally:

- Low – you already meet the requirement
- Medium – you plan to meet requirement, but aren't there yet
- High – you are not sure if / how you will meet requirement

Risk Level
Low
Low
Medium
High



Project Title	TRS Treadmill Motor		
Customer / Stakeholder	Prime Fitness	Total # of Requirements	15 (100%)
Reference Document	Statement of Work #592	Total # (%) Compliant	6 (40%)
Project Kickoff Date	January 19th	Total # (%) Intend to Comply	5 (33%)
Project Completion Date	September 1st	Total # (%) Partial Compliant	2 (13%)
Date of Last Evaluation	March 9th.	Total # (%) Non-Compliant	2 (13%)

Reference Number	Requirement	Compliance Status	Risk Level	Justification	Action
SOW-01	Supplier shall provide a weekly progress report	Compliant	Low	Reference Weekly report log	None
SOW-02	Supplier shall deliver product within 8 month of contract	Compliant	Low	Current schedule shows delivery in 6 months.	None
SOW-03	Product shall be shipped in fully recyclable materials	Intend to Comply	Medium	TBD	Review standad packaging processes
SOW-04	Product must be guaranteed for a 2 year warranty	Non-Compliant	High	St... s 1-year	Negotiate with customer
SOW-05	Supplier shall establish a redunant supply chain for all parts	Compliant	Low	ure	None
SOW-06	Supplier must provide a user guide and parts list for product	Compliant	Lo	Memo 52	None
SOW-07	Supplier shall provide a blueprint to illustrate specific bolt patterns	Partial Compliant		per TS-11,	

Step 6: Establish Your Justification

The Justification of your Compliant ratings is the **most** important part of the compliance matrix.

- How do you prove it to the customer?
- Will the customer accept this?
- If customer challenges you, then what?

Justification
Reference Weekly report log
See Standard Procedure Document SP96
Provided in Program Memo 52



Project Title	TRS Treadmill Motor		
Customer / Stakeholder	Prime Fitness	Total # of Requirements	15 (100%)
Reference Document	Statement of Work #592	Total # (%) Compliant	6 (40%)
Project Kickoff Date	January 19th	Total # (%) Intend to Comply	5 (33%)
Project Completion Date	September 1st	Total # (%) Partial Compliant	2 (13%)
Date of Last Evaluation	March 9th.	Total # (%) Non-Compliant	2 (13%)

Reference Number	Requirement	Compliance Status	Risk Level	Justification	Action
SOW-01	Supplier shall provide a weekly progress report	Compliant	Low	Reference Weekly report log	None
SOW-02	Supplier shall deliver product within 8 month of contract	Compliant	Low	Current schedule shows delivery in 6 months.	None
SOW-03	Product shall be shipped in fully recyclable materials	Intend to Comply	Medium	TBD	Review standad packaging processes
SOW-04	Product must be guaranteed for a 2 year warranty	Non-Compliant	High	Standard 1 year	Negotiate with customer
SOW-05	Supplier shall establish a redunant supply chain for all parts	Compliant	Low	Procedure part SP96	None
SOW-06	Supplier must provide a user guide and parts list for product	Compliant	Low	Program Memo 52	None
SOW-07	Supplier shall illustrate	Compliant	Low	per TS-11, int	None
SOW-08	Supplier shall request	Compliant	Low		Plan a visit for customer.
SOW-09	Supplier shall project te	Compliant	Low		Understand from customer what bio must contain.
SOW-10	Supplier shall breakdov	Compliant	Low	for pricing	None
SOW-11	All supply 60 days p	Compliant	Low		Negotiate with customer to remove. Cannot guarantee this.
SOW-12	Supplier shall charge fo	Compliant	Low		Need to evaluate impact on business case.
SOW-13	Supplier shall defective	Compliant	Low	ective parts	Send contract letter saying part must be verified to be defective through diagnostic tests
SOW-14	Product shall no less th	Compliant	Low	ent lot	Issue shipment lot quantity plan
SOW-15	Supplier shall prorotype te	Compliant	Low	ure	None

Step 7: Define Actions to Reach Compliance

Finally, list out the actions you need to take to become complaint.

Action
Need to evaluate impact on business case.
Send contract letter saying part must be verified to be defective through diagnostic tests
Issue minimum shipment lot quantity plan



Compliance Matrix for
Performance Spec. #4452

Project Title	TRS Treadmill Motor		
Customer / Stakeholder	Prime Fitness	Total # of Requirements	15 (100%)
Reference Document	Performance Specification #4452	Total # (%) Compliant	8 (53%)
Project Kickoff Date	January 19th	Total # (%) Intend to Comply	1 (7%)
Project Completion Date	September 1st	Total # (%) Partial Compliant	2 (13%)
Date of Last Evaluation	March 9th	Total # (%) Non-Compliant	4 (27%)

Reference Number	Requirement	Compliance Status	Risk Level	Justification	Action
PS-01	Product shall be no larger than 20" wide, 10" tall and 6" deep.	Compliant	Low	Calculated 19.72" wide, 7.6" tall, 4" deep.	None
PS-02	Product shall weigh less than 75 lbs.	Compliant	Low	Calculated weight = 72.3 lbs	None
PS-03	Design shall incorporate 2 handles for ease of carrying	Compliant	Low	Includes 2 handles.	None
PS-04	Motor spindle shall be 1/2" in diameter	Non-Compliant	High	Spindle must be 5/8" to perform correctly	Work with customer to update this requirement
PS-05	Motor shall rotate at sustained speeds ranging from 200 to 1000 rpm.	Partial Compliant	Medium	Motor sustained speed is 250 to 1200 rpm.	Work with customer to update this requirement
PS-06	Electrical power should be standard 110V	Compliant	Low	Standard 110V power	None
PS-07	Design shall incorporate an overheat shut off sensor	Compliant	Low	Overheat shutoff sensor included	None
PS-08	Overheat shutoff sensor shall automatically shut down at 180F	Non-Compliant	High	Shutoff sensor will trip at 190F	Negotiate an increased shut off temperature.
PS-09	Deleted	Compliant	Low	Removed per Program Memo 324 Rev. A	None
PS-10	Housing of motor shall be grey in color	Non-Compliant	Medium	Current housing is blue	Redesign house to use grey paint
PS-11	Materials used shall have a minimum shelf life of 3 years	Compliant	Low	Design does not include perishable material	None
PS-12	Motor shall have 4 bolt holes to secure to treadmill	Partial Compliant	Medium	Current design has only 3 holes	Redesign to add a 4th mounting hole.
PS-13	Packaging shall leave unit undamaged when dropped from a height of 5 feet	Non-Compliant	High	Unknown	Perform Testing
PS-14	Motor shall run at variable speeds up to 12 miles per hour	Compliant	Low	See design standard DS129	None
PS-15	All materials shall be commercially available	Intend to Comply	Medium	Unknown	Identify commercial material options.



A Compliance Matrix Can Work Anywhere

- Doesn't have to be technical...
 - Graphic Design – Client wants certain colors, fonts, style.
 - Law – Client wants specific items included in legal documents.
 - Construction – Verify all features of a custom home have been included.
 - Cleaning Services – Compliance to specific materials used, frequencies, locations, etc.
- If a client gives you a list of “**must haves**” a Compliance Matrix will ensure you meet them.

Your Compliance Matrix Over Time

- ✓ % of Compliance should go up
- ✓ Level of risks should go down
- ✓ Actions should decrease
- ✓ Never re-use Unique Identifiers

Reference Number	Requirement	Compliance Status	Risk Level	Justification	Action
PS-09	Deleted	Compliant	Low	Removed per Program Memo 324 Rev. A	None

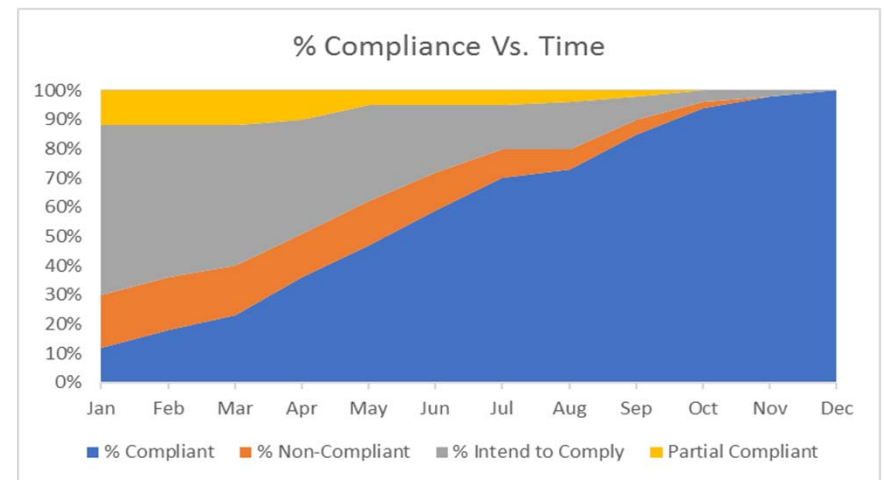
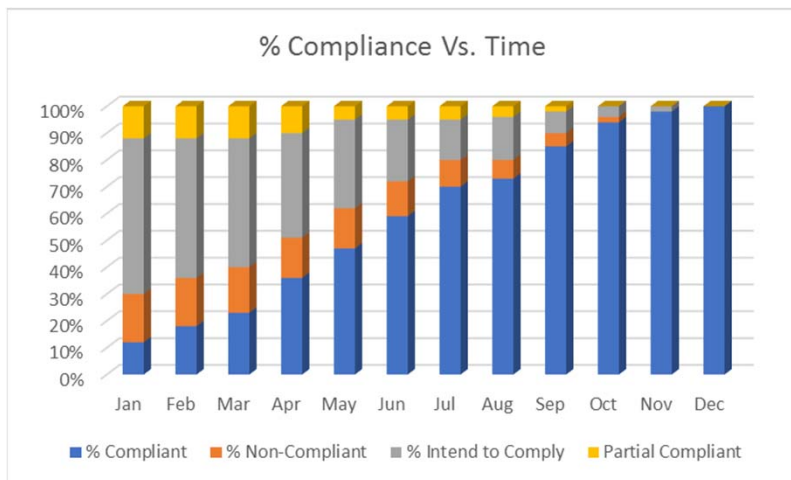
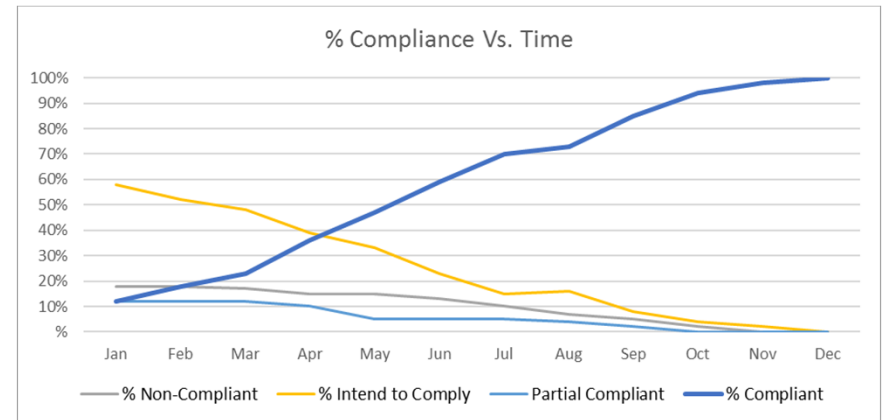
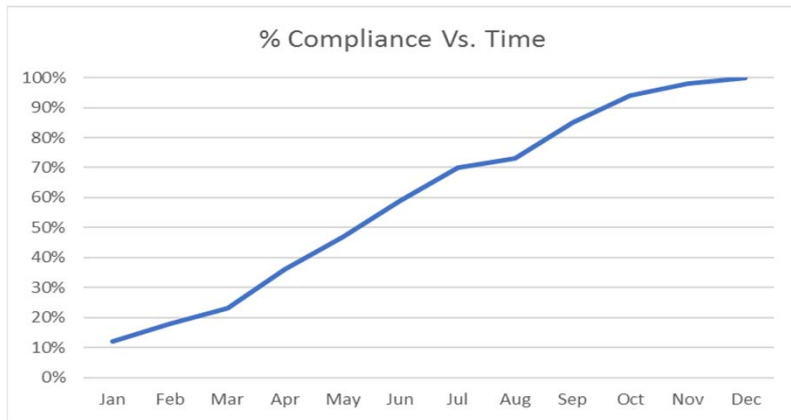
- ✓ Review with project team regularly for updates
- ✓ Review with customer regularly to address concerns



Helping Managers and Businesses
Succeed Through Real Experience

As a Graphical Reporting Tool...

% Compliance Vs. Time





*Helping Managers and Businesses
Succeed Through Real Experience*

Final Tips for Creating a Compliance Matrix

1. Review it Regularly
 - ✓ Keeps the mission in mind
 - ✓ Helps track progress

1. Assign a Dedicated Team Member to Manage It
 - ✓ Ensures consistency

2. Create One Compliance Matrix Per Document
 - ✓ Easier to navigate and manage the details

3. Share it with Customer
 - ✓ Communicates status and challenges

For Additional Details and to Download This Presentation:

<http://www.managersresourcehandbook.com/compliance-matrix/>



Helping Managers and Businesses
Succeed Through Real Experience

Project Title	TRS Treadmill Motor		
Customer / Stakeholder	Prime Fitness	Total # of Requirements	15 (100%)
Reference Document	Statement of Work #592	Total # (%) Compliant	6 (40%)
Project Kickoff Date	January 19th	Total # (%) Intend to Comply	5 (33%)
Project Completion Date	September 1st	Total # (%) Partial Compliant	2 (13%)
Date of Last Evaluation	March 9th.	Total # (%) Non-Compliant	2 (13%)

Reference Number	Requirement	Compliance Status	Risk Level	Justification	Action
SOW-01	Supplier shall provide a weekly progress report	Compliant	Low	Reference Weekly report log	None
SOW-02	Supplier shall deliver product within 8 month of contract	Compliant	Low	Current schedule shows delivery in 6 months.	
SOW-03	Product shall be shipped in fully recyclable materials	Intend to Comply	Medium		
SOW-04	Product must be guaranteed for a 2 year warranty	Non-Compliant			Negotiate with customer
SOW-05	Supplier shall establish a redundant supply chain for all parts	Compliant		Standard procedure document SP96	None
SOW-06	Supplier must provide a user guide and parts list for product	Compliant	Low	Provided in Program Memo 52	None
SOW-07	Supplier shall provide an illustration of the product	Partial Compliant	Medium	Must add 4th bolt hole per TS-11, and will create blueprint	
SOW-08		Intend to Comply	Low	TBD	Plan a visit for customer.
	Supplier shall provide resumes and CV of key personnel	Intend to Comply	Low	TBD	Understand from customer what bio must contain.
	Supplier shall provide 5 year pricing breakdown	Compliant	Low	See Program Memo 42 for pricing breakdown	None
SOW-11	All supply chain changes shall be identified 60 days prior to implementation.	Non-Compliant	High	To be removed	Negotiate with customer to remove. Cannot guarantee this.
SOW-12	Supplier shall include 10 initial motors free of charge for test purposes	Intend to Comply	Medium	TBD	Need to evaluate impact on business case.
SOW-13	Supplier shall bear cost of any rejected or defective motors	Partial Compliant	Medium	Accept returns for defective parts	Send contract letter saying part must be verified to be defective through diagnostic tests
SOW-14	Product shall be delivered in lot quantities of no less than 20 units	Intend to Comply	Low	Will reference shipment lot quantity plan	Issue shipment lot quantity plan
SOW-15	Supplier shall notify customer of any prototype test failures with 48 hours.	Compliant	Low	See Standard procedure document SP32	None



*Helping Managers and Businesses
Succeed Through Real Experience*

The Manager's Resource Handbook is an online source of tools, templates and articles for managers and leaders in today's business environment. Our mission is the help managers and businesses succeed through the benefit of our experience.

You can contact us at:

<http://www.ManagersResourceHandbook.com>



[Like us on Facebook!](#)



[Follow us on LinkedIn!](#)