



DEPARTMENT OF THE ARMY
US ARMY MEDICAL RESEARCH AND MATERIEL COMMAND
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MCMR-AAP-A

25 April 2012

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Procurement Advisory Notice (PAN) 12-01
Quality Assurance Surveillance Plans (QASPs)

1. PURPOSE. The purpose of this memorandum is to emphasize the importance of contract administration and surveillance of contractor performance. The surveillance procedures are formally documented in a QASP. This document sets forth the details as to the necessary content of a QASP and how it is used in the administration of an award.

2. APPLICABILITY. A QASP is required whenever a Contracting Officer's Representative (COR) is appointed to a service contract. However, a Contracting Officer (CO) can exempt the QASP requirement if a written, justifiable reason is provided.

3. BACKGROUND.

a. The QASP is the key Federal Government-developed surveillance process document that is applied to service contracts and is used to manage contractor performance assessment by ensuring that systematic quality assurance methods are utilized to validate that the contractor's quality control efforts are timely, effective, and are delivering the results specified in the contract or task order. The QASP directly corresponds to the performance objectives and standards (i.e., quality, quantity, timeliness) specified in the Performance Work Statement (PWS) and details how, when and by whom the Federal Government will survey, observe, test, sample, evaluate, and document contractor performance results to determine whether the contractor has met the required standards for each objective in the PWS.

b. It is the policy of the Federal Government that agencies use performance-based contracting to the maximum extent practicable when acquiring services. Agencies shall carefully select acquisition and contract administration strategies, methods, and techniques that best accommodate the requirement.

c. The QASP and Performance Based Acquisitions are addressed in FAR Subparts 37.6 and 46.4, DFARS Subparts 237.1, 246.1, and AFARS Subpart 5137.5. This policy is intended to supplement those sections and explain how they are implemented at this Activity. Nothing in this policy is intended to replace or conflict with the regulations cited.

Contract Specialists and COs are encouraged to become familiar with the listed citations in addition to this policy. This PAN should be read in conjunction with PAN 11-01 - Administration and Surveillance of Service Contracts.

4. DEFINITIONS.

a. **Performance-Based Acquisitions (PBA)** - Involves acquisition strategies, methods, and techniques that describe and communicate measurable outcomes rather than direct performance processes. It is structured around defining a service requirement in terms of performance objectives and providing contractors the latitude to determine how to meet those objectives. It is a method for acquiring what is required and placing the responsibility for how it is accomplished on the contractor.

b. **Performance Work Statement (PWS)** - The PWS should state requirements in general terms of what (result) is to be done, rather than how (method) it is done. The PWS gives the contractor maximum flexibility to devise the best method to accomplish the required result. The PWS must be written to ensure that all offerors compete equally. The PWS must also be descriptive and specific enough to protect the interests of the Federal Government and to promote competition. The clarity and explicitness of the requirements in the PWS will invariably enhance the quality of the proposals submitted. A definitive PWS is likely to produce definitive proposals, thus reducing the time needed for proposal evaluation. It is developed with the QASP.

c. **Quality Control (QC) Plan** – It explains the quality measures they will undertake to perform the PWS. It is developed by the Contractor for their internal use to ensure that they perform and deliver quality service. Often, the QC Plan is part of the Contractor's original proposal.

d. **Quality Assurance Surveillance Plan (QASP)** – The Federal Government's plan to assess contractor performance. The QASP is used to make sure that systematic quality assurance methods are used in administration of the service contract. The QASP details how and when the Federal Government will survey, observe, test, sample, evaluate, and document Contractor performance according to the PWS. The QASP is written in conjunction with the PWS, because what is written into the PWS influences what is put into the QASP. After award, following the procedures in the QASP, the COR can determine if the Contractor-provided service meets the contract quality standards. The QASP is critical to smooth and effective contract administration and lays the groundwork for appropriate incentives.

e. **Performance Requirement Summary (PRS)** – A PRS is not a QASP. The PRS contains information about the key services that a Contractor is required to perform; standards to enable the testing of the quality of a Contractor's performance; and surveillance methods to be used.

f. Contracting Officer Representative (COR) – The COR will be responsible for monitoring, assessing, recording and reporting on the technical performance of the contractor. The COR will also be responsible for making customers aware of contract requirements, investigating and validating customer complaints and ensuring that the contractor takes appropriate corrective action.

g. Acceptable Quality Level (AQL) - The worst case quality level that is still considered acceptable. It consists of a quality standard that allows a pre-specified number of defects. A performance measure that is typically stated as an allowable variation from the PWS performance indicator.

5. PROCEDURES

a. Basic Elements of a QASP

- (1) Delineation of specific services to be surveilled.
- (2) Methods of Surveillance
- (3) Frequency of Surveillance. The level of surveillance described in the QASP should be commensurate with the dollar value and complexity of the acquisition.
- (4) Incentives or penalties for stellar or subpar performance (Optional)

b. Level of Surveillance

- (1) The level of surveillance described in the QASP should be commensurate with the dollar value and complexity of the acquisition.
- (2) A QASP for simple, small dollar services need not be complicated. Examples can be found in Appendix A.
- (3) Development of a QASP for complex services should include the input of the requiring activity. It should be developed along with the PWS.

c. Writing the QASP

(1) A QASP does not detail how the contractor accomplishes the work. Instead, the QASP is created on the premise the contractor is responsible for management and quality control actions to meet the terms of the contract. It is the government's responsibility to be objective, fair, and consistent in evaluating performance. In addition, the QASP should recognize that unforeseen and uncontrollable situations, such as acts of God (bad weather or earthquakes) or situations resulting from a combat environment, may occur.

(2) The QASP is a living document, and the Contracting Officer may review and revise it on a regular basis. However, the Contracting Officer shall coordinate changes with the contractor. Updates must ensure the QASP remains a valid, useful, and enforceable document. The contractor and the CORs implementing the surveillance activities must receive copies of the original QASP and any subsequent revisions.

(3) There is no one proper format for the preparation of a QASP. As long as it contains the elements in paragraph 5.a., the QASP can vary to fit a particular acquisition. Appendix B contains some samples of QASPs written for more complex acquisitions. Additional examples can be found online at <https://www.acquisition.gov/sevensteps/library3.html>.

d. Methods of Surveillance

(1) After contract award, the COR should review the performance standards in the contract to determine if the selected monitoring methods are appropriate to monitor each performance standard. Within a QASP, multiple surveillance methods may be used. Inspection methods should be tailored to the type of service performed.

(2) Various methods exist to monitor performance. The COR will use one or more of the surveillance methods listed below. However, regardless of the surveillance method, the COR must always contact the Contracting Officer when a defect is identified and inform he/she of the specifics of the problem.

(3) Contractor performance must be monitored in some fashion to determine the rate of success. As much as possible, human biases should be eliminated from the surveillance process. The objective is to assess the contractor's performance against established performance standards. The following procedures are the most common methods of surveillance:

(a) Random sampling. Receipt of acceptable performance is based on a percentage of successful assessments. Random sampling is the most appropriate method for frequently recurring, homogenous tasks. It estimates a contractor's overall level of performance.

(b) Planned sampling. Evaluations are scheduled for specific intervals or dates. This sampling may be appropriate for tasks that occur infrequently.

(c) One hundred percent inspection. Only appropriate for the most stringent requirements where health or safety is on the line. This process is very expensive.

(d) Customer feedback. Allows end users to evaluate and provide feedback on the service received. This form of surveillance is useful for areas that do not lend themselves to observation. Because of this, evaluators can focus time in other areas. With this approach, it is important the end-users providing feedback understand the contract performance standards.

(e) Unscheduled Inspections – These are impromptu and unexpected by the contractor.

(4) Surveillance results may be used as the basis for actions (to include payment deductions) against the contractor.

(5) When unacceptable performance occurs, the COR must inform the contractor in writing unless circumstances necessitate verbal communication. In any case, the COR must document the discussion and place it in the COR's file.

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APPENDIX A

SIMPLE QASP SAMPLES
Sample 1
QUALITY ASSURANCE SURVEILLANCE PLAN

INTRODUCTION

This Quality Assurance Surveillance Plan (QASP) has been developed to evaluate contractor actions while implementing this SOW. It is designed to provide an effective surveillance method of monitoring contractor performance for each listed objective on the Service Delivery Summary (SDS) in the maintenance contract.

The QASP provides a systematic method to evaluate the services the contractor is required to furnish.

This QASP is based on the premise the government desires to maintain a quality standard in operating, maintaining, and repairing facilities and that a service contract to provide the service is the best means of achieving that objective.

The contractor, and not the government, is responsible for management and quality control actions to meet the terms of the contract. The role of the government is quality assurance to ensure contract standards are achieved.

In this contract the quality control program is the driver for product quality. The contractor is required to develop a comprehensive program of inspections and monitoring actions. The first major step to ensuring a "self-correcting" contract is to ensure that the quality control program approved at the beginning of the contract provides the measures needed to lead the contractor to success.

Once the quality control program is approved, careful application of the process and standards presented in the remainder of this document will ensure a robust quality assurance program.

**QUALITY ASSURANCE SURVEILLANCE PLAN
 ENVIRONMENTAL PROTECTION SERVICES**

Performance Objective	Performance Threshold
Manage base environmental protection program	Zero notice of violations, 100% of time
Monitor wastewater and storm water discharge	Compliance within permit levels 100% of time
Identify, remove, and properly dispose of asbestos, lead based paint, and PCBs	100% of time
Maintain a Hazardous Waste Program	100% of time
Meet all requirements for an effective Pollution Prevention Program	100% of time
Submit recycling plan and maintain recycling program	Submit plan within 30 days after contract start
Perform spill containment and clean up for hazardous material spills	Contain and cleanup spills 100% of time
Manage a base energy conservation program	Submit reports timely, 100% of time
Prepare and coordinate environmental impact analysis with the government	Submit reports timely, 100% of time

STANDARD: The performance thresholds established for each of the performance objectives are the number of defects permitted before the quality assurance (QA) person notifies the contracting officer for appropriate action in accordance with FAR 52.212.4, Contract Terms and Conditions-Commercial Items (May 1997) or FAR 52.246-4, Inspection of Services – Fixed Price, as appropriate. (THE SPECIFIC NUMBERS SHOWN IN THE "PERFORMANCE THRESHOLD" COLUMN ARE EXAMPLES ONLY. INSTALLATIONS SHOULD ENTER THE SPECIFIC THRESHOLDS APPLICABLE TO THEM. ENSURE THE THRESHOLDS ARE MEASURABLE)

SURVEILLANCE: Government QA personnel will conduct monthly evaluations of all of the above SDS items. Government QA personnel may also receive complaints from base personnel and other Government representative(s) and pass them to the

contractor's quality control inspector (QCI) for correction. Customer's complaints may be submitted by any form of communication, including fax and e-mail.

PROCEDURES:

Monthly Evaluations: The Government's QA person will visit the appropriate work area of the contractor and either observe the contractor performing the tasks or review documentation, as appropriate. The QA will notify the contractor's supervisor of any defects in performance and permit the contractor to re-perform the service. If the contractor cannot or will not re-perform the defective service, the QA will notify the contracting officer if the performance thresholds are exceeded.

The QA may also perform the monthly evaluations through evaluations of the contractor's quality assurance program, which was previously approved by the government. The contractor shall submit the monthly quality control schedule to the QA before the first of each month. The QA may perform inspections in any number of ways. The QA may accompany the QCI on scheduled inspections and observe the QCI inspecting the service to ensure defects are corrected. The QA may immediately inspect the same area as the QCI as soon as the QCI has completed the QC inspection to determine if any surveillance areas were overlooked. The QA may inspect an area prior to QCI and compare results. The QA will record defects if QCI fails to record performance defects and defects are not corrected. The QA will notify the contracting officer if the performance thresholds are exceeded.

Customer Complaints: Any base employee observing unacceptable services or quality of work for any of the above items would immediately contact the government quality assurance person. The QA will initially consider the complaint valid, verbally notify the QCI, and document the complaint. The QA then lets the customer know when the defect should be corrected. The QA advises the customer to contact the evaluator if the defect is not corrected. The QA considers customer complaints resolved unless otherwise notified by the customer. It is the contractor's responsibility to obtain a copy of the written customer complaint from the government QA. The QCI will be given two hours after verbal notification from the government evaluator to correct the unacceptable performance defect. If the QCI disagrees with the complaint and challenges the validity of the complaint, the QCI will notify the QA. The QA validates the complaint by investigating the defect. If the complaint is invalid, the QA will document the findings and notify the customer. The QA retains a copy of the written complaint. After investigation, if the QA determines the complaint as valid, the QA informs the QCI. The QCI is given an additional hour to correct the defect. Defects will not be recorded if proper and timely correction of the unacceptable condition(s) is accomplished. The QCI shall return documentation to the QA of the actions taken to remedy the situation. The QA documents the data for future recurring performance.

Sample 2

Quality Assurance Surveillance Plan
Listing of Acceptable Quality Levels (AQL)

Indicators/Tasks	Weight	Standard/AQL	Degree of Deviation	Method of Surveillance	Incentive (+/-)	Date and Degree Accepted
1 Software Design	35%	81-90% Performance assessment	91-100%(+) 81-90%Standard AQL 71% (-)	6 Months Project Officer Performance Assessment	91-100% = 100% of AAF (+) 81-90% = 90% of AAF (AQL) 71-80% = 80% of AAF (-) Below 71% = 0% of AAF	
2 Software Development and Maintenance	50%	81-90% Performance assessment	91-100%(+) 81-90%Standard AQL 71% (-)	6 Months Project Officer Performance Assessment	91-100% = 100% of AAF (+) 81-90% = 90% of AAF (AQL) 71-80% = 80% of AAF (-) Below 71% = 0% of AAF	
3 Daily Operations	10%	<48 Hours response to Project Officer	<24 (+) <48 Normal (AQL) <72 (-)	6 Months Review	<24 hrs = 100% of AAF (+) <48hrs = 90% of (AQL) <72 hrs = 80% of AAF (-) >72 hrs = 0% of AAF	
4 Overall User Satisfaction	5%	90% User satisfaction	91-100%(+) 81-90%Standard AQL 71% (-)	6 Months User Surveys	91-100% = 100% of AAF (+) 81-90% = 90% of AAF (AQL) 71-80% = 80% of AAF (-) Below 71% = 0% of AAF	

% achieved equated to \$ _____ of the allowable award fee for the period.

% Achieved _____

Project Officer _____

This will be sent to the Contractor every quarter (3 months) and on a six (6) month interval the Contractor will be notified what dollar amount of the available award fee to bill.

[Please note that AQL = Acceptable Quality Level and AAF = Available Award Fee.]

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APPENDIX B

Attachment 6

QUALITY ASSURANCE PLAN
Contract No. T-99-0001
Seat Management Services

I. **Objective:** The purpose of this plan is to provide a quality surveillance plan for seat management services performed at the Department of the Treasury. This plan provides a basis for the Contracting Officer's Technical Representative (COR) to evaluate the quality of the Contractor's performance. The oversight provided for in the contract and in this plan will help to ensure that service levels reach and maintain the required levels throughout the contract term. Further, this plan provides the COR with a proactive way to avoid unacceptable or deficient performance, and provides verifiable input for the required annual past performance evaluations.

II. **Performance Standards:**

A. **Quality Level:** By monitoring the Contractor, the COR will determine whether the performance levels set forth in the contract have been attained. Quality standards (i.e., performance standards) for all tasks are specified in the Performance Work Statement (PWS), Sections XX and XXX/

B. **Frequency:** Prior to contract award, the COR will evaluate the current levels of performance, according to the standards set forth in this contract. During performance of this contract, the COR will take periodic measurements (i.e., conduct surveillance), as specified, and will analyze whether the negotiated frequency of measurement is appropriate for the work being performed. Adjustments may only be made by a modification to the contract.

C. **Management Responsiveness:** The COR will determine whether the Contractor has managed the contract effectively and efficiently, with successful and timely response to help desk/service calls, special requirements, technology refreshment, configuration management, etc., as specified in the quality standards set forth in Section XXX of the PWS. The COR will confirm whether the Contractor has satisfactorily met all reporting requirements, including subcontracting reports when applicable.

III. **Evaluation Methods:** The COR will conduct performance evaluations based upon Section II above and the required performance levels set forth in the contract. The following techniques will be used to perform surveillance:

A. **Random Call Log Inspections.** The COR will perform random checks of the call log at least once per week. Customers will be contacted for feedback on Contractor performance, and data will be collected as described in the contract. Issues that are targeted by customer feedback or complaints will be closely monitored and tracked until

resolved. Any discrepancies noted in the call logs and customer feedback will be discussed with the Contractor as soon as practicable. Results of these meetings shall be documented by the COR, along with the COR's other findings.

B. Network Performance Report. The COR will review performance records of the local/wide area networks to ensure that the required availability has been provided. Outages, problems, repairs, resolutions, etc. shall be noted and availability calculated as stated in the contract. Results shall be shared with the contracting officer.

C. Service Level Monitoring. The Contractor is required to provide sufficient qualified personnel to maintain system availability, resolve problems, and keep operations running as smoothly as possible. Customer feedback will be sought and trouble-call logs shall be reviewed to ensure that reported problems are resolved as quickly and efficiently as possible. Further, the COR will review measures taken by the Contractor to keep all customers informed of situations that may affect performance of their desktop computers or other network applications. It is essential that effective communications take place to ensure a high level of customer satisfaction.

OHR Operational and Customer Service Support Contract
50/52PAPT301014

ATTACHMENT F

SAMPLE QUALITY ASSURANCE SURVEILLANCE PLAN (QASP)
Applicable for the
USPTO OHR Operational and Customer Service Support Contract

1. PURPOSE

This Quality Assurance Surveillance Plan (QASP) is a Government developed and applied document used to make sure that systematic quality assurance methods are used in the administration of the Performance Based Service Contract (PBSC) standards included in this contract and in subsequent task orders issued thereunder. The intent is to ensure that the Contractor performs in accordance with performance metrics set forth in the contract documents, that the Government receives the quality of services called for in the contract and that the Government only pays for the acceptable level of services received.

2. AUTHORITY

Authority for issuance of this QASP is provided under Contract Section E – Inspection and Acceptance, which provides for inspections and acceptance of the articles, services, and documentation called for in task orders to be accomplished by the Contracting Officer or his duly authorized representative.

3. SCOPE

To fully understand the roles and the responsibilities of the parties, it is important to first define the distinction in terminology between the Quality Control Plan and the Quality Assurance Surveillance Plan. The Contractor, and not the Government, is responsible for management and quality control actions necessary to meet the quality standards set forth by the contract and follow-on task orders. The Contractor develops and submits his

Quality Control Plan (QCP) for Government approval in compliance with his contract deliverables. Once accepted, the Contractor then uses the QCP to guide and to rigorously document the implementation of the required management and quality control actions to achieve the specified results. The QASP on the other hand, is put in place to provide

Government surveillance oversight of the Contractor's quality control efforts to assure that they are timely, effective and are delivering the results specified in the contract or task order. The QASP is not a part of the contract nor is it intended to duplicate the Contractor's QCP. The Government has provided the Contractor an informational copy of the QASP as an Attachment to the solicitation to support the Contractor's efforts in

developing a QCP and for providing the contractor an opportunity to comment and propose innovative solutions for the Government's QASP.

4. GOVERNMENT RESOURCES

The following definitions for Government resources are applicable to this plan:

Contracting Officer - A person duly appointed with the authority to enter into, administer, or terminate contracts and make related determinations and findings on behalf of the Government.

Project Officer - An individual designated in writing by the Contracting Officer to act as his authorized representative to assist in administering a contract. The source and authority for a Project Officer is the Contracting Officer. Project Officer limitations are contained in the written letter of designation.

Technical Monitor - An individual appointed by the Project Officer to act as his authorized representative for the technical administration of specific task order(s) issued under the contract. The duties and limitations of the Technical Monitor are contained in a written letter of designation and/or in the body of the issued task order.

5. RESPONSIBILITIES

The Government resources shall have responsibilities for the implementation of this QASP as follows:

Contracting Officer – The Contracting Officer ensures performance of all necessary actions for effective contracting, ensures compliance with the terms of the contract and safeguards the interests of the United States in the contractual relationship. It is the Contracting Officer that assures the Contractor receives impartial, fair, and equitable treatment under the contract. The Contracting Officer is ultimately responsible for the final determination of the adequacy of the Contractor's performance.

Project Officer - The Project Officer is responsible for technical administration of the project and assures proper Government surveillance of the Contractor's performance. The Project Officer is not empowered to make any contractual commitments or to authorize any contractual changes on the Government's behalf. Any changes that the Contractor deems may affect contract, price, terms, or conditions shall be referred to the Contracting Officer for action.

Technical Monitor – The Technical Monitor provides detailed technical oversight of the Contractor's performance and reports his or her findings to the Project Officer in a timely, complete and impartial fashion to support the Project Officer's technical administration activities. While the Technical Monitor may serve as a direct conduit to provide Government guidance and feedback to the Contractor on technical matters, he or she is not empowered to make any contractual commitments or to authorize any contractual changes on the Government's behalf. Any changes that the Contractor deems may affect contract, price, terms, or conditions shall be referred to the Contracting Officer for action.

6. METHODS OF QA SURVEILLANCE

The below listed methods of surveillance shall be used in the administration of this

QASP. In addition to specific instructions that may be mentioned, the appropriate and standardized form that is to be used for documentation of QA surveillance is the Surveillance Activity Checklist, included as Attachment A.

Customer Feedback – Customer feedback may be obtained either from the results of formal customer satisfaction surveys or from random customer complaints. Customer complaints, to be considered valid, must set forth clearly and in writing the detailed nature of the complaint, must be signed and must be forwarded to the Project Officer. The Project Officer shall maintain a summary log of all formally received customer complaints as well as a copy of each complaint in a documentation file. The Project Officer shall also keep the tabulated results of all customer satisfaction surveys on file and shall enter the summary results into the Surveillance Activity Checklist.

100% Inspection - This level of inspection shall be accomplished by monitoring and documentation. Each month, the Project Officer, or if so designated the appropriate Technical Monitor, shall review the generated documentation and enter summary results into the Surveillance Activity Checklist.

Periodic Inspection - Periodic inspections shall be conducted if and when specified in individual task orders. For the potential tasks that have been identified so far and included in this QASP, the appropriate Technical Monitor typically performs the periodic inspection on a monthly basis.

Random Monitoring - Random monitoring shall be conducted if and when specified in individual task orders. For the potential tasks that have been identified so far and included in this QASP, the random monitoring shall be performed by the Project Officer or by the appropriate designated Technical Monitor.

7. IDENTIFIED QA SURVEILLANCE TASKS

The following PBSC items are identified within the OHR contract Statement of Work to be applicable on a wide basis and are to be monitored under this QASP.

See the Performance Requirements Summary and Section B.9.1

For Each Contract Task

Performance Requirement – As agreed upon between the Contractor and USPTO

Performance Standard - As agreed upon between the Contractor and USPTO

Method of Measurement – As agreed upon between the Contractor and USPTO

Performance Metrics – As agreed upon between the Contractor and USPTO

Performance Incentives – As agreed upon between the Contractor and USPTO

8. DOCUMENTATION

The Project Officer will, in addition to providing documentation to the Contracting Officer, maintain a complete Quality Assurance file. The file will contain copies of all reports, evaluations, recommendations, and any actions related to the Government's performance of the quality assurance function, including the originals of all Surveillance Activity Checklists. All such records will be retained for the life of this contract. The Project Officer shall forward these records to the Contracting Officer at termination or completion of the contract.

9. ATTACHMENTS

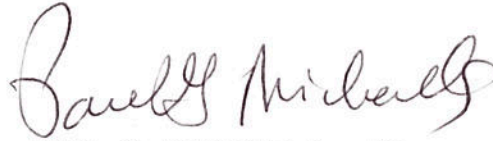
Attachment A – Surveillance Activity Checklist

ATTACHMENT A

Surveillance Activity Checklist

Performance Requirement	Performance Standard	Method of Measurement	Performance Metrics	Method of Surveillance	Date Accomplished	Compliance (Exceeded, Met or Partially Met)

5. PROPONENT. The proponent for this notice is the USAMRAA Chief of Staff.

A handwritten signature in cursive script, reading "Paul G. Michaels".

PAUL G. MICHAELS, eJD
Principal Assistant Responsible
for Contracting