

Project Supplier Quality Surveillance (SQS) Activities

The following is a checklist of project SQS activities. What is required may vary significantly according to your project's duration, resources, scope, size, and other factors such as stakeholder request. Needs may also evolve during project execution. These activities may be changed or expanded to suit your project. Terminology may differ between various industries, organizations, and stakeholders.

1. Plan for project SQS resource needs
 - a. SQS corporate instruction, project instruction, or both
 - b. Budget estimate and resources for SQS coordinators and inspection resources
 - c. SQS administrator or lead roles, team, and specialized needs (e.g., electrical)
 - d. SQS information input to project instructions and plans
 - e. Plans for teleconference or travel with an approval process

2. Equipment and material needs per project plan, requisition-specific needs, or per client specifications, risk, location, and type of suppliers
 - a. Quality surveillance (QS) levels
 - b. Quality Verification Points (QVPs)
 - c. QS levels and QVPs aligned with budget
 - d. Criticality rating procedure

3. SQS administration
 - a. Inspection folders
 - b. Inspection resources such as client or project intranet
 - c. Distribution of material Requisitions (MRs) and Purchase Orders (POs)
 - d. Distribution of supplier data and drawings
 - e. Software to be used including SQS log (e.g., MS Excel or other proprietary)
 - f. Inspection assignment change request

4. SQS attendance at various meetings
 - a. Project and requisition team meetings such as procurement
 - b. Project-supplier meetings such as kick-off or Rolling Action Item Log (RAIL)
 - c. Prefabrication meetings (PFMs) or Pre-inspection Meetings (PIM)
 - d. SQS meetings such as with client or project team

5. SQS review of all requests for quotation (RFQs) before being issued to procurement
 - a. Scope of supply and data sheets
 - b. Supplier document requirements (SDR)
 - c. Inspection requirements document (IRD)
 - d. Client specifications or industry standards
 - e. General technical requirements such as Non-Destructive Examination (NDE)

6. SQS review of supplier quality- and technical-related documents such as:
 - a. Inspection and test plans (ITPs)
 - b. Manufacturing record books (MRBs) and indexes
 - c. Material test reports (MTRs)
 - d. Quality plans
 - e. Welding procedure Specifications (WPSs)

7. Third-Party Inspection (TPI) resources and services
 - a. By client, direct-hire, inspection agencies, or project
 - b. Purchase order or contract, by project or client
 - c. Approval of assignments, hours and Supplier Quality Representatives (SQRs)
 - d. Client or project subject matter expert (SME) involvement

8. Inspection assignment instructions (IAIs)
 - a. Assignment estimate and approval
 - b. Special instructions or other directions
 - c. Attachments obtained from project
 - d. Resources provided by supplier
 - e. Invoicing review by SQS coordinator
 - f. Invoice payment per agency agreement

9. Inspection-related activities

- a. Supplier notification and waiver of inspection
- b. Major and minor issues with flash reports (e.g., email, phone call, or text)
- c. Punch list close-out or approval as-is
- d. Inspection by others such as regulatory
- e. Factory acceptance test (FAT) attendance
- f. Walk down (e.g., 90% completion)
- g. Inspection release policy with SDR incomplete or a punch list

10. SQS reporting deliverables

- a. Distribution of audit or inspection reports (IRs) with email summary
- b. Action Item lists (AILs) and inspection releases
- c. Clarification or resolution of findings
- d. Filed on shared drive or engineering document management system (EDMS)

11. Project support services

- a. Maintain an SQS log
- b. Supplier pre-qualification audits or evaluations
- c. Summary SQS reporting for issues and status (e.g., weekly)
- d. Process supplier Non-conformance reports (NCRs) and maintain an NCR log
- e. SQS coordinator as SME such as for coating, electrical, NDE, and welding

12. Project close-out activities

- a. Archiving records
- b. Reporting (e.g., statistics and outstanding issues, if any)
- c. PO checklists

Miscommunication and misunderstanding contribute to costly project challenges. This is because industry lacks a common language; companies use their own terminology – which can be very confusing (CII 2014). Ineffective communication puts 7.5% of project budgets at risk (PMI 2013). The *Glossary of Common Industry and Project Terminology* is the first comprehensive terminology resource written specifically for capital projects in energy, industrial, mining, petrochemical, pipeline, power, and other sectors. It provides comprehensive definitions for thousands of current energy and industry terms. [Successful Projects Need Effective Communication](#) expands on this subject.