

**QUALITY ASSURANCE SURVEILLANCE PLAN
(QASP)
FOR
GRANTS.GOV SYSTEMS INTEGRATION
SERVICES**

28 April 2006

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1.0 BACKGROUND

The 2002 President's Management Agenda and Public Law 106-107, the Federal Financial Assistance Management Improvement Act of 1999, called for deployment of the Grants.gov system. The President's Management Agenda (<http://www.whitehouse.gov/omb/budget/fy2002/mgmt.pdf>), which provided the mission for Grants.gov, called for agencies to "allow applicants for Federal grants to apply for, and ultimately manage, grant funds online through a common web site, simplifying grants management and eliminating redundancies." Public Law 106-107 called for the establishment of "a common system, including electronic processes, wherein a non-Federal entity can apply for, manage, and report on the use of funding from multiple financial assistance programs..." Grants.gov was successfully launched in 2003 and provides a one-stop electronic portal where potential grant recipients can find and apply for Federal grant opportunities. The program is supported by all 26 of the major Federal grant-making agencies, with The Department of Health and Human Services (HHS) as the managing partner. The Department of Health and Human Services (HHS) has developed this Performance-based Quality Assurance Surveillance Plan (QASP) pursuant to the requirements of the Performance-based Work Statement to obtain system integration services for the Grants.gov program. The DHHS Program Management Office (PMO) will direct the efforts of the systems integrator contractor and monitor and evaluate their performance.

2.0. PURPOSE

2.1. This QASP sets forth procedures and guidelines that the DHHS PMO will use in evaluating the technical performance of the contractor. A copy of this plan will be furnished to the contractor so that the contractor will be aware of the methods that the Government will employ in evaluating performance on this contract and address any concerns that the contractor may have prior to initiating work. The Surveillance/Evaluation Methods identified in this QASP, in concert with the contractor's Quality Control Procedures (QCP), will assure the Government of satisfactory contractor performance.

The QASP is intended to accomplish the following:

- Define the roles and responsibilities of participating Government officials,
- Define the types of work to be performed with required end results,
- Describe the evaluation methods that will be employed by the Government in assessing the contractor's performance,
- Provide copies of the quality assurance monitoring forms that will be used by the Government in documenting and evaluating the contractor's performance, and
- Describe the process of performance documentation.

2.2. The QASP is a tool for use in Government administration of the task order and remains subject to revisions at any time by the Government throughout the contract performance period. Through coordination with the contracting office, the DHHS will retain the right to change the surveillance methods, metrics and Quality Assurance (QA) procedures described in the plan, or to increase or decrease the degree of surveillance efforts at any time necessary to assure contract compliance. The

DHHS will work in cooperation with the contractor and provide them with an informational copy of the QASP to enable the contractor to enhance its Quality Control Procedures (QCP).

2.3. 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.

2.4. For the purpose of this document, the acronym QAP refers to either Quality Assurance Personnel or Quality Assurance Person, depending on its context in the sentence.

3.0. ROLES & RESPONSIBILITIES

3.1. Contracting Officer (CO)

3.1.1. The CO is the only individual authorized to enter into, administer, and/or terminate contracts and make related determination and findings.

3.1.2. The CO is the only individual that is authorized to delegate (delegation must be in writing) specific contract administration duties to other individuals.

3.1.3. The CO ensures oversight and control of contracting actions. S/he will also be responsible for the day-to-day monitoring of the contractor's performance in the areas of contract compliance, contract administration, cost control and property control; reviewing of the QAP's assessment of the contractor's performance; and resolving all differences between the QAP's version and contractor's version. The CO may call upon the expertise of other Government individuals as required. The CO's procurement authorities include the following:

- FINAL authority for any decisions which produces an increase or decrease in the scope of the contract,
- FINAL authority for any actions subject to the "Changes" clause,
- FINAL authority for any decision to be rendered under the "Disputes" clause,
- FINAL authority to approve the contractor's invoices for payment, subject to the Limitation of Costs clause and the Limitation of Funds clause,
- Signatory authority for the issuance of all modifications to the contract.

3.2. Quality Assurance Personnel (QAP)— Includes Quality Assurance Evaluator (QAE), Contracting Officer's Technical Representative (COTR), and Quality Assurance Specialist (QAS) personnel –

3.2.1. QAP shall be familiar with contract terms and conditions.

3.2.2. QAP will request additional training, if needed, from the CO.

3.2.3. QAP will monitor the contractor's performance in accordance with this QASP, evaluate the contractor's performance and report the results in a monthly report, citing contractor deficiencies and

providing specific details of each deficiency cited. QAP will note and document acceptable and unacceptable performance.

3.2.4. QAP shall maintain a surveillance folder/binder containing a copy of this QASP, along with surveillance forms/reports, contract documents, and correspondence.

3.2.5. QAP shall submit surveillance reports to the CO for review.

3.2.6. It is extremely important for the QAP to establish and maintain a team-oriented line of communication with the contractor's Project Manager (PM) and the PM's staff in order to perform her/his monitoring functions. The QAP, CO and PM must work together as a team to ensure that required work is accomplished in an efficient and proper manner. Performance meetings will be held on a regular basis in order to resolve serious problems.

4.3. Contractor

4.3.1. The contractor shall control the quality of supplies or services.

4.3.2. The contractor shall tender to the Government for acceptance only those supplies or services that conform to contract requirements.

4.3.3. The contractor shall provide and maintain an inspection system or program for the control of quality that is acceptable to the Government.

4.0. SURVEILLANCE PROCEDURES

4.1. Performing Surveillance. Actual surveillance must be done as stated in this QASP. Surveillance includes scheduling, observing, documenting, and resolving performance issues discovered through surveillance. Even though the Government, through its QAP, will be monitoring the contractor's performance on a continuing basis, the volume of tasks performed by the contractor makes technical inspections of every task and step impractical. Accordingly, only some tasks will contain incentives/disincentives, as monitored and evaluated as specified in the Performance Requirements Summary.

4.1.1. Scheduling Surveillance. The QAP assigned to this contract is responsible for developing a monthly schedule of surveillance activities based on the QASP's requirements. The schedule should be completed not later than 7 calendar days before the beginning of the period it covers. The QAP must give one copy of the schedule to the contract administrator before start of the surveillance period. Computer-generated or locally devised forms may be used.

4.1.2. Surveillance Approach. The Government's surveillance approach will be an oversight and insight approach to evaluating the performance requirements as set forth in the Performance-based Work Statement. Definitions of each approach and the conditions under which each will be used are described in the following paragraphs:

- Insight as an assurance process uses performance requirements and performance metrics to ensure process capability, product quality and delivery and end-item effectiveness. Insight relies on gathering a minimum set of product or process data that provide adequate visibility into the integrity of the product or process. The data may be acquired from contractor records/reports, usually in a non-intrusive parallel method.
- Oversight as applied to this task will result in higher levels of Government surveillance. The Government will gather information pertaining to the contractor's process through on-site involvement in and/or inspection of the process and will monitor the process itself. The Government's involvement in the contractor's performance, through oversight, is determined necessary by the COTR and client representative.

4.1.3. Documenting Surveillance.

4.1.3.1. Documentation is required to record, evaluate, and report contractor's performance. This documentation provides the CO with contractor status as it applies to the performance criteria. Every effort should be made to make this report to the CO as accurate as possible. The QAP is required to maintain accurate records of the contractor's performance. Documenting surveillance is of major importance to the total process of surveillance. The CO cannot properly administer the contract without documentation of actual surveillance.

4.1.3.2. All documentation resulting from surveillance must be made part of the contract file. The QAP must keep the documentation files during the surveillance period, but either monthly or at the conclusion of the contract, as directed by the CO, the QAP must give the files to the CO for inclusion in the official contract file.

4.1.3.3. Surveillance Folder. A surveillance folder must be developed and maintained by QAP who are assigned to accomplish QA for a performance requirement. The folder is typically contained in a hardcopy, but may be maintained in a computer database provided there is adequate back up of the data to preclude accidental loss. The surveillance folder must contain as a minimum, the following documents and be set up using the QAP File Index (Atch 1).

4.1.3.3.1. Appointments. QAP nomination letters and copy of the CO's Letter to the Contractor appointing the QAP's to the contract.

4.1.3.3.2. Contract Documents. The Contract with all modifications, directive documents references, pertinent terms defined by the contract, equipment listings, SOW and QASP.

4.1.3.3.3. Special Reports Documentation. Minutes of the monthly performance meetings that are held with the QAP, CO and the contractor to instill good communication and resolve issues before they become significant challenges.

4.1.3.3.4. Monthly Inspection Paperwork. Documented surveillance inspections performed by the QAP will be kept in this section. All paperwork that supports the documented surveillance should be kept in this section as well. The types of information that may be included are details of inspections or data gathering, conversations or meetings with the contractor, notes and comments

that support the inspection paperwork. QAP Monthly Surveillance Reports will be kept in this section.

4.1.3.3.5. Unacceptable Performance Documentation. A section used for filing all documentation associated with contract quality assurance, e.g., Customer Complaints (both active and resolved), notices of contract deficiencies (MFRs of phone conversations, email messages, etc.), the CO's inputs/determinations, Cure Notices, Show Cause, and all supporting documentation.

4.1.3.3.6. Final Acceptance and Funding Issues. In this area, keep paperwork for future changes to the contract, i.e. addendums, options, etc that must be worked during the life of the contract.

4.1.3.4. Monthly Performance Meetings. The QAP, Contractor (or representative), and CO (or CA if applicable to this contract) will meet monthly at Monthly Performance Meetings to discuss contract performance, resolve issues, discuss customer complaints, and provide positive interaction and feedback to all parties. The QAP will provide a list of any unresolved deficiencies to the contractor's quality assurance representative to afford him/her the opportunity to show where the problem is already in the process of being worked. If evidence is shown where the contractor's quality program has already documented the deficiency and timely corrective action is working the problem, the QAP will follow up with the contractor's quality control representative to ensure the deficiencies are remedied in a timely manner, in accordance with the SOW. All deficiencies associated with performance requirements listed on the Performance Requirements Summary, whether remedied by the contractor or not, will be included in the QAP's Monthly Report regardless of who identified the deficiency. The QAP will provide a copy of the meeting minutes to all attendees within 5 workdays of the meeting. The Monthly Performance Meetings will occur between the time the contractor submits the monthly Status Reports and its invoice.

5.0. SURVEILLANCE METHODS

5.1. Periodic Surveillance. Performance evaluation will be accomplished by monitoring compliance with the performance requirements as described in the task order and in the following section of this QASP. The method of evaluation will depend on the service type, and each service type may be assessed by more than one method. The following are the specific evaluation methods to be used on the Grants.gov task order:

- ***Periodic Inspection*** - Evaluates tasks selected on other than a 100% or random basis. It may be appropriate for tasks that occur infrequently and where 100% inspection is neither required nor practicable.
- ***Independent Verification and validation (IV&V)***—This method is verification and validation performed by an individual or organization that is technically, managerially, and financially independent of the development organization and is used to determine that the work product delivered by the contractor matches the content requirement in the contract. This can include various types of system tests, analysis or other V&V techniques.
- ***Operational monitoring***—Examination of reports generated by automated tools and logs and websites.

- **Customer feedback**—Surveys and random sampling will be used to evaluate customer satisfaction.

The mapping of specific surveillance methods to performance requirements are provided below. The method of surveillance is a function of the activities being monitored and associated performance measures.

5.1.1. Once a month or as required by the performance requirement (frequency will be dependent on the specific performance requirement), the QAP will review documentation and/or observe accomplishment of Performance Requirement(s) to ensure the minimum Performance Standard(s) has (have) been met for the respective Performance Requirement(s).

5.1.2. The QAP must document each surveillance as it is conducted. All performance must be documented, whether it is acceptable or unacceptable. The QAP will provide the monthly QAP Assurance Monitoring Report to the CO prior to the Monthly Performance Meetings with the CO and contractor.

6.0. PERFORMANCE REQUIREMENTS SUMMARY (PRS)

Performance Requirement	Performance Standard	Monitoring Method	Deduction/Incentive Schedule
All 2006 System operations successfully transitioned, tested, and accepted by the PMO by October 31, 2006.	Contractor able to perform operations and maintenance (O&M) of the 2006 System by October 31, 2006.	a) Inspection of system monitoring reports produced by Contractor and help desk escalations on October 31, 2006. b) Contractor demonstrates database backup, application server restart, inspection of grant application processing queue, and release of an application software change from initial change request through to production deployment.	5% deduction of total CLIN001 cost if Contractor is not able to perform O&M on the 2006 System by October 31, 2006. 1% deduction of total CLIN001 cost for each additional day Contractor is not able to perform operations and maintenance up to a total of 20% deduction. 5% addition of total CLIN001 cost if Contractor is able to perform O&M by October 17, 2006.

Table 1 - Performance Summary of CLIN001: Transition

Performance Requirement	Performance Standard	Monitoring Method	Deduction Schedule
Routine operations and maintenance are successfully performed.	Grant applications available to agencies within 48 hours of submission.	Analysis of help desk escalations and end-user feedback.	1% deduction per day up to maximum of 5% of CLIN003 monthly total cost for grant application delivery delays exceeding 48 hours.
	System backups and software upgrades performed according to the schedule in Program Management Plan	Inspection of schedule in Project Management Plan.	2% deduction of CLIN003 monthly total cost for failure to perform backups, database administration, system administration, or software upgrades per schedule.
	Resolve website or application availability problems within 48 hours.	Incident Report. Inspection of Website.	1% deduction for each hour during business hours up to a maximum of 10% of CLIN003 monthly total cost that Find or Apply function is unavailable due to non-hosting problems or subsequent to resolution of hosting problems.
	Website content deployed within one day of availability.	Incident Report. Inspection of Website.	1% deduction per day up to a total of 10% of CLIN003 monthly total cost for occurrences of website content not deployed within one day of availability.

Table 2 Performance Summary of CLIN003: Operations and Maintenance

Performance Requirement	Performance Standard	Monitoring Method	Deduction Schedule
System is securely hosted.	No system outages due to power or communications failures.	Inspection of system monitoring reports and help desk escalations. Inspection of system logs.	1% up to a maximum of 10% of CLIN004 total monthly cost for each outage exceeding 10 minutes during business hours due to power or communications failure.

Performance Requirement	Performance Standard	Monitoring Method	Deduction Schedule
	Outages reported to PMO within one hour.	Inspection of system monitoring reports and help desk escalations. Inspection of system logs.	5% of CLIN004 total monthly cost for each outage not reported to the PMO within one hour during business hours.

Table 3 Performance Summary of CLIN004: Hosting

Performance Requirement	Performance Standard	Monitoring Method	Deduction Schedule
Forms are developed in accordance with the weekly forms development schedule and meet required specifications.	Agreed to release schedule is met.	Inspection of Weekly Forms Status Report.	\$500 per business day for each form delivered after the projected completion date, up to a maximum of \$5,000 per form.
Forms are developed in accordance with documented agency-specific requirements.	100% compatibility.	Acceptance Testing by Agency and COTR.	10% of the form price for each form rejected by acceptance testing

Table 4 Performance Summary of CLIN006: Forms Development

7.0. PROCEDURES FOR SURVEILLANCE OF NON-PRS ITEMS

NON-PRS items will be inspected randomly by the QAP. The surveillance documentation should outline the same items indicated on the QAP monthly schedule.

8.0. UNACCEPTABLE PERFORMANCE/REPERFORMANCE PROCEDURES

8.1. The QAP will document all findings using a quality assurance monitoring report and reported monthly by the close of business on the days the forms are prepared. The QAP shall verbally notify the contractor’s PM of the finding and provide a copy of the finding. The PM shall respond with the following information: Contractor Response as to cause, corrective action, and actions to prevent recurrence within 5 working days after notification. The QAP will ensure the response is completed in its entirety, coordinated through the CO, with a copy retained in the official contract file. This information will be included when assessing the contractor’s overall performance (i.e. Option Exercise, CPARS, Past Performance Questionnaires, etc.).

8.2. Deficiencies shall not exceed the performance standards cited in the PRS for each performance requirement. If any of the services do not conform to contract requirements, In Accordance With the FAR 52.212-4, “Contract Terms and Conditions—Commercial Items”, the Government may require the Contractor to perform the services again in conformity with contract requirements, at no increase in contract amount. In Accordance With FAR 52.246-4, “Inspection of Services—Fixed-Price”,

“If any of the services do not conform with contract requirements, the Government may require the Contractor to perform the services again in conformity with contract

requirements, at no increase in contract amount. When the defects in services cannot be corrected by reperformance, the Government may --

(1) Require the Contractor to take necessary action to ensure that future performance conforms to contract requirements; and

(2) Reduce the contract price to reflect the reduced value of the services performed.”

9.0. ACCEPTANCE/CERTIFICATION OF SERVICES –

All documents shall be submitted by contractor in accordance with PWS.

10.0. CAPTURING SURVEILLANCE INFORMATION TO ASSIST IN MEETING PAST PERFORMANCE INFORMATION REQUIREMENTS

10.1. Past Performance Assessment Report (PPAR). On a yearly basis, the QAP is required to complete a narrative summary of contractor past performance for each contract year. The data will be used by the CO to complete the contractor’s yearly past performance evaluation in the National Institutes of Health’s Contractor Performance System. The QAP will forward the narrative to the CO addressing all of following assessment elements:

10.1.1. Quality of Product or Service

10.1.2 Cost Control

10.1.3. Timeliness of Performance

10.1.4. Business Relations.

10.1.5 Subcontractors.

10.1.6. Contractor Key Personnel.

10.1.7. Small Disadvantaged Business Goals.

10.1.8. Customer Satisfaction.

10.2. Performance Ratings. The ratings used for the Past Performance Assessment Report are described by one of the following five adjectives: *Unsatisfactory, Poor, Fair, Good, Excellent, or Outstanding*

QAP File Index

- Tab 1** **QAP Appointment Letters, Duties & Responsibilities Letters and Training Certificates for Phase I, Phase II and Refresher Training**
 - A. Primary QAP
 - B. Alternate QAPs
 - C. Copy of Letter to Contractor Appointing QAPs to this contract.

- Tab 2** **Contract Documents**
 - A. Contract with all Modifications
 - B. SOW
 - C. QASP
 - D. Contractor's Quality Control Plan

- Tab 3** **Surveillance Documentation**
 - A. Minutes of Monthly Performance Meetings

- Tab 4** **Monthly Surveillance Paperwork**
 - A. Monthly Surveillance (Each month, Quality assurance monitoring report, QAP Surveillance Schedule and other documented Surveillance Paperwork.)

- Tab 5** **Unacceptable Performance Documentation**
 - A. Quality assurance monitoring report with all supporting documentation

QAP Assurance Monitoring Report

Survey Period: _____

QAP: _____

Contractor: _____

Contract Number _____

CLIN _____

Performance Requirement _____

_____ The contractor has met all the requirements of the contract.

_____ The contractor has not met all the requirements of the contract. These are summarized in this report and are supported by the QAP periodic surveillance checklists and/or reports and customer feedback attached to this form.

Summary of discrepancies:

Actions taken to remedy discrepancies:

Other comments:

Attachment 3

QAP Yearly Past Performance Narrative Report

Quarterly Report Covers _____ **thru** _____.

QAP: _____

Contractor: _____

Contract Number: _____

I am forwarding this report to the CPARS Assessing Official to summarize the contractor's past performance over the past quarter that covers the performance months of _____ thru _____. I have reviewed the past three months monthly reports from the past performance meetings to arrive at the following comments for the four assessment elements that will be included in the Annual Past Performance Assessment Report.

- (1) Quality of Product or Service. Rating____
- (2) Cost Control. Rating____
- (3) Timeliness of Performance. Rating____
- (4) Business Relations. Rating____
- (5) Comments on Subcontractor:

- (6) Comments on Contractor's Key Personnel, by position:

- (7) Did the Contractor make a good faith effort to comply with its subcontracting plan consistent with the goals and objectives, reporting and other aspects of the plan? Additional comments?

- (8) Did the contractor make a good faith effort to comply with its subcontracting plan consistent with the goals and objectives, for small disadvantaged business (SDB) participation, monetary target for SDB participation, and required notifications? Other comments?

- (9) Is/Was the contractor committed to customer satisfaction? Would you recommend the selection of this firm again?