INSPECTION TECHNICAL PROCEDURE

I-130

PROCUREMENT PROGRAM INSPECTION

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INSPECTION TECHNICAL PROCEDURE I-130, REV. 4
PROCUREMENT PROGRAM INSPECTION

1.0 PURPOSE

This inspection procedure provides guidance to assess the Contractor's procurement and receipt inspection activities. This guidance is based on the requirements set forth in the Contractor's Quality Assurance Manual (QAM). Specifically, this procedure addresses assessment of the adequacy and effectiveness of the following:

- General Procurement Processes
- Procurement Document Contents
- Procurement Document Review and Approval
- Procurement Document Changes
- Procurement Planning
- Source Evaluation and Selection
- Proposal Bid Evaluation
- Control of Supplier Generated Documents
- Control of Changes in Items or Services
- Supplier Performance Evaluation and Source Verification
- Acceptance of Items or Services
- Certificate of Conformance
- Receiving Inspection
- Post-Installation Testing
- Acceptance of Services Only
- Control of Supplier Nonconformances
- Commercial Grade Items.

2.0 OBJECTIVES

This inspection procedure verifies the Contractor's process for ensuring that items and services provided by suppliers meets the authorization basis (AB). The procurement process should be planned and controlled to ensure: (1) the end user's requirements are accurately, completely, and clearly communicated to the supplier; (2) the requirements of the suppliers, designers, and end users are met during the production phase; and (3) the proper product is delivered on time and maintained until use.

This inspection procedure is one component of the construction inspection program. This inspection procedure and others will be used, as needed, to ensure construction activities are conducted as required by AB commitments and Contractor procedures. During the construction phase, a significant portion of this inspection procedure will be accomplished at least once for the Contractor and each major subcontractor involved with the activities covered by this

procedure. However, the entire procedure is not expected to be completed during any one inspection or every time the inspection procedure is used.

3.0 INSPECTION REQUIREMENTS

3.1 General Procurement Processes

The inspector should perform the following activities:

3.1.1 Verify the Contractor's procedures include applicable Safety Requirements Document (SRD) implementing codes and standards, design bases and other requirements necessary to assure adequate quality are included or referenced in documents for procurement of items and services. (QAM Policy Q-04.1, Section 3.1.1)

3.1.2 Verify the Contractor's procedures specify procurement documents require suppliers to have a documented quality assurance (QA) program consistent with the applicable requirements of the Contractor's QAM Policy Q-04.1, and to the extent necessary for the item being procured. (QAM Policy Q-04.1, Section 3.1.2)

3.1.3 Verify the Contractor's procedures specify procurement documents allow some or all supplier work to be performed under the Contractor's QA program provided the work is adequately controlled, when deemed appropriate. The inspector should verify, in these cases, procurement documents specify the Contractor’s implementing documents are applicable to the supplier, and the Contractor provided these applicable documents to them. (QAM Policy Q-04.1, Section 3.1.3)

3.1.4 Verify the Contractor's procedures provide methods to prevent the procurement and installation of suspect and counterfeit items. (QAM Policy Q-04.1, Section 3.1.4)

3.2 Procurement Document Contents

The inspector should verify that Contractor procurement documents (e.g., material requisitions and purchase orders) issued at all tiers of procurement include provisions for the following, as deemed necessary by the Contractor, and identify the revision level or change status on each document: (QAM Policy Q-04.1, Section 3.2.1)

a. Scope of work to be performed by the supplier. (QAM Policy Q-04.1, Section 3.2.2)

b. Technical requirements, specified by reference to specific drawings, specifications, codes, standards, regulations, procedures, or instructions, including revisions that describe the items or services to be furnished; including identification of appropriate test, inspection, and acceptance criteria for determining acceptability of the item or service. (QAM Policy Q-04.1, Sections 3.2.3 and 3.2.4)

c. QA program requirements consistent with the importance and/or complexity of the item or service being procured, (QAM Policy Q-04.1, Section 3.2.5) including the following requirements:

- Suppliers incorporate appropriate QA program requirements in subtier procurement documents. (QAM Policy Q-04.1, Section 3.2.6)

- Provisions for establishing hold points beyond which work cannot proceed without Contractor authorization. (QAM Policy Q-04.1, Section 3.2.7)

d. Right of access to supplier's and subtier supplier's and subtier supplier's facilities and records for surveillance, inspection, or audit by the Contractor, designated representative, or others authorized by the Contractor. (QAM Policy Q-04.1, Section 3.2.8)

e. Documentation required to be submitted for information, review, or approval by the Contractor, including the schedule for submittal of the documentation. (QAM Policy Q-04.1, Section 3.2.9)

f. The retention times and disposition requirements when the Contractor requires the supplier to maintain specific records. (QAM Policy Q-04.1, Section 3.2.10)

g. The Contractor's requirements for the supplier's reporting of nonconformances and the Contractor's approval of the disposition of nonconformances. (QAM Policy Q-04.1, Section 3.2.11)

h. The supplier's requirements to identify spare and replacement parts or assemblies, special tools required, and the related technical and quality assurance data required for ordering these parts, tools, and assemblies. (QAM Policy Q-04.1, Section 3.2.12)

i. Tests, inspections, and acceptance requirements that the Contractor will use to monitor and evaluate the performance of the supplier. (QAM Policy Q-04.1, Section 3.2.13)

3.3 Procurement Document Review and Approval

The inspector should perform the following activities:

3.3.1 Verify the Contractor's review of procurement documents, and changes thereto, are performed and documented prior to award to assure documents transmitted to prospective supplier(s) include all appropriate technical and QA provisions to assure that items or services will meet the specified requirements. (QAM Policy Q-04.1, Section 3.3.1)

3.3.2 Verify technical or QA program changes made as a result of bid evaluations or negotiations are incorporated into the procurement documents. (QAM Policy Q-04.1, Section 3.3.2)

3.3.3 Verify procurement document review is performed by personnel who have access to pertinent information and who have an adequate understanding of the requirements and intent of the procurement documents. (QAM Policy Q-04.1, Section 3.3.3)

3.3.4 Verify procurement document reviewers for Quality Level items and activities include representatives from the technical and QA organizations. (QAM Policy Q-04.1, Section 3.3.4)

3.3.5 Verify procurement document reviews are performed and documented in accordance with the Contractor's QAM Policy Q-06.1, *Document Control*, Sections 3.7 and 4.1 (for Office of Civilian Radioactive Waste Management (OCRWM)-related procurement document reviews) prior to issuance of the procurement documents to the supplier. (QAM Policy Q-04.1, Section 3.3.5)

3.3.6 Verify procurement documents are approved by the originating organization. (QAM Policy Q-04.1, Section 3.3.6)

3.4 Procurement Document Changes

The inspector should perform the following activities:

3.4.1 Verify that Contractor changes to the scope of work, technical requirements, QA program requirements, right of access, documentation requirements, nonconformances, hold points, and lists of spare and replacement parts delineated in procurement documents were subject to the same degree of control as used in the preparation of the original documents. (QAM Policy Q-04.1, Section 3.4.1)

3.4.2 Verify evaluation of procurement document changes as a result of proposal/bid evaluation or negotiations and the resulting impact is completed before the contract is awarded, and the evaluation considered the following:

- The appropriate requirements as specified in this section
- Additional or modified design criteria
- Analysis of exceptions or changes requested or specified by the supplier and a determination of the impact such changes have on the intent of the procurement documents or quality of the item or service to be furnished. (QAM Policy Q-04.1, Section 3.4.2)

3.5 Procurement Planning

The inspector should perform the following activities:

3.5.1 Verify the Contractor's procurement planning includes the following:

- Procurement methods and organizational responsibilities are identified.
- What was to be accomplished, who was to accomplish it, how it was to be accomplished, and when it was to be accomplished are identified.
- The sequence of actions and milestones needed to effectively complete the procurement are identified and documented
- Procurement planning was accomplished as early as possible and no later than at the start of those procurement activities that are required to be controlled
- Procurement planning is performed relative to the level of importance, complexity, and quantity of the item or service being procured and the supplier's quality performance
- Procurement planning included the involvement of the QA organization. (QAM Policy Q-07.1, Section 3.2.1.A, B, C, E, F, G)

3.5.2 Verify the Contractor's procurement planning provides for the integration of the following activities:

- Procurement document preparation, review, and change control according to the requirements of QAM Policy Q-04.1, *Procurement Document Control*.
- Selection of procurement sources.
- Proposal/bid evaluation and award.
- Evaluation of supplier performance.
- Verifications including any hold and witness point notifications.
- Control of nonconformances.
- Corrective action.
- Acceptance of the item or service.
- Identification of QA records per QAM Policy Q-06.1, *Document Control*. (Policy Q-07.1, Section 3.2.1.D)

3.6 Supplier Evaluation and Selection

The inspector should perform the following activities:

3.6.1 Verify the Contractor evaluated, prior to awarding a contract, the supplier's capability to provide items or services in accordance with the requirements of the procurement documents, and the evaluation, selection, and results are documented and included one or more of the criteria listed below:

- Supplier's history of providing an identical or similar product that performs satisfactorily in actual use. The supplier's history shall reflect current capability.
- Supplier's current quality records supported by documented qualitative and quantitative information that can be objectively evaluated.
- Supplier's technical and quality capability as determined by a direct evaluation of facilities, personnel, and implementation of the supplier's QA program. (QAM Policy Q-07.1, Section 3.3.1)

3.6.2 Verify source verification is performed by personnel qualified in accordance with QAM Policy Q-02.2, *Personnel Training and Qualification*. (QAM Policy Q-07.1, Section 3.3.2)

3.6.3 Verify the Contractor evaluates supplier's QA programs against project quality assurance requirements before initiation of work. (QAM Policy Q-07.1, Section 3.3.3)

3.6.4 Verify the Contractor identifies the organizational responsibilities for source evaluation and selection, including provisions for input from the QA organization. (QAM Policy Q-07.1, Section 3.3.4)

3.6.5 Verify qualification documentation is obtained, retained in files, and evaluated against project quality assurance requirements for any sources qualified by other DOE contractors. (QAM Policy Q-07.1, Section 3.3.5)

3.7 Proposal Bid Evaluation

The inspector should perform the following activities:

3.7.1 Verify the Contractor's proposal/bid evaluation process includes a determination of both the extent of conformance to the procurement document requirements, and the supplier's capability to conform to the technical and QA requirements. (QAM Policy Q-07.1, Section 3.4.1)

3.7.2 Verify the Contractor's proposal/bid evaluations are performed by designated, technically qualified organizations including the QA organization. (QAM Policy Q-07.1, Section 3.4.2)

3.7.3 Verify the Contractor's proposal/bid evaluations includes the following subjects consistent with the importance, complexity, and quantity of items or services being procured:

- Technical considerations
- QA requirements
- Supplier personnel
- Supplier production capability
- Supplier past performance
- Alternatives
- Exceptions. (QAM Policy Q-07.1, Section 3.4.3)

3.7.4 Verify the Contractor resolves or obtains commitments to resolve unacceptable technical and QA conditions resulting from the bid evaluation prior to award of the contract. (QAM Policy Q-07.1, Section 3.4.4)

3.7.5 Verify supplier QA programs are evaluated before contract placement, and any deficiencies that would affect quality are corrected before starting work subject to the Contractor's QA manual. (QAM Policy Q-07.1, Section 3.4.5)

3.7.6 Verify the Contractor accepts supplier QA programs before the supplier starts work. (QAM Policy Q-07.1, Section 3.4.6)

3.8 Control of Supplier Generated Documents

The inspector should perform the following activities:

3.8.1 Verify the Contractor implemented controls to assure the submittal, evaluation, acceptance, and control of supplier-generated documents are accomplished in accordance with the procurement document requirements. (QAM Policy Q-07.1, Section 3.5)

3.8.2 Verify the Contractor's controls for supplier-generated documents provides for the acquisition, processing, and recorded evaluation of the QA, technical, inspection, and test documentation or data against established criteria. (QAM Policy Q-07.1, Section 3.5)

3.9 Control of Changes in Items or Services

The inspector should verify the Contractor and supplier assured measures to control changes in procurement documents are established, implemented, and documented, and are in accordance with applicable quality assurance requirements. (QAM Policy Q-07.1, Section 3.6)

3.10 Supplier Performance Evaluation and Source Verification

The inspector should perform the following activities:

3.10.1 Verify the Contractor establishes measures to interface with the supplier and to verify supplier's performance, and that the measures include the following:

- Establishing an understanding between the Contractor and supplier of the requirements and specifications identified in the procurement documents
- Requiring the supplier to identify planning techniques and processes to be used in fulfilling procurement document requirements
- Reviewing supplier documents that are prepared or processed during work performed to fulfill procurement document requirements
- Identifying and processing necessary change information
- Establishing the method to be used to document information exchanges between Contractor and supplier
- Establishing the extent of source verifications (e.g., surveillance and inspection).
- Performing source verifications of subtier suppliers as applicable. (QAM Policy Q-07.1, Section 3.7.1)

3.10.2 Verify the Contractor’s source verifications are coordinated with supplier's planned inspections, examinations, or tests at predetermined points. (QAM Policy Q-07.1, Section 3.10.1)

3.10.3 Verify the extent of Contractor verifications is a function of the relative importance, complexity, and quantity of items or services being procured, and the supplier's quality performance, and included monitoring, witnessing, or observing selected activities. (QAM Policy Q-07.1, Section 3.7.2 and 3.10.1)

3.10.4 Verify the Contractor's verifications are conducted as early as practical and do not relieve the supplier of the responsibility for the verification of quality achievement. (QAM Policy Q-07.1, Section 3.7.3)

3.10.5 Verify the Contractor uses audits of suppliers as a method of evaluating the supplier's performance to aid in the determination of the effectiveness of the supplier's QA program. (QAM Policy Q-07.1, Section 3.7.4)

3.10.6 Verify the Contractor's source verifications are implemented in accordance with plans to perform inspections, examinations, or tests at predetermined points. (QAM Policy Q-07.1, Section 3.10.2)

3.10.7 Verify after the Contractor's acceptance of source verification, documented evidence of acceptance is furnished to the receiving destination of the item, to the Contractor, and to the supplier. (QAM Policy Q-07.1, Section 3.10.3)

3.11 Acceptance of Items and Services

The inspector should perform the following activities:

3.11.1 Verify prior to the offering the item or service for acceptance, the supplier assured that the item or service being furnished complies with the procurement requirements. (QAM Policy Q-07.1, Section 3.8.1)

3.11.2 Verify the supplier provided the Contractor with objective evidence that items or services conform to procurement documents, and the documentation was available at the Contractor's facility before the item was installed or before the service was accepted. (QAM Policy Q-07.1, Section 3.8.2)

3.11.3 Verify the Contractor's methods for accepting supplier furnished items or services include one or more of the following, as appropriate to the items or services being procured:

- Evaluating the supplier certificate of conformance
- Performing one or a combination of source verification, receiving inspection, or post-installation testing
- Technical verification of the item or service
- Surveillance or audit of the work
- Review of objective evidence (i.e., certifications, stress reports, or personnel qualifications) for conformance to the procurement requirements. (QAM Policy Q-07.1, Section 3.8.3)

3.12 Certificate of Conformance

The inspector should perform the following activities:

3.12.1 Verify certificates of conformance identify the purchased material or equipment, such as by the purchase order number. (QAM Policy Q-07.1, Section 3.9.1)

3.12.2 Verify certificates of conformance identify the specific procurement requirements met by the purchased material, equipment, or service (i.e., codes, standards, and other specifications). (QAM Policy Q-07.1, Section 3.9.2)

3.12.3 Verify procurement requirements identified within the certificates of conformance include any approved changes, waivers, or deviations applicable to the subject material or service. (QAM Policy Q-07.1, Section 3.9.3)

3.12.4 Verify certificates of conformance identify any procurement requirements that had not been met, along with an explanation and the means for resolving the nonconformance. (QAM Policy Q-07.1, Section 3.9.4)

3.12.5 Verify certificates of conformance are signed or otherwise authenticated by a person who is responsible for this QA function and whose function and position are described in the Contractor's or supplier's QA program. (QAM Policy Q-07.1, Section 3.9.5)

3.12.6 Verify the certification system, including the procedures to be followed in filling out a certificate and the administrative procedures for review and approval of the certificates, are described in the Contractor or supplier's QA program. (QAM Policy Q-07.1, Section 3.9.6)

3.12.7 Verify means are provided to verify the validity of supplier certificates and the effectiveness of the certification system, such as during the performance of audits of the supplier or independent inspection or test of items, and verifications are conducted by the Contractor at intervals commensurate with the supplier's past quality performance. (QAM Policy Q-07.1, Section 3.9.7)

3.13 Receiving Inspection

The inspector should perform the following activities:

3.13.1 Verify when receiving inspection is used to accept an item, purchased items are inspected as necessary to verify conformance to specified requirements, taking into account source verification and audit activities and the demonstrated quality performance of the supplier. (QAM Policy Q-07.1, Section 3.11.1)

3.13.2 Verify purchased items are examined for potential suspect/counterfeit part characteristics, and if identified as potential suspect/counterfeit part, they are evaluated and dispositioned as nonconforming items if appropriate. (QAM Policy Q-07.1, Section 3.11.2)

3.13.3 Verify receiving inspections are verified by the following objective evidence: configuration; identification; dimensional, physical, and other characteristics; freedom from shipping damage; and cleanliness. (QAM Policy Q-07.1, Section 3.11.3)

3.13.4 Verify the inspection is planned and executed according to the requirements of QAM Policy Q-10.1, *Inspection*. (QAM Policy Q-07.1, Section 3.11.4)

3.13.5 Verify receiving inspection is coordinated with a review for adequacy and completeness of supplier documentation when procurement documents require such documentation to be furnished prior to receiving inspection. (QAM Policy Q-07.1, Section 3.11.5)

3.13.6 Verify inspections are performed in accordance with established inspection implementing documents. (QAM Policy Q-07.1, Section 3.11.6)

3.14 Post-Installation Testing

The inspector should perform the following activities:

3.14.1 Verify when post-installation testing is used, post-installation test requirements and acceptance documentation is mutually established by the Contractor and supplier. (QAM Policy Q-07.1, Section 3.12.1)

3.14.2 Verify post-installation tests are conducted in accordance with the requirements of QAM Policy Q-11.1, *Test Control*. (QAM Policy Q-07.1, Section 3.12.2)

3.15 Acceptance of Services Only

The inspector should verify in cases involving procurement of services only, (i.e., third party inspection; engineering and consulting services; auditing; and installation, repair, overhaul, or maintenance work), the Contractor accepted the service by any of the following methods:

- Technical verification of data produced
- Surveillance or audit of the work
- Review of objective evidence (i.e., certifications, stress reports, or personnel qualifications) for conformance to the procurement document requirements. (QAM Policy Q-07.1, Section 3.13)

3.16 Control of Supplier Nonconformances

The inspector should verify methods for control and disposition of supplier nonconformances for items and services that do not meet procurement documentation requirements included the following:

- Evaluation of nonconforming items in accordance with QAM Policy Q-15.1, *Control of Nonconformances*

- Submittal of nonconformance notices to the Contractor by the supplier as directed by the Contractor. These submittals should include supplier-recommended disposition (e.g., use-as-is or repair) and technical justification

- Nonconformances to the procurement requirements or Contractor approved documents which consist of one or more of the following, must be submitted to the Contractor for approval of the recommended disposition:

  - Technical or material requirement is violated.

  - Requirement in supplier documents, which have been approved by the Contractor, is violated.

  - Nonconformances cannot be corrected by continuation of the original manufacturing process or by rework.

  - The item does not conform to the original requirement even though the item can be restored to a condition such that the capability of the item to function is unimpaired.

- Contractor disposition of the supplier's recommendation.

- Verification of the implementation of the disposition by the Contractor.

- Maintenance of records of supplier-submitted nonconformances. (QAM Policy Q-07.1, Section 3.14)

3.17 Commercial Grade Items

The inspector should verify where the design uses commercial grade items, the Contractor uses the following requirements as an acceptable alternative to other requirements of this section for procuring and accepting items.

- The commercial grade item is identified in an approved design output document. Note: An alternate commercial grade item may be applied, provided the cognizant design organization provides verification that the alternate commercial grade item will perform the intended function and will meet design requirements applicable to both the replaced item and its application.

- Source evaluation and selection, when deemed necessary by the Contractor based on complexity and importance to safety, must be in accordance with Subsection 3.3, *Source Evaluation and Selection*, of QAM Policy Q-07.1.

- Commercial grade items must be identified in the purchase order by the manufacturer's published product description (e.g., catalog number).

- Prior to acceptance of a commercial grade item, the Contractor must determine the following:

  - The item did not sustain damage during shipment

  - The item received was the item ordered, and the item satisfied the specifies acceptance criteria

  - Inspection or testing is accomplished to the extent determined by the Contractor, to ensure conformance with the manufacturer's published requirements

  - Specified documentation, applicable to the item, was received and is acceptable. (QAM Policy 07.1, Section 3.15)

4.0 INSPECTION GUIDANCE

For each area listed below, the inspector should review the Contractor's QAM, policies, and procedures for various procurement activities, review objective evidence that the QAM, policies, and procedures have been implemented, and interview personnel responsible for various procurement activities. In addition to reviewing 10 CFR 830, Subpart A, and applicable parts of the QAM, the inspector also should review G-830.120.

Suggested sample sizes are included in some of the inspection elements below. However, the inspector should use judgment in selecting a different sample size based on the status of the construction activities or on the initial observations in any area. If available, the inspector should obtain procurement and receiving records for material that have been receipt inspected and accepted, or are in the process of being receipt inspected, to allow review of the complete procurement process. A tour of the Contractor's material receiving and storage warehouse should allow the inspector to visually observe material that can be selected as inspection samples. The samples should be large enough to provide confidence that: (1) the Contractor has approved procedures, (2) the procedures are being implemented, and (3) the personnel are properly qualified for the work they are performing. The intent is to establish a high level of assurance that the end product meets requirements.

4.1 General Procurement Processes

The inspector should perform the following activities:

4.1.1 Review Engineering, Construction, Procurement, and QA procedures that provide instructions for procurement of items and services to confirm appropriate instructions have been provided to implement the requirements of Contractor QAM Policy Q-07.1.

The inspector should ascertain by review of the procedures that the procurement process and responsibilities are clearly defined and meet the requirements of the Contractor's QAM Policy Q-07.1. The inspector should interview Contractor Engineering, Procurement, and Quality Assurance personnel to determine whether or not they clearly understand the process and their assigned responsibilities.

4.1.2 Review the Contractor's procedures to confirm they specify procurement documents (e.g., purchase requisitions, statements of work) that require suppliers to have a documented QA program consistent with the applicable requirements of the Contractor's QAM Policy Q-04.1, and to extent necessary for the item being procured.

4.1.3 Review the Contractor's procedures to confirm they specify procurement documents that allow some or all supplier work to be performed under the Contractor's QA program provided the work is adequately controlled. The inspector should review a minimum of three procurement documents to confirm they specify the Contractor's procedures are applicable to the supplier. The inspector should obtain objective evidence the Contractor had provided the applicable procedures to the supplier.

4.1.4 Review the Contractor's procedures to confirm they provide methods to prevent the procurement and installation of suspect and counterfeit items. The inspector should interview the Contractor's procurement personnel to determine if they have supplied any suspect or counterfeit items, and whether or not the procurement processes were used.

4.2 Procurement Document Contents

The inspector should obtain and review a minimum of three important-to-safety procurement documents and three Quality Assurance Requirements and Description (QARD)-related procurement documents and interview the Contractor's Engineering, Procurement, and QA personnel to determine the method for transmitting technical and QA requirements to the Contracts Department for inclusion in procurement documents. The inspector should verify that the following are appropriately included in the material or services requisition and purchase order.

- The applicable QA and design requirements for the material or services being procured
- The engineering specifications, drawings, and instructions for the material or services being procured
- The applicable Safety Requirements Document implementing Codes and Standards for the materials or services being procured.

The inspector should review a minimum of three of the procurement documents reviewed above to confirm they identified the revision level or change status on each document, and included the information listed in Section 3.2 of this procedure. At least one of these procurement documents should be for a QARD-related procurement.

4.3 Procurement Document Review and Approval

The inspector should perform the following activities:

4.3.1 Obtain and review a minimum of three important-to-safety procurement documents for Quality Level items and activities and three QARD-related procurement documents to confirm the Contractor's review of the documents, and any changes thereto, was performed and documented prior to award to assure documents included all appropriate QA and technical provisions.

4.3.2 Interview the Contractor's procurement personnel and review a minimum of three procurement documents to confirm technical or QA program changes made as a result of bid evaluations or negotiations are incorporated into the procurement documents.

4.3.3 Select and review the objective evidence of a minimum of three procurement document reviews to confirm the reviews were conducted by personnel who had access to pertinent information and who had an adequate understanding of the requirements and intent of the procurement documents. The inspector should interview the Contractor's personnel who conducted the reviews to determine they have access to information and adequate understanding of the requirements.

4.3.4 Review the objective evidence of the three procurement documents selected in Section 4.3.3 to confirm representatives from the technical and QA organizations participated in the review.

4.3.5 Review the objective evidence of the three procurement documents selected in Section 4.3.3 to confirm they are conducted in accordance with the following:

- Pertinent background information or data was made available to the reviewers.
- Those other than the preparer performed the review.
- Reviewers were technically competent for the subject area of the document.
- The scope of the review considers all aspects of the procurement document.
- Each organization or technical discipline affected by the procurement document is involved in the review, including any changes.
- The QA organization reviewed the procurement documents, including changes.
- Mandatory comments resulting from the review (if any) are documented and resolved before approval of the procurement document.

- Review criteria, including applicability, correctness, technical adequacy, completeness, accuracy, and compliance with established requirements, are applied to the review of the procurement document.

4.3.6 Review the objective evidence of the three procurement documents selected in Section 4.3.3 to confirm procurement documents are approved by the originating organization.

4.4 Procurement Document Changes

The inspector should perform the following activities:

4.4.1 Select and review changes to a minimum of three procurement documents to confirm they were subject to the same degree of control as used in the preparation of the original procurement documents. The inspector should pay attention to changes to the following within the procurement documents:

- Scope of work
- Technical requirements
- QA program requirements
- Right of access
- Documentation requirements
- Nonconformances
- Hold points
- Lists of spare and replacement parts.

4.4.2 Select and review a minimum of three procurement document changes as a result of proposal/bid evaluation or negotiations to confirm they were evaluated for the resulting impact, and the evaluation was completed prior to contract award. The inspector should confirm the evaluation considered the items listed in Section 3.4.2 of this procedure.

4.5 Procurement Planning

The inspector should perform the following activities:

4.5.1 Interview the Contractor's engineering, QA, and procurement personnel to confirm procurement planning included the items listed in Section 3.5.1 of this procedure. The inspector should review the procurement documents selected in Section 4.4.1 above to confirm the QA organization is involved in the procurement planning.

4.5.2 Interview the Contractor's engineering, QA, and procurement personnel to confirm procurement planning provided for the integration of the activities listed in Section 3.5.2 of this procedure. The inspector should review the procurement documents selected in Section 4.4.1 above to confirm the listed activities are included.

4.6 Supplier Evaluation and Selection

The inspector should perform the following activities:

4.6.1 Select and review a minimum of three records of supplier evaluations to confirm they had been performed prior to awarding a contract. The inspector should confirm the criteria included in Section 3.6.1 of this procedure are considered during these evaluations.

4.6.2 Review the qualifications of the personnel who performed the source verifications selected and reviewed in Section 4.6.1 above to confirm they are qualified in accordance with QAM Policy Q-02.2, *Personnel Training and Qualification.*

4.6.3 Review the records of supplier evaluations (e.g., reports and checklists) selected in Section 4.6.1 above to confirm the Contractor evaluated the supplier's QA programs against project quality assurance requirements before initiation of work.

4.6.4 Interview the Contractor's source evaluation and selection procedures and tnterview the Contractor's QA organization to confirm the organizational responsibilities for conducting source evaluation and selection were identified. The inspector should confirm the Contractor's QA organization provides input to the process.

4.6.5 Interview the Contractor's QA and procurement personnel who are responsible for qualifying suppliers to confirm qualification documentation was obtained, evaluated against project QA requirements, and retained within supplier qualification files for any sources qualified by other DOE contractors.

4.7 Proposal Bid Evaluation

The inspector should perform the following activities:

4.7.1 Review the Contractor's procedures describing the proposal/bid evaluation process to confirm they include a determination of the extent of conformance to the procurement document requirements and the supplier's capability to conform to the technical and QA requirements. The inspector should select and review three records of proposals and bid evaluations to confirm the process was in accordance with the procedures.

4.7.2 Review the records selected in Section 4.7.1 above to confirm the individuals who performed the bid evaluations were technically qualified organizations, and the QA organization is included in the process.

4.7.3 Review the records selected in Section 4.7.1 above to confirm they include the items listed in Section 3.7.3 of this procedure.

4.7.4 Review the records selected in Section 4.7.1 above to confirm the Contractor had resolved or obtained commitments to resolve unacceptable technical and QA conditions

identified during the bid evaluation prior to award of the contract. If the records selected in Section 4.7.1 did not contain identification of unacceptable technical and QA conditions, the inspector should interview the Contractor's personnel responsible for conducting bid evaluations to identify bid evaluations with unacceptable technical and QA conditions for review.

4.7.5 Select and review objective evidence of the evaluations of three supplier QA programs to confirm they are conducted before contract placement. The inspector should confirm any deficiencies affecting quality are corrected prior to starting work.

4.7.6 Review the objective evidence of evaluation of three supplier QA programs selected in Section 4.7.5 above to confirm the Contractor had accepted the supplier's QA program before the supplier began work.

4.8 Control of Supplier Generated Documents

The inspector should perform the following activities:

4.8.1 Review the Contractor's procedures for controlling supplier-generated documents to confirm the controls included submittal, evaluation, and acceptance. The inspector should select and review three supplier-generated documents to confirm the procedures were implemented properly.

4.8.2 Review the Contractor's procedures for controlling supplier-generated documents to confirm they provided for acquisition, processing, and evaluation. The inspector should review the Contractor's three supplier-generated documents selected in Section 4.8.1 above to confirm the QA, technical, inspection and test documentation or data had been evaluated against established criteria, and the evaluations were documented.

4.9 Control of Changes in Items or Services

The inspector should review the Contractor's procurement procedures to confirm they contained measures to control changes in procurement documents had been established, implemented, and documented. The inspector should select and review three changes to procurement documents to confirm they had been conducted in accordance with the procedures.

4.10 Supplier Performance Evaluation and Source Verification

The inspector should perform the following activities:

4.10.1 Review the Contractor's procurement procedures to confirm measures are established to interface with the supplier and to verify the supplier's performance. The inspector should

confirm the measures specified in the Contractor's procedures included the list of items in Section 3.10.1 of this procedure.

4.10.2 Select and review a minimum of three source verifications and interview the Contractor's personnel responsible for conducting the source verifications to confirm they were coordinated with the supplier's planned inspections, examinations, or tests at predetermined points.

4.10.3 Review the three source verifications selected in Section 4.10.2 above to confirm they included monitoring, witnessing, or observing selected activities. The inspector should confirm the extent of the source verifications was related to the importance, complexity, and quantity of items or services being procured.

4.10.4 Review the three source verifications selected in Section 4.10.2 above to confirm they were conducted as early as practical. The inspector should interview the individuals who conducted the source verifications to confirm they reviewed the suppliers' own verifications of quality achievement.

4.10.5 Select and review a minimum of three audits of suppliers to confirm auditing was used as a method of evaluating the supplier's performance. The inspector should confirm the audit team leader determined effectiveness of the supplier's QA program.

4.10.6 See Section 4.10.2 above.

4.10.7 Review the Contractor's acceptance of a minimum of three source verifications to confirm the documentation of the acceptance had been transmitted to the Contractor's organization intended to receive the item and the supplier.

4.11 Acceptance of Items and Services

The inspector should perform the following activities:

4.11.1 Select and review the acceptance of a minimum of three items or services to confirm the supplier had assured itself the item or service being furnished complied with the procurement requirements.

4.11.2 Obtain and review supplier documentation for the acceptance of items and services selected in Section 4.11.1 above. The inspector should confirm the supplier provides objective evidence the items or services conform to procurement documents (i.e., purchase requisitions or statements of work). The inspector should determine whether or not the documentation was available at the Contractor's facility before the item is installed or before the service is accepted.

4.11.3 Review the Contractor's procedures for acceptance of supplier-furnished items and services to confirm they include one or more of the methods listed in Section 3.11.3 of this procedure.

4.12 Certificate of Conformance

The inspector should perform the following activities:

4.12.1 Select and review a minimum of three Certificates of Conformance to confirm they identify the purchased material or equipment by purchase order number.

4.12.2 Review the three Certificates of Conformance selected in Section 4.12.1 above to confirm they identify the specific procurement requirements (i.e., codes, standards, and other specifications). Note: This may be accomplished by the Contractor by either including a list of the specific requirements, or by providing, on-site, a copy of the purchase order and the procurement specifications or drawings, along with a suitable certificate.

4.12.3 Review the procurement requirements included in the Certificates of Conformance selected in Section 4.12.1 above to confirm they include any approved changes, waivers, or deviations applicable to the subject material, equipment, or service.

4.12.4 Review the Certificates of Conformance selected in Section 4.12.1 above to confirm they identified procurement requirements which had not been met (if any), and an explanation and method for resolving the nonconformance. The inspector should review any nonconformance reports written to document nonconforming Certificates of Conformance.

4.12.5 Review the Certificates of Conformance selected in Section 4.12.1 above to confirm they were signed or otherwise authenticated by a person who is responsible for the QA function, and whose function and position are described in the Contractor's or supplier's QA program. The inspector should review the Contractor's and supplier's QA programs to confirm the individuals who authenticated the Certificates of Conformance were identified.

4.12.6 Review the Contractor's procedures and supplier's QA Program documents to confirm the process for filling out Certificates of Conformance and for reviewing and approving the certificates is described.

4.12.7 Review the Contractor's procedures and supplier's QA Program documents to confirm means were provided to verify the validity of supplier certificates and the effectiveness of the certification system. The inspector should confirm the supplier had audited the certification system.

4.13 Receiving Inspection

The inspector should perform the following activities:

4.13.1 Select and review a minimum of three items which were accepted by receipt inspection to confirm the inspection to verify conformance to specified requirements, and take into account source verification and audit activities and the demonstrated quality performance of the supplier.

4.13.2 Review the three items selected in Section 4.13.1 above to confirm the items were examined for potential suspect/counterfeit part characteristics. The inspector should interview the Contractor's personnel responsible for performing receipt inspection to confirm if potential suspect/counterfeit part was identified, the part was evaluated and dispositioned as a nonconforming item, if appropriate.

4.13.3 Review the three items selected in Section 4.13.1 above to confirm they had been inspected for the following:

- configuration;
- identification;
- dimensional, physical, and other characteristics;
- freedom from shipping damage;
- cleanliness.

4.13.4 Review the three items selected in Section 4.13.1 above to confirm the receipt inspection was planned and executed according to the requirements of QAM Policy Q-10.1, *Inspection.*

4.13.5 Review the three items selected in Section 4.13.1 above to confirm the receipt inspections were coordinated with a review for adequacy and completeness of supplier documentation when the procurement documents required documentation to be furnished prior to receipt inspection. If none of the items selected in Section 4.13.1 required documentation to be submitted, the inspector should interview the Contractor's personnel to select items which did require documentation to be furnished prior to receipt inspection.

4.13.6 Review the three items selected in Section 4.13.1 above to confirm the receipt inspections were conducted in accordance with the Contractor's procedures.

4.14 Post-Installation Testing

The inspector should perform the following activities:

4.14.1 Select and review objective evidence of three post-installation tests to confirm the Contractor and supplier have mutually established requirements and acceptance documentation.

4.14.2 Review the objective evidence of the three post-installation tests selected in Section 4.14.1 above to confirm the tests are conducted in accordance with the requirements of QAM Policy Q-11.1, *Test Control.*

4.15 Acceptance of Services Only

The inspector should interview Contractor Field Engineering, QC, and QA personnel to obtain and review verification and inspection records for the acceptance of services. The inspector should verify the following:

- The conditions and acceptance criteria for the contracted services are clearly delineated in the services contract.
- Appropriate Contractor Field Engineering, QC, and QA verifications, inspections and audits were performed for the contracted services.
- Nonconforming conditions associated with the services provided were appropriately resolved.
- Services provided met the conditions of the contract and associated specifications.

The inspector should verify the Contractor accepted services by any of the following methods:

- Technical verification of data produced
- Surveillance or audit of the work
- Review of objective evidence (i.e., certifications, stress reports, personnel qualifications) for conformance to the procurement document requirements.

4.16 Control of Supplier Nonconformances

The inspector should obtain and review the Contractor's procedures for controlling nonconformances for items and services to confirm the items addressed in Section 3.16 of this procedure were included.

4.17 Commercial Grade Items

The inspector should obtain and review a minimum of three procurement packages for commercial grade items to determine the items addressed in Section 3.17 of this procedure were followed in procuring and accepting the commercial grade items.

5.0 REFERENCES

10 CFR 830, Subpart A, "Quality Assurance Requirements," *Code of Federal Regulations*, as amended.

DOE Implementation Guide for Use with 10 CFR 830.120, Quality Assurance, G-830.120, Rev. 0, U.S. Department of Energy, 1994.

DOE/RW-0333P, *Quality Assurance Requirements and Description (QARD)*, Revision 11.

Quality Assurance Manual, 24590-WTP-QAM-QA-01-001, Revision 4, Bechtel National, Inc., 2003.

6.0 LIST OF TERMS

AB	authorization basis
OCRWM	Office of Civilian Radioactive Waste Management
QA	quality assurance
QAM	Quality Assurance Manual
QARD	Quality Assurance Requirements and Description
QC	quality control
SRD	Safety Requirements Document

Attachments: None