

Department of Energy
Post Competition Accountability (PCA)
Training

Module 3: Quality Assurance Surveillance Training

Training Presentation
March 21, 2007



Opening Remarks



Available PCA Training

- Module 1: Executive PCA Training
- Module 2: PCA Practitioner's Training
- Module 3: Quality Assurance Surveillance Training
 - ✓ Quality Assurance Evaluators (QAEs)
 - ✓ Residual Organization (RO) Personnel
- Module 4: Quality Control Training
- Module 5: MEO PCA Toolkit

Training Objectives

- Understand OMB PCA Requirements
- Understand the Quality Assurance Surveillance Plan (QASP)
- Understand the QA and Surveillance Procedures and Process
- Understand the differences between Quality Control (QC) and Quality Assurance (QA)
- Understand the Roles and Responsibilities of the Quality Assurance Evaluators (QAEs)

Module 3: Quality Assurance Surveillance Training Agenda

- PCA Overview
- OMB Circular A-76 PCA Requirements
- PCA Roles and Responsibilities
- Quality Assurance Surveillance

PCA Overview



PCA Overview

- What is Post Competition Accountability?
- Policy and Guidance
- A-76 Timeline

What is Post Competition Accountability?

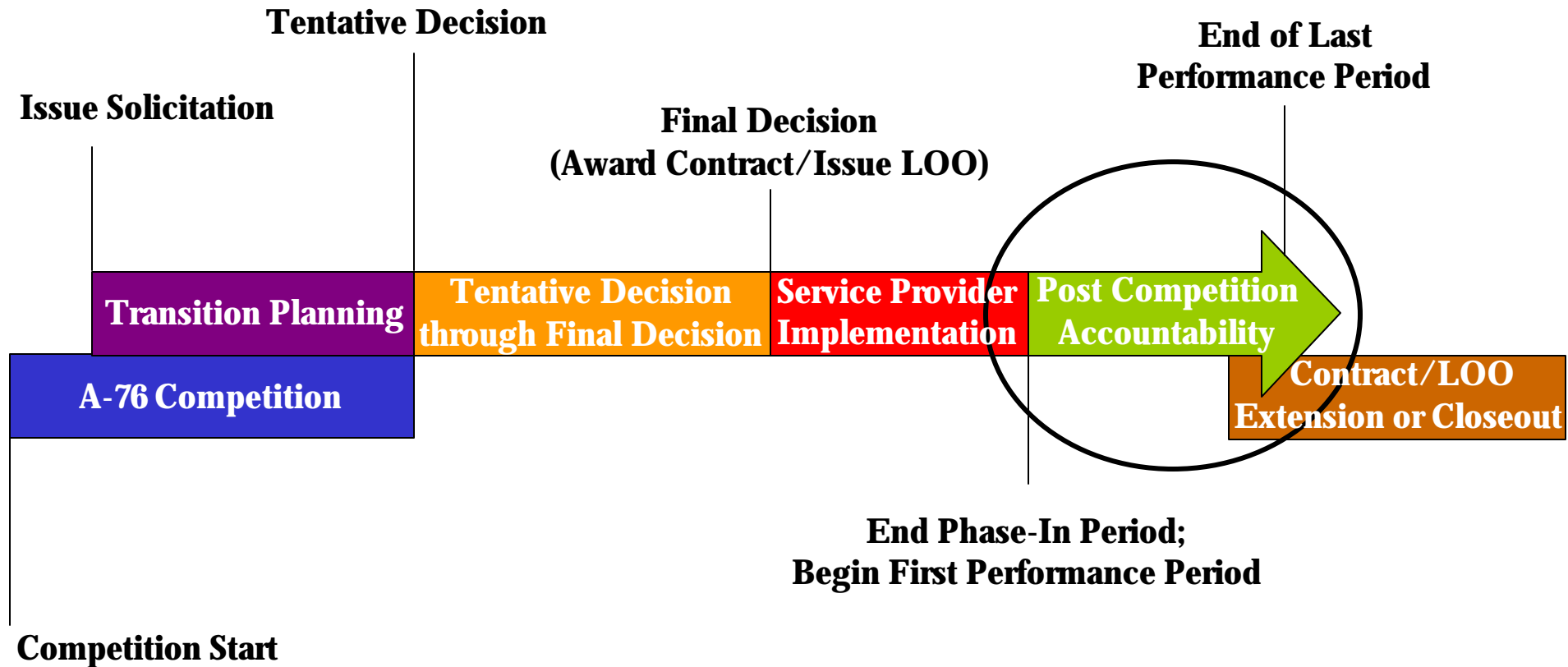
- PCA is an important phase of the A-76 Process to measure and monitor the cost and performance of the Service Provider (SP) throughout all performance periods in accordance with the competition documents
- PCA is required regardless of whether the SP is a contractor or the MEO
- PCA is required for both streamlined and standard competitions
- PCA includes documenting changes in scope and required resources for a contract or Letter of Obligation (LOO)
- PCA documentation can be used in re-competitions for past performance history
- PCA if implemented properly, can establish standards for the MEO designation as a High Performing Organization (HPO)

SP =
Contractor
or MEO

Policy and Guidance

- President's Management Agenda (PMA)
- Office of Management and Budget (OMB) Circular A-76, May 29, 2003
- DOE Competitive Sourcing Program Operating Guidelines, June 1, 2004
- DOE Post Competition Accountability Handbook

A-76 Timeline



OMB Circular A-76 PCA Requirements

OMB Circular A-76 PCA Requirements

Office of Competitive Sourcing /A-76 (OCS) Responsibilities

- Agencies shall post best practices and lessons learned resulting from an A-76 competitions on SHARE A-76!
- Agencies shall maintain a database to track the execution of their A-76 competitions
- Agencies shall submit a quarterly Competitive Sourcing Report to OMB
- Agencies shall complete another streamlined or standard competition by the end of the last period of performance unless a specific exemption is granted by the Competitive Sourcing Official

RO/MEO Monitor and MEO Responsibilities

- Agencies shall measure and monitor cost and performance for all performance periods

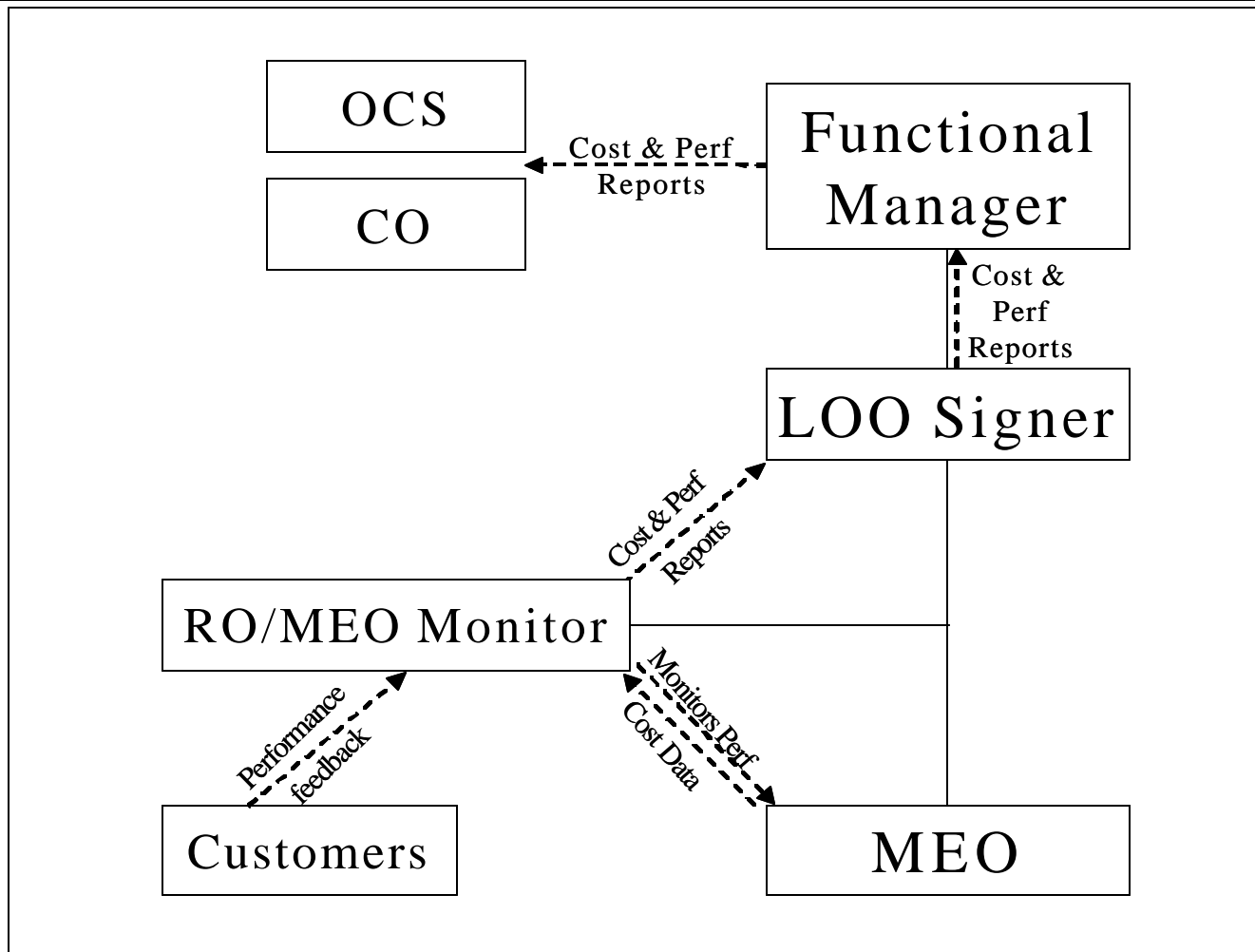
OMB Circular A-76 PCA Requirements for Measuring and Monitoring Performance – RO Responsibilities

Regardless of the selected service provider, after implementing a performance decision, an agency shall:

- ✓ Monitor performance for all periods stated in the solicitation
- ✓ Implement the Quality Assurance Surveillance Plan (QASP)
- ✓ Retain the Solicitation and any other documentation from the Streamlined or Standard competition
- ✓ Maintain the currency of the contract file, consistent with Federal Acquisition Regulation (FAR) Subpart 4.8, for the contract or LOO
- ✓ Record the actual cost of performance by performance period
- ✓ Monitor, collect, and report performance information consistent with FAR Subpart 42.15 for purposes of past performance evaluation in a follow-on competition

PCA Roles and Responsibilities

Roles and Responsibilities – Process Flow



Roles and Responsibilities – RO

- The RO is responsible for ensuring the SP is performing the requirements and meeting the performance standards as defined in the Performance Work Statement (PWS), Performance Requirements Summary (PRS) and QASP.
 - ✓ Ensure SP accomplishment of the requirements and workload as defined in the PWS
 - ✓ Implement the QASP to monitor SP compliance with all performance standards (quality and timeliness)
 - ✓ Perform record-keeping requirements
 - ✓ When SP scope of work changes, develop modification to the contract or LOO and associated resource requirements
 - ✓ Submit quarterly SP cost and performance reports to OCS for the quarterly Competitive Sourcing Report to OMB

Quality Assurance Surveillance

QA Surveillance

- Overview
- Quality Assurance Surveillance Plan (QASP)
- QA Procedures and Processes
- Roles and Responsibilities

Overview – Purpose

- To hold the MEO SP accountable in meeting all performance standards
- Conforms to “Inspection of Services” clause, FAR 52.246-4
- The RO will evaluate the MEO's performance (will become part of the audit trail for the IV&V Reviews and past performance history for source selection evaluation)

Overview – Purpose (continued)

- The QASP has been developed to provide the QAEs with an effective and systematic surveillance method for each requirement listed in the PRS of the PWS
- The QAE's work is based on the premise that the Government desires to maintain consistent and acceptable quality levels of performance in all functional areas, as defined by the PWS

Overview – QA versus QC

- **Quality Control:** Internal to the MEO and applies routine and systematic methods to measure the output and conform to PWS requirements so that the Acceptable Quality Levels (AQLs) are met or are exceeded
- **Quality Assurance Surveillance:** Auditing the MEO's systems, comparing the MEO's performance to requirements, and monitoring of outcomes
 - ✓ The QAE will determine whether the MEO or the RO is the cause of any detected problem
 - ✓ If the cause is outside the MEO, corrective action will be taken by the RO
 - ✓ If the cause rests with the MEO, corrective action will be taken by the MEO

Overview – QA versus QC

➤ **Quality Control:**

- ✓ The routine internal MEO measurement of conformance
- ✓ Is on-going and constant by the MEO

VS.

➤ **Quality Assurance:**

- ✓ Oversight applied by the RO to provide evaluations of the MEO's methods of measurement and/or the conformance to minimum AQL
- ✓ Variable and normally uses samples to determine the probability that the performance of the MEO conforms to requirements of the PWS

Overview – QA versus QC

- **Quality Control:** Performed by the MEO, implementing the Quality Control Plan submitted in response to the solicitation
- **Quality Assurance:** Performed by QAEs in the RO, measuring MEO performance against standards in the QASP to determine whether the AQLs were met

QASP

- Organization
- Performance Standards
 - ✓ Requirement and Performance Standard
 - ✓ AQL
 - ✓ Surveillance Methods
- Sampling Guides
- QA Forms

QASP – Organization of the QASP

- Provides a systematic method to evaluate whether the MEO is meeting its performance requirements
- Provides a QA definition, QA Goals, and Description of the QA Surveillance Methods
- Provides instructions on how to use the QASP and QA Inspection Procedures
- Provides Sampling Guides
- Provides all QA documentation needed to conduct QA and maintain QA Surveillance documentation

QASP – Organization of the QASP

TABLE OF CONTENTS

<u>REFERENCE:</u>	<u>PAGE:</u>
INTRODUCTION	3
1.1 PURPOSE.....	3
1.2 GOALS OF QUALITY ASSURANCE	3
1.3 QUALITY ASSURANCE EVALUATOR (QAE).....	4
1.4 COORDINATION BETWEEN SERVICE PROVIDER AND GOVERNMENT	5
1.5 SERVICES TO BE EVALUATED	5
1.6 REVISIONS TO QASP	9
HOW TO USE THE SURVEILLANCE PLAN.....	10
2.1 DEFECTS AND DEFECTIVE SERVICES	10
2.2 SURVEILLANCE METHODS AND PROCEDURES	11
2.3 SUPPORTING DOCUMENTATION.....	20
SAMPLING AND INSPECTION GUIDE	26
3.1 Sampling Guide for PRD.....	26
CUSTOMER COMPLAINT GUIDE & SUPPORTING DOCUMENTATION ...	39

Relationship between QASP and PRS

- The PRS includes **Performance Standards** and **AQLs** for various work requirements in the PWS. The PRS is a Technical Exhibit of the PWS, which was included in the solicitation and subsequent contract or LOO.
- The QASP includes the same Performance Standards and AQLs, with instructions for how to measure MEO performance against them

QASP – Performance Standards

PWS Ref No.	SERVICE PERFORMED	PERFORMANCE STANDARD	ACCEPTABLE QUALITY LEVEL (AQL)
C-2.3.7.1	Perform remote and on-site technical troubleshooting, repair and upgrade of existing standalone and networked PCs, software, and peripheral equipment.	Bring equipment back to proper operational status within 8 work hours for remote support, or 3 workdays for on-site support, unless hardware repair/ replacement is required.	99% Lot = work orders/month

QASP – Performance Standards

- Performance Standards measure the expected levels of service in terms of quantity, quality and timeliness
- Performance standards are used in a performance-based PWS to:
 - ✓ assess (i.e., inspect and accept) the work during a period of performance;
 - ✓ provide a common output-related basis for preparing private sector offers and public tenders; and
 - ✓ compare the offers and tenders to the PWS

QASP – Performance Standards

- Acceptable Quality Level (AQL)
 - ✓ It is the allowable variance from a standard expressed by narrative description before the Government will reject the specific service.
 - ✓ The maximum percent considered satisfactory for purposes of a sampling inspection
 - ✓ Each performance standard should have an assigned AQL
 - ✓ AQLs are listed in both the QASP and the PRS

QASP – Performance Standards vs. AQLs

- The **performance standard** defines the expected level of service
- The **AQL** defines the level of service that is unacceptable

QASP – Surveillance Methods

- Surveillance Methods
 - ✓ Random Sampling
 - ✓ Periodic Inspection (Planned Sampling)
 - ✓ One Hundred Percent (100%) Inspection
 - ✓ Validated Customer Complaints
 - ✓ Unscheduled Inspections

QASP – Surveillance Methods

➤ Random Sampling

- ✓ A mathematical statistical process
- ✓ Designed to inspect a sample of the requirements being monitored
- ✓ Specific occurrences of requirements are selected for evaluation after they have been accomplished
- ✓ The QAE is able to infer or compare the result of the sample to overall performance with statistical confidence that the sample represents the whole
- ✓ Random numbers can be generated at random.org

QASP – Surveillance Methods

- Periodic Inspection (Planned Sampling)
 - ✓ A more subjective process
 - ✓ Designed to inspect some, but not all, occurrences of the requirements being monitored
 - ✓ Specific occurrences of requirements are selected for evaluation prior to their accomplishment
 - ✓ The QAE is able to direct efforts to those areas where inspection is most needed
 - ✓ Does not provide a means of making comparisons between observed and overall performance

QASP – Surveillance Methods

- One Hundred Percent Inspection
 - ✓ Requires that every occurrence of a performed requirement be inspected
 - ✓ Requirements evaluated by this method are those that occur infrequently, are essential, or are costly to perform
 - ✓ Evaluation schedules are consistent with the frequency of the requirement
 - ✓ Used rarely because it is costly and time-consuming

QASP – Surveillance Methods

- Validated Customer Complaint
 - ✓ Based on customer awareness of requirements
 - ✓ Poor performance or nonperformance causes the customer to notify the QAE or RO using a formal process
 - ✓ The QAE must validate the complaint
 - ✓ Once validated, QAE documents each case to a conclusion
 - ✓ The numbers of complaints and resulting inspections are dependent upon customer awareness and response
 - ✓ Cannot be scheduled prior to work accomplishment
 - ✓ Supplement to other surveillance techniques
 - ✓ If a defect is found the MEO is notified for corrective action

QASP – Surveillance Methods

➤ Unscheduled Inspection

- ✓ The RO may conduct Unscheduled Inspections of the MEO's performance at anytime or anyplace
- ✓ Enables the QAE to evaluate "as needed" where an increased level of surveillance is thought to be necessary
- ✓ Used to evaluate requirements that have no specified surveillance method
- ✓ Whenever conducted, regardless of the outcome, an "*Unscheduled Inspection Report*" should be used as the official documentation of the evaluation

QASP – Sampling Guides

- Review and/or Develop Sampling Guides
 - ✓ Sampling Guides provide QAEs with comprehensive instructions on how to inspect and document the quality of work performed by the MEO
 - ✓ The QASP should have a Sampling Guide for each performance standard
 - ✓ If Sampling Guides are not provided, Sampling Guides will need to be created for each performance standard

QASP – Surveillance Schedule

- Develop monthly surveillance schedule for the requirements in the PRS to be monitored
- Surveillance schedules should be completed by the end of the last workday of the preceding month
- Surveillance schedules should identify the activities each QAE will monitor for each day and the inspection times
- Knowledge of the QAE surveillance schedule should be restricted to RO personnel

QASP – QA Surveillance Forms

- The QASP should obtain and understand all QA Surveillance Forms required to perform QA Surveillance
- QA Surveillance Form should be reviewed to ensure QAEs understand how to use each form prior to conducting QA Inspections
- Forms may be modified or new forms developed
- Forms Include:
 - ✓ QA Surveillance Schedule
 - ✓ QA Surveillance Activity Checklist
 - ✓ Deficiency Report
 - ✓ Customer Complaint Form and Record
 - ✓ Unscheduled Inspection Form

QASP – QA Surveillance Forms

QA SURVEILLANCE ACTIVITY CHECKLIST					DATE
PWS REQUIREMENT	PWS PARAGRAPH NUMBER	METHOD OF SURVEILLANCE	DATE ACCOMPLISHED	WHERE ACCOMPLISHED	COMPLIANCE

QASP – QA Surveillance Forms

SERVICE PROVIDER DISCREPENCY REPORT			1. DISCREPENCY REPORT NUMBER
2. TO: <i>(Service Provider and Manager Name)</i>		3. FROM: <i>(Name of DGR)</i>	
DATES			
PREPARED	ORAL NOTIFICATION	RETURNED BY SP	ACTION COMPLETE
4. DISCREPENCY OR PROBLEM <i>(Describe in Detail. Include PWS references. Attach Continuation Sheet if Necessary.)</i>			
5. SIGNATURE OF DGR			
6. TO: <i>(Name of DGR)</i>		7. FROM: <i>(Service Provider)</i>	
8. SERVICE PROVIDER RESPONSE AS TO CAUSE, EFFECT, CORRECTIVE ACTION AND ACTIONS TO PREVENT RECURRENCE. <i>(Attach Continuation Sheet if necessary. Cite applicable SP QC program procedures or new QC procedures.)</i>			
9. SIGNATURE OF SP REPRESENTATIVE		10. DATE	
11. GOVERNMENT EVALUATION <i>(Acceptance, partial acceptance, or rejection. Attach Coordination Sheet if necessary.)</i>			

QASP – QA Surveillance Forms

CUSTOMER FEEDBACK RECORD	
DATE AND TIME OF COMPLAINT:	
SOURCE OF COMPLAINT ORGANIZATION: INDIVIDUAL:	
NATURE OF COMPLAINT (completed by Customer or QAE):	
PWS REFERENCE:	
QAE VALIDATION	
DATE AND TIME SERVICE PROVIDER INFORMED OF COMPLAINT	NAME OF SP REPRESENTATIVE INFORMED OF COMPLAINT
ACTION TAKEN BY SERVICE PROVIDER (<i>Responsible officer</i>)	
RECEIVED AND VALIDATED BY	

QASP – QA Surveillance Forms

Unscheduled Inspection Report

Time/Date of Inspection: _____

Place of Inspection: _____

Service Inspected: _____

Specific Tasks:

(1) _____

(2) _____

(3) _____

(4) _____

Results/Remarks:

QA Procedures and Processes

- RO assigns Sampling Guides to each QAE
- QAEs establish and maintain a file for each Sampling Guide
- QAEs develop Surveillance Schedule periodically (e.g., monthly)
- RO and CO meet with the MEO to discuss QA Inspection procedures and establish a communication process to resolve deficiencies resulting from QA Inspections
- RO and CO meet with the MEO to discuss the deficiency/corrective action process to include deadlines

Roles and Responsibilities

- QAEs responsibilities:
 - ✓ Monitor MEO performance by conducting QA Surveillance and documenting deficiencies
 - ✓ Notify the MEO of any deficiencies resulting from QA Surveillance Inspections
 - ✓ Verify that the MEO takes Corrective Action to resolve any deficiencies
 - ✓ Maintain QA Surveillance Files throughout all performance periods stated in the Solicitation

Roles and Responsibilities

- The RO retains the right to:
 - ✓ Change surveillance methodology and QA procedures
 - ✓ Increase or decrease the degree of surveillance effort necessary to assure compliance
 - ✓ Develop methods for evaluating requirements against standards not included in the PWS/PRS (mainly for new requirements, with concurrence of the MEO)

Roles and Responsibilities

- MEO responsibilities:
 - ✓ Understand all Performance Standards and QA Inspection Procedures
 - ✓ Prepare for QA Inspections
 - ✓ Take corrective action on all deficiencies resulting from QA Inspections
 - ✓ Notify RO of deficiency resolutions

Available PCA Training

➤ Available PCA Training

- ✓ Module 1: Executive PCA Training

- ✓ Module 2: PCA Practitioner's Training

- ✓ Module 3: Quality Assurance Surveillance Training

- ✓ Module 4: Quality Control Training

- ✓ Module 5: MEO PCA Toolkit

QUESTIONS?