QMP No. : QMP 8.3

Title : Non-conformance - OFI - Deficiency Procedure

Part of Quality Management Plan : Appendix QMP – 8.3

Type of procedure : Quality Management Procedure

Issue No. : Rev 0

Date Issued : December 10, 2015 [Reviewed July 3, 2018 and found good to go]

**1. PURPOSE and SCOPE**

1.1 To define the responsibilities and describe the methods and documents used by the Project Team for Opportunity for Improvement (OFI), Non-conformance (NC), and Deficiency investigation and reporting process.

1.2 Note that this version of Deficiency-Non-conformance is directed at Construction Management Companies that utilize building trade subcontractors. This procedure must be efficient and effective.

1.3 This procedure applies to the project activities required in recording, tracking and resolution from the following monitoring activities:

a) Field inspection – yielding findings of Non-conformances and/or Deficiencies

b) Auditing – yielding findings of Non-conformance and/or Opportunities for Improvement

. c) Highlighted items are in place for training sessions – the more important items.

**2. REFERENCES**

Quality Manual,

QMP 8.3.1 – NC and Deficiency Report Form

QMP 8.3.2.1 – Design-Build NC Flow Chart, or

QMP 8.3.2.2 - Design-Bid-Build NC Flow Chart

QMP 8.3.3 - Log

1. **DEFINITIONS AND ABBREVIATIONS**

**3.1** **Audit, Inspection, Observation:** Monitoringmethodology (tools) to ensure and document that the work or service is in general conformance with contract plans and specifications.

**3.2**  **Auditee:** Organization that is being audited.

**3.3 Deficiency:** a physical work item or condition identified by project personnel that is not in compliance with the plans and specifications and **which has predetermined remedial action** by means of existing specification, previous closed NCR, or by an approved repair procedure. Deficiency does require notification of the Superintendent or Quality Manager, but does not need an Engineer of Record (EoR) sign-off as the “fix” is understood. Typically deficiencies with rework can be made compliant with plans and specs.

Deficiencies are typically logged, monitored, and ultimately closed by Superintendent?? or Project Coordinator.

3.4 **Corrective Action**: action to eliminate the cause of a detected nonconformity or other undesirable situation to prevent recurrence. Corrective Action typically involves an improvement to the process, the procedure or to the training of personnel.

3.5 **Nonconformity or Non-conformance (NC):** A deficiency of a characteristic or a failure to adhere to documented procedures, which may render the quality of a product or service unacceptable. A physical NC requires Engineer of Record (EoR) sign-off, as the “fix” is not known.

**In Construction Management**, the CM company may choose to issue Nonconformances for instances where the Subcontractor via self-performed inspections has not identified deficiencies (intentionally or unintentionally).

* 1. **NC (NCR) or Deficiency report form:** (QMP 8.3.1) Non-conformance Report or Deficiency Report documenting the issue. Note: The single form works for either NCs or Deficiencies.
  2. **NC, OFI, Deficiency Log:** (QMP 8.3.3) The log is to be kept by the Superintendent??. [See spreadsheet log currently available.]
  3. **Opportunity for Improvement -** An OFI may be issued when an audited process is seen to be at risk of delivering nonconforming product due to elements of the procedure or plan that are not well defined, are vague, or are deemed to be insufficient to deliver conformance to specifications. The Auditee is encouraged to review the findings and undertake such modifications to the procedure as necessary to address the issue. OFIs are typically issued to address process deficiencies only where the outcome is at risk, and are not to be used for physical deficiencies or NCs.
  4. **Resolution (Disposition):** This term Resolution has the same meaning as the term Disposition. Both are interchangeable and refer to the process of identifying a proposed fix (correction) for a NCR in order to bring the item into compliance with Project requirements.

**4.0 ResponsibilitIES**

4.1 **Auditee OFI/NCR responsibilities:**

Per ISO 9001:2015, organizations within the project including subcontractors are charged with inspection, with the view to building the work correctly the first time. If Subcontractor errors are made, self-identification of Deficiencies or Nonconformities shall be documented, photographed, and reported within 24 hours to the Superintendent.

When Deficiencies or Non-conformances are identified, the Auditee shall immediately stop work on the nonconforming process, shall notify the General Contractor who shall notify the Owner within 24 hours, and immediately provide any Corrective Action to eliminate recurrence.

For Non-conformances, found by either the Sub or the General, the Subcontractor shall subsequently respond with proposed Resolution to the Quality Manager or to the Superintendent within 2 days of the finding. The Auditee may consult with the Superintendent or the Quality Mgr on the proposed Resolution to rectify the Deficiency or Non-conformance.

For Deficiencies that do not require the Engineer of Record, the GC Superintendent or Quality Mgr will be charged with acceptance (or rejection) including logging of the proposed Resolution and Corrective Action.

Assurance testing and re-inspection may be performed to determine if the Corrective Action has provided an acceptable product.

4.2 **Contractor** **Superintendent, or** **Quality Manager (QMgr)**

* Take actions required in 4.1 above and confirm that action such as immediately stopping work on the non-conforming work activity, and early notification to the Owner’s Rep of Nonconformity (target within 24 hours of identification) have been performed.
* Quality NCs and OFIs generated by the Quality Manager or Superintendent shall be logged as NC or OFI for issuance to the Auditee for action. It is always recommended to notify the Owner’s Rep of significant NC, as it helps to keep the confidence of the Owner. Subcontractor Deficiencies found by the Contractor may be issued and logged as a **Non-conformance** in order to provide incentive for the Sub to find his own errors and deficiencies.
* Contractor verification shall be performed following receipt of Auditee verification so that the OFI or Nonconformity has been remedied per the approved procedure, and that any Corrective Action is being implemented and is effective. This verification can be accomplished at the next audit.
* The NCR log and Deficiency log (kept by the Quality Coordinator or Superintendent) shall be kept up to date. NCR and Deficiency items require to be closed prior to end of contract, but shall be performed on an on-going basis.

**5.0 Deficiency-NCR Initiation**

5.1 **Deficiencies:** During the process of self-inspecting construction processes; work items found by (the Forman for self-performed work, or) the Subcontractor that are not in compliance with contract plans or specifications but which can be brought into compliance, shall be brought to the attention of the Superintendent by means of photo and text message (to be discussed) for Superintendent Deficiency Logging. *[There is no better way for a foreman or a sub to build up good will than to be “man enough” to admit to errors, and to fix them.]* The deficiency shall be corrected and when complete, shall be reviewed for compliance and logging as closed.

5.2 **Non-conformance – Contractor finding of Subcontractor Deficiency:** During field inspection by contractor personnel, when findings of Non-conformance are made, first stop nonconforming work (by alerting the crew and contacting the crew leader). For errors that would be Deficiencies (the fix is known), except that the error was not reported, the error shall be logged as a Nonconformance, tracked through to completion and logging as closed.

5.3 **Nonconformance – Fix not known requiring the Engineer or Architect of Record**: Proceed as in 5.1 or 5.2. If the error is such that the fix is not known, or the resulting re-work delay may influence the schedule, notify the Superintendent who shall notify the Owner’s Rep within 24 hours of detecting the error and log the NC. Subsequently, the Superintendent shall complete the form QMP 005A and the following items: “description” section of the NCR-Deficiency form, sign the “Originator’s” box, (review with the Quality Mgr if in question). S/he shall then forward the form to the Auditee (typically the foreman or Subtrade Rep).

**6.0 Auditee Proposed Resolution Responsibility**

6.1 The Auditee shall review and if in agreement, shall sign as accepting of the NCR, shall complete the Auditee portion of the NCR form including root cause, then proposes a Resolution to fix the issue and Corrective Action to prevent recurrence.

6.2 The Proposed Resolution shall then be transmitted to the Superintendent and (if in agreement) then to the Owner’s Rep for Architect or Engineer of Record to review and issue their required actions.

6.3 **[Design Build Project]** If the NCR is a physical NCR, the Auditee shall forward the document to the Quality Mgr who shall forward to the Project Team Engineer of Record (EoR) (as required for technical issues), who shall review the Auditee’s proposed Resolution and sign off (if deemed to be acceptable and in compliance with project requirements).

6.4 **If a finding is an OFI,** the Auditee shall review and if in agreement, shall sign as accepting of the OFI, shall research and write the Corrective Action to update the procedure or Work Method, shall cause the Corrective Action to be implemented in the field, and shall sign off and forward a copy to the Project Team.

**7.0 Project Team Review of Proposed Resolution**

7.1 Upon sign-off of the proposed Resolution and the Corrective Action by the Engineer of Record, the NC shall be returned to the Quality Mgr.

7.2 Process NC: If the Quality Mgr is in agreement regarding the NC proposed Resolution for the NC in question, a signed copy of agreed Resolution shall be transmitted to the Auditee for implementation and verification.

7.3 The Auditee shall complete the NC proposed Resolution and make any revision to process instructions per the proposed Corrective Action.

**8.0 Verification**

8.1 The Superintendent shall facilitate the implementation of the NC Resolution and shall verify by signature that the Resolution has been performed according to the Resolution requirements.

8.2 Upon receipt of the signed verification, the Quality Manager shall verify that the Resolution is acceptable and signs-off for the Project Team when the NCR is considered closed.

8.3 The completed and signed NC form is forwarded to Document Control for filing in the project records. A copy of this signed form is sent to the Auditee for his records. The NCR-OFI Log is updated and closed.

**9.0 Attachments**

QMP 8.3.1 – NC and Deficiency Report Form

QMP 8.3.2.1 – Design-Build NC Flow Chart, or

QMP 8.3.2.2 - Design-Bid-Build NC Flow Chart

QMP 8.3.3 – NC and Deficiency Log

**7.0 Revision History**

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| **No.** | **Date** | **Description of (Key) Changes** |
| Rev A | July 24, 2015 | Updated so that notification to the Owner’s Rep is always done |
| Rev 0 | Dec 10, 2015 | Updated for Construction Management Company |
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Originated By \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ /\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Quality Manager Date

Approved By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ /\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Project Manager Date

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