



## **Coating and Lining Inspection Company Certification Program**

### **SSPC QP5 APPLICATION, INSTRUCTIONS, AND PROGRAM RULES**

## Table of Contents

| <b>Section</b>                               | <b>Page</b> |
|--|-------------|
| <b>I. Introduction</b>                       | <b>3</b>    |
| <b>II. General Procedures for Applicants</b> | <b>3</b>    |
| <b>III. Application Form</b>                 | <b>3</b>    |
| <b>IV. Evaluation Checklist</b>              | <b>6</b>    |
| A. Organization and Management               | 7           |
| B. Quality System, Audit and Review          | 7           |
| C. Qualification of Inspectors               | 8           |
| D. Inspection Equipment                      | 10          |
| E. Inspection Methods and Practices          | 10          |
| F. Records and Recordkeeping                 | 11          |
| G. Additional Explanatory Notes              | 12          |
| <b>V. Submittal Procedure</b>                | <b>13</b>   |
| <b>VI. Fee Payment Schedule</b>              | <b>13</b>   |
| <b>VII. Evaluation Process</b>               | <b>14</b>   |
| <b>VIII. Determination of Status</b>         | <b>15</b>   |
| <b>IX. Appeals Procedure</b>                 | <b>15</b>   |
| <b>X. Renewal of Application</b>             | <b>15</b>   |
| <b>XI. Definitions and Explanations</b>      | <b>15</b>   |
| <b>XII. QP 5 Scoring Criteria</b>            | <b>16</b>   |
| <b>XIII. Special Provisions</b>              | <b>16</b>   |
| A. Major Changes in Company's Organization   | 16          |
| B. Suspension for Non-Payment of Fees        | 17          |
| C. Formal Complaint Procedure                | 17          |
| <b>Appendix A</b>                            | <b>18</b>   |

## I. Introduction

SSPC developed the Coating and Lining Inspection Company Certification Program to set a standard of practice for coating and lining inspection companies. SSPC accomplishes this by independently auditing the company to determine whether it has the personnel, organization, qualifications, knowledge, and capability to provide comprehensive protective coating inspection services in accordance with this standard.

**The SSPC QP5 Quality Certification Program is limited to evaluation of quality practices relevant to inspection of in process coating and lining applications. The program is not intended to guarantee the quality of work of a specific company. It is intended rather to assist facility owners, contracting firms and others who contract for coating inspection services in evaluating the qualifications of the inspection company. While SSPC certification confirms a company's capability to meet the requirements of SPEC QP5, owners, specifiers, contractors, fabrication shops and others who hire inspection companies may also choose to assess additional capabilities such as financial resources, specific types of insurance coverage and the company's experience.**

This package contains information and materials needed to apply for QP 5 certification.

Disclaimer: While every precaution is taken to ensure that all information furnished is accurate and complete **SSPC cannot assume responsibility nor incur any obligation resulting from the use or misuse of information contained herein, or of the program itself.**

## II. General Procedures for Applicants

The Coating and Linings Inspection Company Certification Program contains this sequence of procedures that the applicant must follow.

- Complete the application form found in SECTION II.
- Gather and prepare the required information described in SECTION III.
- Submit the three (3) items of information identified by an asterisk (\*) in SECTION V to SSPC along with the appropriate certification fee described in SECTION VI.
- SSPC Staff reviews submittals within 4 working days after receipt. If everything is in order, an on-site audit will be scheduled. If not, SSPC will indicate what must be done or what additional information is required to complete the submittal.
- All information submitted is treated as confidential. The original submittal is filed at SSPC and the copy is given to the auditor assigned to conduct the audit.
- The on-site evaluation will be conducted by an SSPC auditor at the applicant's primary place(s) of business or a division office in conformity with the SSPC-QP5 auditor checklist. It usually requires 1 or 2 days to complete the audit.

At the conclusion of the audit, an exit interview will be scheduled with an authorized member of management for the purpose of discussing any deficiencies that may have been cited during the audit. If there are deficiencies, the member of management is required to sign a deficiency/corrective action schedule to complete the audit.

If the applying firm has a qualifying score, it will be certified for one year, renewable each year thereafter. Note: Firms accepted into the random audit program (RAP) may be exempt from undergoing a mandatory annual audit to maintain certification. See SECTION XIV for more information on the RAP.

If the applying firm does not qualify, it will have 90 days after notification to develop a written corrective action plan acceptable to SSPC and request re-evaluation at a later date. If no corrective plan is submitted for SSPC acceptance within the 90-day period, the company must reapply for initial certification.

QP5 provides for an appeal procedure, should the applicant disagree with audit findings. See SECTION IX.

If the QP5 Inspection Company disputes a suspension or revocation of certification, the Company has the option to appeal to the SSPC Certification Manager, in writing, within 10 business days of formal notification of a suspension or revocation.

## III. Application Form QP5 Certification for the Coating and Lining Inspection Company

The application form is used to provide information that will aid in evaluating and rating the applicant's inspection operation. To avoid delays, all responses must be complete and accurate. Information must be either typed or clearly printed in ink.

Please send the original and one copy of the application form (typed or printed legibly), the written submittal items described in SECTION IV, and noted with an asterisk (\*), to SSPC along with the appropriate fee described in SECTION VI.

**QP 5 APPLICATION FORM**

**Please Note:** This program encompasses inspection of in-process protective coating and lining applications in the industrial and marine. **Please send SSPC two typed or printed copies of your completed application and all submittals with the correct non-refundable fees.**

Company Name: \_\_\_\_\_

Principal Officer/Title: \_\_\_\_\_

A): Home Office Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Web Site Address (if applicable): \_\_\_\_\_

Telephone (include Area Code): \_\_\_\_\_

Fax Number: \_\_\_\_\_ Federal Tax I.D.#/; \_\_\_\_\_  
(Enclose copy of Fed I.D./EIN notification from the IRS or equivalent form for non-USA based organizations)

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Provide a list of current owners (if you are not publicly traded): \_\_\_\_\_

Type of Business:     Sole Proprietorship     Partnership     Corporation

Years the applying company has operated under the name listed above: \_\_\_\_\_  
If less than 3 years, list previous names below and reasons for name change.

Previous Name/Date: \_\_\_\_\_ From: \_\_\_\_/\_\_\_\_/\_\_\_\_ To: \_\_\_\_/\_\_\_\_/\_\_\_\_

Previous Name/Date: \_\_\_\_\_ From: \_\_\_\_/\_\_\_\_/\_\_\_\_ To: \_\_\_\_/\_\_\_\_/\_\_\_\_

Reasons for Name Changes (attach explanation)

Is the address listed above the main place of business?     Yes     No

If the company has other independent offices operating under the same company name in locations other than the one listed above, list each below. (Include principal contact, address, phone, fax, and e-mail) If needed attach additional sheet

**Note:** SSPC reserves the right to audit each independent office operating under the name listed above on a rotating basis, annually. Additional fees will be assessed for time and travel expenses required to audit other offices located outside the lower 48 states. Has the company undergone (within the past 12-18 months) or is it planning to undergo any major changes (e.g., name change; change in ownership; Chapter 7, 11, 13; purchase or takeover of another company; major personnel changes, etc.)

If yes, provide explanation:     Yes (Attach explanation)     No

Average number of inspectors you've employed to perform coating and lining inspection work over the past three (3) years: \_\_\_\_\_

Has your company or any of its personnel been accused/charged/alleged by a Court (Local, State, or Federal) to be involved in any of the following practices in the past 36 months: (1) fraud; (2) alteration of test results or reports; (3) criminal conviction; (4) misrepresentation of information; (5) illegal business practices; (6) illicit operations. (Refer to the Disciplinary Action Criteria [DAC])

Yes       No

Has the company been disqualified or disbarred from any RFQ/RFP lists in the past 24 months?  
(Attach reason and name of issuing entity)       Yes  No

Is your firm an organizational member of SSPC?  Yes       No  
If yes, indicate type:       Patron       Sustaining       Industrial Affiliate  
Date membership expires: \_\_\_\_\_

If your company is ISO 9001 certified or maintains other third party Quality Management System certifications, please list below and submit copies of the certificates):

---

**Note:** Failure to report accurate, complete information will delay certification evaluation. Deliberate omission or falsifying of information will result in withholding of certification status for a minimum of six (6) months after notification.

By my signature below, I acknowledge that I have read and understood the Coating and Lining Inspection Company Certification Program Application Form and Instructions, the procedure set forth therein, and any Disciplinary Action Criteria in effect. As a principal officer of the inspection company, we agree to abide by and be bound by the rules, regulations and procedures set forth therein.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

## IV. Evaluation Checklist (Coating and Lining Inspection Company Certification)

Following is a list of audit evaluation items that the auditor will review and rate during the SSPC QP5 evaluation. Information on evaluation item titles in **bold type**, preceded by an asterisk (\*), must be submitted with the application and accepted by SSPC prior to scheduling of the audit. The remaining and majority of items listed below are demonstrated to the auditor during the on site evaluation. Records or files to be made available to the auditor include but are not limited to: job files; inspection equipment calibration and calibration verification records; personnel records; company and individual certifications and licenses; equipment maintenance records; personnel training and qualification documentation. The auditor may also interview inspectors and other company personnel as appropriate.

### A. ORGANIZATION AND MANAGEMENT

1. Legal Identifiability of Organization
  - Provide documentation that all of the company's business offices are legally identifiable. Examples include:
  - Certificate of good standing from home state
  - Registration or authorization to do business in states where practicing
  - Incorporation documents
  - Tax returns (federal and state)
  - Insurance certificates (e.g., worker's compensation, liability insurance, errors and omissions)
2. Identifiability of Inspection Body

If applicable, the inspection unit of the company must be identifiable as a unit and operate as such. Organization chart, company practices, procedure manuals, and job duties performed are appropriate to confirm the separate identity. The organization chart must show clear lines of authority within the company and must be current and signed by the CEO.
3. Technical/Quality Manager (TQM) **Note:** TQM must be present during the QP5 audit  
**\* SUBMITTAL ITEM (Names of TQM & all persons performing back-up TQM duties)**
  - a. The company must employ a technical or quality manager who has responsibility and authority to implement and monitor compliance with quality procedures as they apply to coating and lining inspection activities.
  - b. The technical quality/manager must report directly to the owner, president, CEO, or COO, or other Responsible Executive, or is one of these persons.
  - c. The quality manager must be a certified SSPC PCS or PCI Certified, NACE Peer Reviewed Coatings Inspector or hold a BS degree in corrosion science or corrosion engineering or materials science, and have at least 10 years of substantial corrosion or coatings-related management, inspection, or other relevant experience.
4. TQM Back-up Plan
  - a. There must be a written plan appointing a designated replacement by name, who has equivalent qualifications. The plan has been approved by the Responsible Executive and requires designated replacements to report directly to the Responsible Executive.
5. Internal Auditor Qualifications
  - a. Each internal auditor must meet SSPC Level II Inspector qualifications.
  - b. Each auditor shall have completed audit training from either a recognized audit training provider such as ASQ or an internal training program using an SSPC accepted curriculum. (See explanatory notes beginning on page 15)
  - c. Each internal auditor shall possess the ability to communicate effectively orally and in writing.
  - d. The Company President or COO shall attest to these qualifications in writing.  
**Note:** An internal auditor may be part of the inspection team when not performing audit functions. However, when functioning as an auditor, no individual may audit any inspection work performed in his/her division.
6. Supervision
  - a. Persons providing supervision are familiar with all equipment, processes, and procedures for making inspections, and for evaluating results.
  - b. People providing supervision and training are SSPC Level II, or equivalent, as designated by the TQM.
7. TQM Function
  - a. The appropriate processes, procedures, and controls have been established and distributed by the TQM to all persons involved in the inspection program.
  - b. You must demonstrate that the technical quality manager has acted (i.e., performed prescribed duties) and is actively involved in inspection activities on an ongoing basis.

**Note:** one or more persons can handle TQM functions. In a small company the TQM might be one person. In a larger company, there should be a senior person in the position of overall responsibility, even though other qualified persons may perform some program duties, as assistant or associate TQMs. The TQM is expected to be the program manager and is expected to exert significant oversight responsibilities through routine review of the inspection process.

8. TQM Back-up Plan
  - a. You can demonstrate implementation during the absence of the TQM through correspondence and other means.
9. Confidentiality of Client Information
  - a. There are implemented, written policies and procedures to ensure confidentiality of client information. Policies describe procedures for maintaining confidentiality of all records and compliance with contract requirements.

## B. QUALITY SYSTEM, AUDIT, AND REVIEW

1. Quality Program
  - a. There is a written quality manual
  - b. There is written documentation that it is communicated to all affected personnel
  - c. You can demonstrate that procedures in it are followed by all affected personnel
2. Quality Manual (Contents)
  - \* **SUBMITTAL ITEM (Quality Manual)**
  - a. The written quality manual clearly states the company's policies and operational procedures as they pertain to coating and lining inspection activities.
  - b. At a minimum, the quality manual shall contain:
    - A quality policy statement, including objectives and commitments, by executive management.
    - The organization and management structure of the inspection company (group, division department, etc.), its place in any parent organization and relevant organizational charts.
    - The reporting relationship between management, technical operations support services, and the quality system.
    - Procedures for control (including distribution) and maintenance of all quality control procedures and corporate recordkeeping and retention policies.
    - Job descriptions of key staff and reference to the job descriptions of other staff.
    - Identification of the inspection company's approved signatories (where appropriate)
    - The inspection company's procedure to achieve traceability of measurements against industry standards and manufacturer's recommendations.
    - The inspection company's general scope of inspections and tests. (The precise scope of an inspection will be determined by the terms of the individual contract or work order)
    - Appropriate and clear reference to the inspection, verification, and test procedures to be used.
    - Procedures for performing inspections and tests.
    - Reference to any inspection equipment and reference measurement standards used.
    - Reference to procedures for inspection, calibration, and equipment maintenance, as required.
3. Management Review (By TQM)
  - a. You must demonstrate that the TQM periodically (daily upon project or inspector "start up", weekly until manager is satisfied with inspector's ability to act independently, and monthly thereafter) reviews "work" performed by inspection personnel.

**Note:** "Work" is defined, in this instance, as project documentation but could also include on-site observation of the inspector in the field. This function can be performed by the TQM or an Assistant TQM, and be consistent with the structure of the company.
4. Independent Verification of Inspection Result
  - a. There is written evidence (sign off) that inspection results are verified by a competent supervisory level person not directly performing the inspections.

**Note:** a supervisor/competent person, an assistant TQM, or the TQM, consistent with the structure of the company, can accomplish this function. Every inspection report shall be reviewed and "signed off" by a qualified person while the project is in progress, to the extent practical.
5. Review of Field Work for Conformance with Contract Requirements
  - a. You must demonstrate through documentation that inspection results/tests are independently reviewed in the field on a spot basis by a competent supervisor to ensure conformance with specifications and other contract requirements.
  - b. There is a company policy for spot checks and documentation of changes for specific projects.

**Note:** Where specifically documented and performed by a qualifying auditor, independent of the inspection program, such field checks can be considered part of the internal audit process.

6. Internal Audit of Inspection Activities
  - a. There is a plan outlining particulars of internal audits (who, when, where, etc). At a minimum, the plan must meet SSPC Guidelines outlined in Appendix A.
  - b. Audits are conducted, findings are documented, and results reported to the Responsible Executive, in accordance with the company plan.
  - c. A minimum of 50% of your projects requiring more than one day of inspection are audited at least once during the project or within 3 months of project completion, but in no case less than once every 12 months.
  - d. Corrective actions, if any, are documented and implemented within 5 working days after management is notified.
  - e. Clients, whose work is affected by an audit finding, are notified in writing within 15 working days after management is notified.
  - f. Qualified personnel conduct internal Audits.
  - g. Projects requiring internal auditing by clients are audited.
  - h. An internal audit is performed upon receipt of a formal client or contractor complaint regarding the inspection process.

**Note:** An internal audit can be expected to require approximately 2-4 hours for the first 120 hours of inspection work reviewed, and approximately 1 hour for each additional 120 hours.

7. Quality System Review by the Responsible Executive
  - a. The Responsible Executive reviews the quality manual and implemented system at least annually and the review is documented in writing.
  - b. There is documentation that changes are made and disseminated to affected staff according to a review and revision schedule.
8. Periodic Checks by the Responsible Executive
  - a. Periodic checks (at least annually) are made and documented by the Responsible Executive to verify that the following are performed:
    - Written internal quality control procedures using, when possible, statistical techniques to determine appropriate sampling.
    - Participation in proficiency testing or other qualification programs.
    - Use of certified reference materials or in-house quality control using secondary reference materials.
    - Continual evaluation of oversight requirements.
    - Supervisory review of inspection results.

## C. QUALIFICATION OF INSPECTORS

1. Inspector Qualification and Training Program
 

**\*Submittal Item-Summary of Company's Inspector Qualification Program**

  - a. There is a written program in place to qualify and train coating and lining inspectors.
  - b. The program, at a minimum, must qualify inspectors on three (3) levels as defined in QP 5.
  - c. Inspectors must pass a written/practical test, with the results filed in the inspector's personnel file.
2. Inspector Qualification and Training Requirements
  - a. SSPC Level I Coatings Inspectors shall be capable of the following:
    - Implementing and recording all inspections required by the quality manual
    - Verifying instrument calibration
    - Performing hold point inspections in accordance with the procedures described in the quality manual.
  - b. SSPC Level I Coatings Inspectors shall, as a minimum, meet one or more of the following education requirements:
    - High school diploma or equivalent plus six (6) months of satisfactory performance in inspection activities equivalent to those described above.
    - Associate Degree or higher plus three (3) months of related experience in inspection activities equivalent to those described above.
  - c. SSPC Level II Coatings Inspectors shall be capable of performing all the duties and responsibilities of an SSPC Level I Coatings Inspector. In addition, the SSPC Level II Coatings Inspector shall be capable of the following:
    - Planning and supervising inspections, initiating and reviewing inspection procedures, and evaluating adequacy of activities.
    - Reviewing, organizing and approving results of inspections.
    - Monitoring the performance of and supervising the work of SSPC Level I Coatings Inspectors.
    - Training and verifying the qualification of SSPC Level I Coatings Inspectors for certification.

- Initiating changes to quality procedures.
  - Implementing the Quality Assurance Program
- d. SSPC Level II Coatings Inspectors shall, as a minimum, meet one or more of the following educational requirements:
    - High school diploma or equivalent plus one (1) year of satisfactory performance as an SSPC Level I Coatings Inspector in the activities described in SSPC Level I.
    - High school diploma plus three (3) years of related experience in activities as described in SSPC Level I.
    - Associates Degree plus one (1) year of related experience in inspection activities as described in SSPC Level I.
    - BA or BS Degree plus six (6) months of related experience in inspection activities as described in SSPC Level I.
  - e. SSPC Level III Coatings Inspector shall be capable of carrying out all of the duties and responsibilities of an SSPC Level II Coatings Inspector. In addition, the SSPC Level III Coatings Inspector shall be responsible for:
    - Certifying SSPC Level I & II Inspectors
    - Evaluating the adequacy of programs used to train Coatings Inspectors.
    - Authorizing SSPC Level II Coatings Inspectors to carry out training and examination duties.
    - Approving inspection procedures.
  - f. SSPC Level III Coatings Inspectors shall meet one or more of the following educational requirements:
    - High school diploma plus six (6) years of satisfactory performance as an SSPC Level II Coatings Inspector in the activities described in SSPC Level II.
    - High school diploma plus ten (10) years of related experience in activities as described in SSPC Level II.
    - High school diploma or equivalent plus eight (8) years experience in inspection activities as described in SSPC Level II.
    - Associates Degree plus seven (7) years of related experience in inspection activities as described in SSPC Level II.
    - BA or BS Degree plus five (5) years of related experience in inspection activities as described in SSPC Level II.
3. Continual Qualification of Inspectors
    - a. The company shall have a written policy for training and/or technical society participation for continual qualification at each level
  4. Qualification Documentation
    - a. The qualification and training program has been implemented.
    - b. Records of relevant qualification, training, skills, and experience are accurate and current.
  5. Near Distance Visual Acuity
    - a. Each inspector is examined annually to ensure natural or corrected near-distance visual acuity. The inspector shall read the J-1 letters of a standard Jaeger Test Chart or equivalent, at a distance of not less than 12 inches with one or both eyes corrected or uncorrected.
 

**Note:** For all of the medical qualification testing, there should be documentation between the company and the doctors concerning the specific tests and evaluation required for each inspector. Each doctor's examination should reference the specific requirements, and provide pass/fail evaluations.
  6. Color Perception
    - a. Each inspector is examined annually for color perception using the Ishihara Test or the Farnsworth D-15 Test.
    - b. A licensed medical practitioner administers exams or someone certified by a licensed medical practitioner to administer the tests.
  7. Inspector Fails to Pass Farnsworth D-15 Test
    - a. A licensed medical professional to provide the necessary data to determine the inspector's color perception can evaluate the inspector. Such inspectors may only be certified to perform inspection work within the inspector's color perception capability
  8. Other Physical Qualifications
    - a. Other physical qualifications required to perform inspection duties taken on by the company (e.g., climbing, working at heights, confined spaces) are identified.
    - b. A licensed medical practitioner or equivalent examines inspectors at intervals not to exceed one (1) year to confirm continued qualification to perform assigned duties.

#### D. INSPECTION EQUIPMENT

1. Equipment and Equipment Reference Materials
  - a. Inspection personnel are furnished all items of equipment including references to perform inspection tests.  
**Note:** Project records shall document all equipment issued to each project or each inspector.
2. Maintenance of Inspection Equipment
  - a. Procedures and manufacturer's instructions for maintenance and calibration requirements for each piece of equipment are provided to each inspector.
  - b. All equipment is maintained in accordance with manufacturer's recommendations.
  - c. Records show that defective equipment is clearly identified and removed from service.
3. Calibration
  - a. Calibration records, when required by the project specification, are maintained for each instrument that requires laboratory calibration. Records include:
    - The name of the instrument.
    - The manufacturer's name, type identification, and serial number or unique ID.
    - Date the instrument was received and date it was placed in service.
    - Condition of the instrument when received (e.g., new, used, or reconditioned)
    - Manufacturer's operating and calibrating instructions for the instrument.
    - Dates and results of the instrument's calibration and date that the next calibration should be performed.
    - Equipment used to perform the calibration.
4. Measurement Traceability (General)
  - a. Procedures for measuring and testing equipment calibration are issued to each inspector.
  - b. Measurements, where applicable, are traceable to nationally recognized standards.
  - c. When traceability to national standards is not applicable, company has procedures or manufacturer's instructions to confirm correlation of results.
5. Measurement Traceability (In Service)
  - a. Where relevant, the reference standards, and measuring/testing equipment (e.g., dry film thickness gauges) are subjected to in-service checks between laboratory and/or factory calibrations.
  - b. Inspectors note field calibration checks on inspection reports. Inspectors note equipment model and serial number for measurements taken with each instrument.

#### E. INSPECTION METHODS AND PRACTICES

1. Inspection Methods/Practices (General)
  - a. Inspectors are furnished up-to-date instruction manuals that include current standards, instructions on calibration verification and use of equipment, at least annually.
  - b. Inspectors are brought up-to-date, at least annually, on new standards, new tests, new instruments, and new practices relevant to coatings/linings inspection.  
**Note:** This may be accomplished through an annual (or routine) meeting or class to discuss inspection changes. Other acceptable methods include disseminating changes through traceable documents and self-study materials.
2. Inspection Methods/Practices (Job Specific)
  - a. Inspectors are furnished job site specifications, product data sheets, MSDS, appropriate standards and other applicable job site documents and equipment.
  - b. There are post-job inspection files, which document what was furnished to the inspector at the job site.
  - c. Appropriate methods and procedures that comply with contract requirements are used for inspections, tests and related activities.
  - d. Where methods are not specified, methods are selected that have been published by technical societies (e.g., NACE, ASTM, SSPC) or other relevant scientific organizations and journals.
  - e. Where it is necessary to employ methods not specified or not spelled out as a standard, agreement is reached between the contractor, client and coating manufacturer on acceptable methods and documented.
3. Sampling
  - a. Where sampling is carried out as part of the test method, the inspection company shall use documented procedures and appropriate statistical techniques to select samples.
4. Calculations and Data Transfer
  - a. Calculations and data transfers shall be subject to appropriate checks

## F. RECORDS AND RECORD-KEEPING

### 1. Use of Computers

Where computers or automated equipment are used for the recording, processing, manipulation, reporting, storage, or retrieval of calibration verification or inspection data, the inspection company ensures that:

- a. Procedures are established and implemented for protecting the integrity of data; such procedures shall include, but not be limited to, integrity of data entry or capture, data storage, data back up and replication, data transmission and data processing, and controlled access to computer files.
- b. Computer and automated equipment is maintained to ensure proper functioning, with environment and operating conditions necessary to maintain the integrity of calibration and test data.

### 2. Traceability of Records and Reports

There are procedures for insuring quality of inspection and support activities as follows:

- a. Inspection procedures and recording systems.
- b. Procedures for receipt of specifications and revisions.
- c. Procedures for identifying the structure or equipment to be inspected.
- d. Records of standards and specifications or coatings inspection work records and their utilization.
- e. System for filing, distributing, storing and retrieving of inspection reports.
- f. Determination of required inspection equipment, calibration verification standards and procedures.
- g. Procedures to ensure that each major significant activity (e.g., surface preparation, coating application, curing of primer, intermediate and topcoat application) is inspected and documented.
- h. Procedures to verify that specified steps are taken in storing, handling, and applying coatings, in compliance with OSHA, EPA, state and local regulations and applicable NFPA standards.

### 3. Record System

Demonstrate that:

- a. The inspection company maintains a record system to suit its particular circumstance and comply with any applicable regulations.
- b. It retains on record all original observations, calculations and derived data, calibration verification records and a copy of the calibration certificate, or inspection reports for an appropriate period.
- c. The records for each inspection and test contain sufficient information to permit their repetition.

### 4. Storage of Records

- a. All records (including those pertaining to calibration and test equipment), certificates and reports are safely stored, held secure and in confidence to the client. Reasonable efforts (e.g., locked room, vault or file cabinets with controlled access) are made to keep records safe and secure.

### 5. Certificates and Reports

- a. The results of each inspection, test, or series of inspections or tests carried out by the inspection company are recorded in a written report accurately and objectively, in accordance with any instructions in the inspection or test methods. The results are recorded in a report and include all the information necessary for the interpretation of the inspection or test results and all information required by the method used. Each report includes at least the following:
  - A descriptive title
  - Name and address of inspection company, and location where the inspection was carried out
  - ID of the instrumentation (such as serial number)
  - Name and address of client
  - Name and address of coating application company (i.e., contractor)
  - Description and clear ID of the structure or equipment inspected
  - Description of the test area and results of the inspection or test.
  - Date of inspection
  - ID of inspection or test method used, or clear description of any non-standard method used.
  - Reference to sampling procedure, where relevant
  - Any deviations from, additions to or exclusions from the inspection or test method, or any other information relevant to a specific inspection or test, such as environmental conditions.
  - Measurements, examinations and derived results, supported by tables, graphs, sketches and photographs as appropriate, and any failures identified.
  - A signature and title, or equivalent identification of the persons.
  - Where relevant, a statement to the effect that the results relate only to the items inspected or tested. A statement that the report shall not be reproduced except in full, without the written approval of the inspection company.
  - Results of inspections or tests performed by subcontractors are clearly identified.

### 6. Subcontracting

- a. Subcontracted coatings and linings inspection work is performed without exception, by firms qualified to QP5.
- b. There is a definitive agreement between all parties in subcontracting arrangements as to the responsibilities of each.

**Note:** Where a QP5 inspection company retains all management responsibility, this is not considered subcontracting, regardless of how the inspectors are hired.

7. Complaints

- a. There is a documented policy and specific procedures for the resolution of client or third party complaints about inspection work and these have been implemented.
- b. Complaints are readily available, tracked until resolved, and resolution is documented along with complainant's response(s).

**Note:** A definitive policy is required, and evidence that the policy is followed, that outlines for all employees the process that is to be followed upon receipt of a complaint. A policy that refers the complaint to the "Responsible Executive" for investigation and resolution is satisfactory.

8. Audits triggered by Significant Complaints

There is evidence that complaints that raise concern about the company's compliance with policies and procedures, conformance to this standard, or the quality of work trigger a prompt audit in accordance with section B, item 6.

G. ADDITIONAL EXPLANATORY NOTES

1. Personnel Qualifications

The requirements for personnel qualifications (e.g., Assistant Tam's, Inspectors, and Supervisors/Competent Persons) are intended to be followed strictly, with the understanding that occasional exceptions may be acceptable and prudent. Exceptions should be accepted where the occasional individual does not meet every specific qualification. However, an analysis of other qualifications by the TQM and the Responsible Executive should indicate that the individual is fully capable, or capable with specific restrictions. In any event, exceptions are to be documented as to the analysis, the name and title of the person, and date of decision.

For instance, a basic inspector requirement is to have a high school diploma. SSPC is aware that there are inspectors in the work force who do not have a high school diploma or GED, yet some are excellent at their work. SSPC does not want to lower the standard, since the intent is to raise the over-all level of the inspectors. If however, we can reasonably take the approach that the primary reason for requiring the high-school diploma is to provide individuals that are:

- a. Functionally literate
- b. Able to express thoughts and ideas both verbally and in writing
- c. Show ability to analyze problems and exercise good judgment. This criterion provides a good basis for evaluating individuals that do not possess the diploma. Any such analysis, however, must be documented and appropriately executed through the management system.

2. General Guidelines For Documenting

- a. Only the documented portions of the program shall be reviewed and audited. If it wasn't documented, it doesn't exist.
- b. An inspection that wasn't documented, signed, and dated, wasn't accomplished.
- c. A review that wasn't initialed and dated wasn't accomplished.
- d. An internal audit not signed, dated, and forwarded to the appropriate authority wasn't completed.

3. Floor Audit Of Inspectors To Verify Company Support

SSPC reserves the right to contact inspectors by phone on the jobsite (as part of the QP 5 Audit process) to verify that the company support is as indicated by policy.

4. Auditor Training Requirements

A. The inspection firm must be able to document that internal or external auditors have trained in the following topic areas as they pertain to the independent auditing process:

- I- Ethics, Processional Conduct and liability Issues;
- II- Audit Preparation;
- III- Audit Performance;
- IV- Audit Reporting;
- V- Corrective Action Follow up Closure
- VI- Audit Program Management;
- VII- General Knowledge and Skills. The training may be live (in-house or by an outside agency) or by distance (e.g., correspondence course, CD-ROM, Web-based).

B. Curriculum Outline:

- General Knowledge and Skills (e.g., Auditing Basics, Basic Skills, Tools and Techniques, etc.)
- Ethics, Professional Conduct, Liability Issues (e.g., Code of Ethics, Professional Conduct and Responsibilities, Liability Issues, etc.)
- Audit Preparation (e.g., Audit Definition and Plan, Audit Design (checklist preparation), Document Review and Preparation, Communication and Distribution of Audit Plan, etc.)
- Audit Reporting (e.g., Review and Finalize Audit Results, Written Report Format and Content, Issue Written Report, Audit Records Retention, Non Conformance Statements, etc.)
- Corrective Action Follow-up and Closure (e.g., Corrective Action Follow-up, Closure, etc.)
- Audit Program Management (e.g., Administration Process, Audit Personnel, etc.)

## V. Submittal Procedure

- A. To avoid delay, gather and submit application package materials as follows:
1. Type or legibly print all entries on the application form.
  2. Be certain all items on the form are answered completely and accurately and that the form is signed by the company President, CEO, or COO, etc.
  3. Send original and one copy of the application package to SSPC. We suggest the company keep a copy on hand for use during the on-site audit.
  4. Clearly identify items of information that are noted on the evaluation checklist as being required submittals to accompany the application.
- B. Submittal items include:
1. Name of TQM and designated backups or assistants
  2. Quality manual
  3. Summary of Inspector Qualification Program
- C. Secure all pages to minimize chance of loss or separation
- D. Determine non-refundable certification fee using the schedule below.  
Make check payable to:  
**SSPC- the Society for Protective Coatings**
- Mail the application package and fees to: (US Mail & Delivery Service Address)  
**SSPC: Society for Protective Coatings**  
**Attn: Certification Manager**  
**40 24<sup>th</sup> Street, 6<sup>th</sup> Floor**  
**Pittsburgh, PA 15222-4656**
- E. Alternatively, application and submittals may be submitted electronically on CD-ROM or MAC Readable Disk or via e-mail provided electronic signatures required on the application form are valid and SSPC is able to open the document. Email documents to: [suzich@sspc.org](mailto:suzich@sspc.org).

## VI. QP5 Fee Payment Schedule (effective August 08, 2008)

Submit in advance your non-refundable fees (the annual administrative fee plus a deposit for audit expenses) with your QP 5 application. SSPC will withhold your certification until receiving total payment. The fees cover the cost of staff time to review and process your application package, the cost of the on-site evaluation/audit, and the overhead expenses required to operate the program.

\*Note: Annual administrative fees are not refundable if a contractor's certification(s) are suspended or revoked.

Use the following table to determine your fee:

| <b>QP5 Administrative Fee</b>                    | <b>Sustaining Member</b> | <b>Patron Member</b> | <b>Non-Member</b> |
|--|--------------------------|----------------------|-------------------|
| Initial and Maintenance                          | \$1,350                  | \$1,600              | \$2,150           |
| Corrective Action Verification                   | \$300                    | \$550                | \$800             |
| <b>Audit Deposits (Regardless of membership)</b> |                          |                      |                   |
| Initial and New Term                             | \$2,200                  |                      |                   |
| Maintenance                                      | \$1,700                  |                      |                   |
| *Outside U.S./Canada/Mexico- Add                 | \$1,000                  |                      |                   |

**Example:** If you are applying for QP5 and are an SSPC sustaining member, submit \$3,550 (\$1,350 Administrative Fee + \$2,200 Audit Deposit).

## **SSPC Policy**

- A. If the audit cost is less than the submitted audit deposit, SSPC will refund the difference. If the audit cost is more than the audit deposit, SSPC will bill your company for the additional expenses.
- B. Program fees are non-refundable, regardless of the results of the evaluation.
- C. Fees must be paid in advance. Certification will be withheld until all fees are paid. Post-audit fees for QP5 corrective action verification audits or additional audit expenses are payable when due. Failure to pay fees in a timely manner will result in a six-month suspension from the program and public notification of the suspension. If fees are still not paid after the suspension period lapses, the firm will be decertified after being given notice. To regain QP 5, the company will need to reapply, pay all applicable fees, and fees owed from the past.
- D. In the case that a company withdraws an application prior to the scheduling of the field evaluation, SSPC will withhold \$500 for application processing expenses.
- E. After six (6) months SSPC will return "non-responsive" and "inactive" applications to the company, less a \$500 non-refundable administrative processing fee.
- F. QP 5 applicants must pay all applicable fees for QP 5 deficiency audits or additional audit expenses when they are due. Failure to pay in a timely manner will result in a six-month suspension from the program and public notification of the suspension. If fees are not paid after the suspension period, that company will be de-certified. In order to regain QP 5 status the company is required to reapply as an initial applicant. When re-applying, all applicable fees *and* all overdue fees must be paid prior to QP 5 certification being approved.

**SSPC Policy Regarding Cancellation of Audit** – If after an audit date has been selected, and mutually agreed upon by both the applicant and SSPC, and confirmed either in writing or verbally, the applicant either cancels the audit or requests a change of date, the applying company will be responsible for any unrecoverable expenses incurred by SSPC as a result of the cancellation.

## **VII. Evaluation Process**

Evaluation of the applying firm is performed in conformity with the current version SSPC-QP5: Standard Procedure for Evaluation the Qualifications of Coating and Lining Inspection Companies.

The application package (i.e. application form, written submittal and certification fee) is received by SSPC. Upon acceptance by SSPC, the application form and submittals are provided to an auditor.

When a mutually agreed upon date or time-frame has been selected for the initial audit, and confirmed in writing or verbally by the applicant and the SSPC Certification Manager or auditor, SSPC will send a program auditor to visit the headquarters business office of the inspection operations to perform the following:

- A. Confirm data submitted in the application package
- B. Interview key personnel and selected inspectors
- C. Observe and rate company organization and operation, utilizing standard program guidelines and rating procedures.
- D. Schedule the Exit Interview

At the conclusion of the audit, the auditor will schedule an exit interview with cognizant management personnel to point out any major corrective actions (CARs) that were scored less than a "2" and items scored "2" which require a minor corrective action report.

**Note:** the company TQM must be present during the audit, unless the audit is unannounced or conducted on a job-site. If corrective actions are required, the auditor will complete a deficiency/corrective action schedule, which must be signed by the company representative at the conclusion of the audit. Signature does not connote agreement with the results. It only acknowledges the corrective actions required. Refusal to sign the deficiency schedule will result in denial of certification.

## VIII. Determination of Status

At the conclusion of the evaluation process described in Section VII, the auditor will forward a report to the SSPC Certification Manager, who will make the final recommendation to the Program Director, regarding certification status. Those decisions are:

- A. Confer Certification
  - 1. Applying company achieved scores of "3" on all evaluation items.
- B. Deny Qualification
  - 1. Applying company achieved scores of "2" on items which require written corrective action within 90 days of notification of audit results. Certification can be issued once a corrective action plan is submitted and accepted for each item rated "2". If the applying company achieved 4 or more ratings of "2", a follow-up audit may be required.
  - 2. Applying company achieved scores of "1" on one or more items, requiring submittal of a written corrective action plan AND a re-audit at the applicant's expense. The re-audit will confirm that acceptable corrective actions have been implemented and root causes investigated.

## IX. Appeals Procedure

During the exit interview, the auditor will explain the corrective actions required as a result of the evaluation. If the applicant disputes the audit findings, an appeal can be filed upon being notified of the audit results at the exit interview. Steps for filing an appeal are as follows:

- A. Applicant must notify SSPC in writing within 10-working days after notification of audit results at the audit exit interview, specifically identifying those items in contention and why the results of the audit are being disputed.
- B. The applicant may then arrange with SSPC to have a second audit **at the applicant's expense** to evaluate items in contention.
- C. In the event the foregoing step fails to resolve the dispute, a mutually agreed-upon arbitration panel consisting of 3 persons, one chosen by the applicant, one chosen by SSPC and one agreed upon by both parties. (I.e. a person or persons familiar with inspection operations in the coating industry or Quality Management Systems), will hear evidence and make a final decision. If the arbitration panel finds for the applicant, the applicant and SSPC will share all fees and expenses equally. If the arbitration panel supports the findings of the SSPC audit, the applicant will be responsible for payment of all fees and expenses associated with the appeal.

**IMPORTANT:** Failure to cooperate with the program auditor, or failure to provide access to data, personnel or on-site premises, shall be sufficient cause for denial, suspension, or revocation of QP5 certification.

## X. Renewal Applications

SSPC-QP5 Certification is for one year, from March 31 to March 31. To renew certification, the QP5 certified company must re-apply annually by January 15.

The QP5 certified company must submit an application form, a list of inspection projects in progress and completed since the last evaluation, changes in key personnel or changes in company organization, and the appropriate maintenance fee. All must be submitted by January 15.

SSPC will send a registered letter to the QP5 certified company 60 to 90 days before the January 15 anniversary date as a reminder to reapply. The QP5 certified company is responsible for ensuring that SSPC has a current business address, to ensure notification is received in a timely manner.

**If the QP5 certified company fails to reapply by the January 15 deadline, certification will expire.**

SSPC will send a letter to any company who has failed to reapply when due as a reminder that certification has expired.

## XI. Definitions and Explanations

**Auditor** - A person employed by SSPC or an independent auditing agency that meets SSPC-QP5 auditor Training requirements that is responsible for reviewing applicant submittals, conducting on-site evaluations, and reporting results to SSPC, including recommending whether certification should be conferred.

**Certification** - The procedure by which written assurance is given that a product or service conforms to a standard or specification. In this program, certification is for a maximum of one year.

**Evaluation Items** - Specific facts/evidence an evaluator uses when assessing an applicant's required information.

**Function Areas** - Specific areas of an inspection company's business operation that are evaluated because they directly or indirectly affect the quality of work provided. These include: management and organization; quality system and internal audit program; qualification of inspectors; inspection practices; record and record keeping and others.

**Rating** - The method of measuring a contractor's performance during the certification process. Each evaluation item used to assess information submitted or provided by the contractor is rated on a scale of "1" to "3". Minor and major deficiency corrective actions are required for "1" and "2" ratings.

**Required Information** - Specific items of information that an applicant must provide prior to and during the on-site evaluation.

## **XII. QP5 Scoring Criteria**

### **A. Criteria**

1. CAR = Corrective Action Report required for each Major or Minor deficiency found by the auditor
2. Remedial action for a MAJOR CAR requires a submission of a corrective action plan followed by an on-site re-audit to confirm that the deficiency has been corrected.
3. Remedial action for a MINOR CAR requires submission of an acceptable corrective action plan to SSPC within 90 days of notification of audit results. Four (4) or more minor CARs may also require a follow-up on-site evaluation

### **B. Rating Definitions & Scoring Terms**

1. **Rating "1"** – (Major CAR) The required training, written program, practice or procedure is non-existent or required training or written program is inadequate (i.e., required practice and procedure in place sporadically - less than 2/3 implemented).
2. **Rating "2"** – (Minor CAR) The training or written program is adequate or requiring minor revisions (i.e., practice or procedure is in place with isolated instances of nonconformance - no more than 1/3 of the time. e.g., lack of practice or documentation due to personnel turnover, non-performance by field personnel, or extenuating circumstances.)
3. **Rating "3"** – (No CAR required) the company consistently adheres to specific training and written program requirements; required practice and procedures consistently meet the letter of the standard.

### **C. Required Scores to Achieve QP 5 Certification**

1. Rating of "3" on all evaluation items or appropriate written response to less than four (4) MINOR CARs (items with a rating of "2") within 90 days of notification of audit results.
2. All items with a minimal rating of "2" must be addressed in written corrective action plan submitted within 90 days of the audit.

**Note:** The applying company's scores are compiled on the evaluation report form and tally sheet used by the auditor. Copies of the audit report are sent to the applicant 30 to 40 days after the audit is completed.

## **XIII. Special Provisions**

### **A. Major Changes in a Company's Organization** – SSPC certified inspection companies are required to notify the SSPC Program Administrator within 30 days of any major organizational changes. Examples of a major changes include (but not limited to):

1. Change in ownership
2. Partnership/joint venture
3. Change in executive management (e.g., President, CEO, General Manager, etc.)
4. Name Change

The notification shall include the following information:

1. Specific details about changes revised organizational and responsibility chart
2. Effective dates of change
3. Names of officers of company

SSPC will subsequently schedule a special audit, at the inspection company's expense within 60 days of notification. SSPC will also schedule another audit, at the firm's expense, within six months of the special (first) audit to verify that the company is in fact maintaining the standards of the program. If the company does not pass the 6-month audit, certification will be rescinded.

No transfer of certification status to a new company will be approved until the company provides SSPC with the information and passes the special (first) audit.

Failure to notify the program administrator of any major changes within the required time period may result in an automatic 6-month suspension of certification.

A company may request that SSPC waive the requirement for a special (first) audit before approving the transfer. SSPC will evaluate each request and may waive the requirement at its own discretion.

- B. **Suspension for Non-Payment of Fees** – Failure to pay all fees in a timely manner will result in a six (6) month suspension from the program and public notification of the suspension. SSPC will suspend the QP5 if it fails to pay all outstanding balances within (3) three business days of the final (second) invoice. For initial and annual applicants who pass the evaluation, certification will be withheld until all fees are paid. Finally, if the company chooses to contest or appeal any outstanding balance, the appeal must be in writing and submitted to the Certification Manager within five business days of the final (second) invoice date. Failure to submit a timely written appeal of an outstanding invoice will also result in a six-month suspension mentioned.
- C. **Formal Complaint Procedure** – Any authorized representative of an agency who hires a certified inspection company may file a formal complaint against the firm if this person has information that the inspection firm does not practice in conformance with QP5 certification procedures. The formal complaint procedure allows the inspection company to submit information in response to the complaint.

**IMPORTANT:** Failure to cooperate with the program auditor, or failure to provide access to data, personnel or on-site premises, shall be sufficient cause for denial, suspension or revocation of the firm's certification status.

## Appendix A

### a. QP5 Internal Audit

April 19, 2004

#### **SSPC Position Statement on Internal Auditing Requirements for QP5 Certified Inspection of Coating and Lining Firms**

This position statement applies to the QP5 firm's internal auditing of the coating and lining inspection work performed for its customers. The internal audit program consists of all internal audits, annual management evaluation, and corrective actions and follow-up.

#### **Introduction: Why Implement an Internal Auditing Program?**

Unlike the audit of a company's financial statements, internal quality auditing is used as a tool for monitoring the state of a company's quality management system (QMS). An effective internal audit process can benefit your company by improving operating efficiency (e.g. reducing waste and rework) and reducing business risks (e.g. warranty service demands, latent defects, and litigation problems). When you take the time to identify areas of inefficiency you are always looking at your coating inspection services with an eye toward improving your performance.

The use of internal audits in conjunction with a QMS provides a framework for evaluating compliance. Internal audits also create an environment where continual improvement is both expected and desired.

If your inspection firm implements a QMS merely to comply with QP-5, your company is missing the point of the QMS. Likewise, if you implement an internal auditing program just to meet a QP-5 audit item, you are again overlooking the benefits of continuous improvement.

The QMS provides the structure from which you can develop a baseline for management and operations/production personnel to improve processes in a controlled fashion. The internal audit process plays an important role in (1) continually assessing your company's compliance with its QMS, (2) helping you evaluate the effectiveness of previous improvement efforts, and (3) in identifying future opportunities for improvement.

Top management must be the first to recognize the value of the QMS and the internal audit program. There must be a total commitment from top management to implement the QMS and to continually improve your company's operations. An effective internal audit program is critical for monitoring your company's QMS and identifying where further efficiencies can be applied.

#### **Who Makes a Good Internal Auditor?**

ISO/ASQ QE19011-2002 auditing identifies the following personal attributes for an auditor:

- Ethical (fair, truthful, sincere, honest, and discreet)
- Open-minded (willing to consider alternative ideas or points-of-view)
- Diplomatic (tactful in dealing with people)
- Observant (actively aware of physical surroundings and activities)
- Perceptive (instinctively aware of and able to understand situations)
- Versatile (adjusts readily to different situations)
- Tenacious (persistent, focused on achieving objectives)
- Decisive (reaches timely conclusions based on logical reasoning and analysis)
- Self-reliant (acts and functions independently while interacting effectively with others)

Your internal auditors should have all these characteristics, plus a keen eye for problems associated with operating the business and the ability to synthesize knowledge and observations into meaningful recommendations for improvement.

Successful internal auditing also requires using certain techniques that are not necessarily complicated, but not always self-explanatory. Like all areas of business and management, once you've identified an individual with the desired personal characteristics, some training and experience will be required for the individual to perform satisfactorily.

## **Auditor Training and Qualifications**

ISO/ASQ QE19011-2002 also provides numerous recommendations for auditor qualifications and experience. Additionally, the effective internal auditor must have general knowledge of coating and linings inspection company operations, as well as technical knowledge of the protective coatings industry.

The American Society for Quality (ASQ) has an auditor certification program that is appropriate for internal auditors. While ASQ certification is not required for QP-5 internal auditors, it may be worth considering for the individual(s) in your company heavily involved in internal auditing. The Body of Knowledge for the Certified Quality Auditor Program can be found at [www.asq.org](http://www.asq.org), or specifically at [http://www.asq.org/cert/types/cqa/bok\\_new.html](http://www.asq.org/cert/types/cqa/bok_new.html). ASQ also offers a self-study-auditing course in both “at home” and “online” versions. At a minimum, any individual assigned auditing functions should have completed ASQ e-Learning Courses – Auditing (CQA) Fundamentals I and Auditing (CQA) Fundamentals II, or ASQ’s Foundations in Quality Learning Series – Certified Quality Auditor (self-study), or an equivalent.

ASQ e-Learning Course – Quality 101 (web-based training) will provide a good foundation for anyone involved in developing, managing, auditing, or otherwise maintaining a QMS.

## **Compliance with QP5**

SSPC expects QP5 firms to perform internal audits on a minimum of 50% of their coatings and linings inspection projects. One way to demonstrate compliance with this quantitative requirement is to keep a log of annual (FY calendar) inspection projects with notations on the log showing which jobs were internally audited, the name of the internal auditor, and the date(s) of the internal audit. The log should link specific project records to the appropriate internal audit records.

If you already have such a log or list and use it for other purposes, this is acceptable.

To assist you in identifying projects for auditing, here is a list of situations that might pose unusual risks and must be considered high-priority projects for internal auditing:

- Using or having used an inspector “new” to your company
- Using or having used a newly trained, inexperienced inspector
- Doing inspection work for a new client
- Doing inspection work in a new category of work, regardless of whether you have an experienced inspector on the project
- Receiving a complaint about the level or quality of inspection from your client, the prime contractor, the painting contractor, or the material or equipment supplier
- Receiving a formal request from a client to audit project documents and test procedures/results
- Executing a contract that requires internal auditing

You should allow for internal audits to be both announced and unannounced at the discretion of your total quality manager (TQM) or the responsible executive (RE).

## **Audit Sample Size**

Much value can be derived from internal audits when appropriate sampling techniques are used. The inspection company should have procedures in place to implement the internal audit policy, including selecting projects, sampling, evaluating, and reporting.

Internal audits should be fair and objective. Before beginning any audit, the internal auditor must become familiar with the details of the coating specification, especially acceptance criteria, as well as details of the QMS. Records and test procedures and results must be reviewed for completeness, accuracy, and relevance.

When the audit is complete, the internal auditor must sign the report and distribute copies to the TQM and the RE. All audit reports (internal and external), management reviews, and corrective actions and resolutions (internal and external) shall be part of the controlled records.

## **Periodic Spot Checks at Job Sites**

In addition to the annual QP5 external audit conducted at your headquarters or at a division office by SSPC, SSPC auditors visiting job sites to conduct other types of SSPC audits may, at their discretion, do a spot check of your QP5 procedures as they apply to a particular job. Please notify your field inspectors and project managers so they are prepared to respond to an auditor's questions about QP5 related procedures. If the SSPC auditor cites your company for a deficiency or a corrective action as a result of a job-site spot check, the auditor will inform your representative on site of the deficiency or corrective action. The Certification Manager will notify the TQM formally after the audit report is received and processed.

SSPC contact: Norm Suzich ([suzich@sspc.org](mailto:suzich@sspc.org); 877-281-7772 ext. 2235)

## Appendix B

### Notice To Certified Contractors and QP5 Inspection Firms: Review of Personnel Records During SSPC Certification Audits

List of personnel information needed to confirm compliance with applicable SSPC certification requirements.

It is important that you make available to the SSPC auditor any personnel information that is needed to confirm compliance with applicable SSPC Certification Requirements.

Such information includes but may not be limited to:

- a. Medical surveillance records (e.g. blood lead test results; zpp test results) of blasters, painters, helpers, foreman, QC personnel, and others who work on your job sites and who may be exposed to hazardous metals or materials;
- b. Clearances to wear respirators;
- c. Respirator Fit Tests;
- d. Hearing Test Results;
- e. Training records, including exam results and course curriculums; and
- f. Hazard Communication (right to know) training records.

Many companies maintain spreadsheets of such information. It is important on an audit to have the back-up information (e.g. certification cards; course exams; medical exam summaries) available so the auditor can verify the information recorded on spreadsheets or other types of summaries.

Due to increased privacy concerns under HIPAA (Health Insurance Portability and Accountability Act of 1996), it may be necessary to obtain release forms from those persons who do coatings-related work for your company just to make sure you're covered. HIPAA provides federal protection against the misuse of individually identifiable health care information.

However, HIPAA should not be used as a shield when a legitimate requester such as an SSPC auditor requests data. This interpretation is based on a recent letter issued by OSHA (Standard Interpretation Letter dated August 18, 2004) that explains to contractors that they do not have to remove names from their OSHA 300 Injury and Illnesses Log in order to comply with HIPAA.

SSPC assures each contractor who is audited by SSPC that the SSPC auditor or Program Administrator will only ask to review personnel information that is required to confirm compliance with the QP1, QP2, QP3 and other QP standard audit requirements. The SSPC auditor will not ask to see any personal medical exam results. The SSPC auditor will treat any personnel information reviewed as confidential and will ask to see it only for the purpose of confirming compliance with QP standards.

Failure to make available personnel information to SSPC so SSPC can determine compliance with Contractor Certification requirements will result in issuance of deficiencies, which could lead to suspension or loss of certification status.