



AMPP/SSPC QP ACCREDITATION PROGRAM RULES



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Table Of Contents

1.	Introduction.....	3
2.	Eligibility for Initial Contractor Accreditation	4
3.	Initial Application Process.....	4
	A. Contact AMPP for pricing, invoice, and payment information.....	4
	B. Fill out the application.....	5
	C. Perform an Internal Audit using the appropriate QP or QS Program Audit Checklist	5
	D. Compile the required submittal items.....	5
	E. Submit the application.....	5
4.	QP Fee Information (In U.S. Funds).....	6
5.	Initial Application and Submittal Review by AMPP.....	6
6.	Initial Audit Evaluation Process.....	7
	A. General Program Audit Procedure.....	7
	B. Corrective Action Requirements	7
	C. Audit Conclusion	7
7.	Cancellation of Scheduled Audit	8
8.	Critical Item Provision	8
9.	Determination of Status	9
10.	Appeal Procedure	9
11.	Internal Audit	10
12.	Maintenance Applications (for already accredited organizations)	10
13.	Special Provisions / Major Changes in a Company's Organization	12
14.	Suspension for Non-Payment of Fees	13
15.	Formal Complaint Procedure	14
16.	Subcontracting Work.....	14
17.	Joint Ventures	15
18.	Reporting Work and Citation History on Application	16
19.	Administrative Suspension and Change of Company Name	16
20.	Scoring	16

AMPP/SSPC QP Accreditation Program Rules

1. Introduction

SSPC (AMPP) developed the QP Accreditation Program to verify capabilities of contractors performing industrial surface preparation and coating application in the shop or field as well as the capabilities of coating and lining inspection firms who provide inspection services. The program's overarching objective is to determine if an industrial/marine coatings contractor or coatings and lining inspection company has the personnel, organization, qualifications procedures knowledge, and capability to provide competent contracting and inspection services for industrial/marine asset owners globally.

NOTE: *The program is not intended to guarantee the quality or safety performance of a specific coating contractor or inspection firm on any of its projects. Rather, it is intended to assist Facility Owners in their evaluation of the primary technical capabilities of professional industrial/marine coating contractors and professional coating and lining inspection firms when issuing contracts for coating and lining application services or for inspection services. While AMPP Accreditation confirms a company's capability to meet the requirements of AMPP/SSPC QP Accreditation, owners, specifiers, and general contractors can also assess the painting contractor's or inspection firm's financial ability to perform a specific job as well as the organization's previous work history, capability to meet project-specific requirements, and other areas not covered under the specific accreditation program. To better ensure the success of a project, owners should write quality specifications, implement a plan to enforce the requirements of the specification through appropriate quality assurance and establish a plan to maintain good communication with both the contractor and the inspection firm before work begins and during the project. This is in addition to ensuring that the contractor and inspection firm is capable of performing the work to the Facility Owner's requirements.*

This application document contains information needed to apply for AMPP/SSPC QP/QS1 Accreditation. You will find copies of this application and all other documents detailing program requirements, related procedures, clarifications, etc. on AMPP's website at <http://www.ampp.org>.

While every precaution is taken to ensure that all information furnished in this document is accurate and complete, AMPP cannot assume responsibility nor incur any obligation resulting from the misuse of the methods contained herein or of the program itself.

2. Eligibility for Initial Contractor Accreditation

Contractors applying for AMPP/SSPC QP Accreditation must demonstrate that they possess the capability to comply with applicable QP quality and safety requirements.

Specific Work History Minimum Requirements for AMPP/SSPC QP Accreditation

To be eligible for an initial QP audit, applicants must meet the following criteria:

- 1) Shall be an established legal entity with relevant work history (e.g., incorporated, assigned a federal tax ID, or appropriate Government registration for non-US applicants) under the name on its application.
- 2) (For QP1) Shall be owned – during the 18-month period prior to submitting its application – by the same owner or owners that own the company at the time it submits its application; and
- 3) (For QP1) Shall have successfully completed at least two projects or one extended project or phase of an extended project with a cumulative 12 months of production on projects falling within the scope of the QP Accreditation being applied for prior to submitting its application.
 - a. For example, QP1 applicants shall have completed industrial painting work in the field on industrial steel/metal structures; relevant projects completed by the contractor shall add up to a minimum of 12 months of production work, which includes time spent mobilizing, rigging, performing surface preparation, performing coating application, and demobilization; and
- 4) (For QP1) Shall have implemented applicable QP critical item procedures for at least 12 cumulative production months prior to submitting its application. In other words, the contractor shall demonstrate that the company implemented QP1 critical item procedures on projects for at least 12 production months prior to submittal of its initial application. See No. 3) above for a summary of production activities.

NOTE: All QP contractor accreditation applicants must demonstrate that they have successfully completed relevant work prior to undergoing an initial audit. Meeting the above prerequisites shall be confirmed by the Accreditation Program Manager prior to accepting an application for QP Accreditation and affirmed during the initial audit process by the AMPP technical auditor.

3. Initial Application Process

- A. **Contact AMPP for pricing, invoice, and payment information.**
Please contact the Accreditation Office by e-mail at QPApplications@ampp.org for pricing, invoice, and payment information. *AMPP accepts checks, credit cards or wire transfers. Payment instructions will be provided with the invoice. See QP Fee Information in section 4.*

B. **Fill out the application.**

Fill out the information requested on the **QP and QS Accreditation Program Application** with proper executive management signatures. For details, refer to the **AMPP/SSPC QP & QS1 APPLICATION INSTRUCTIONS**.

C. **Perform an Internal Audit using the appropriate QP or QS Program Audit Checklist for the programs your company is applying for.**

To rate and evaluate your company, the program uses specific criteria organized into business areas outlined in the applicable Audit Checklist for the accreditation being applied for. Perform an internal audit using the checklist and submit the form with your application and other required documentation.

[Audit Checklists](#) can be found on the [AMPP](#) website.

D. **Compile the required submittal items.**

The required submittals are listed in detail in the document enclosed below entitled **QP Submittal Items Required for Accreditation Applications**. Compiling the information in an organized electronic PDF format is required to keep all material in order. All requested items must accompany the application in order for the initial review to begin.

Provide each submittal item document requested clearly labeled and organized, matching the Audit Checklist requirements. After the initial review, if any of the submittal items (documents) are missing or incomplete, AMPP will notify you and will not continue the review until the missing items are provided. Therefore, it is important to organize and reference the requested submittal items, so that both the applicant and AMPP can confirm that all the necessary information has been provided.

For documents required to be on-hand for a QP1 and QP2 Field audit, please use this link to access the [Job Site Documentation for QP 1 and QP 2 Contractors](#).

E. **Submit the application.**

Send an electronic PDF copy of the application via email to QPApplications@ampp.org. PDF formatted submittals should be sent with the application via email. However, if the files are too large to email, please provide a link using an online file share (i.e., Dropbox, WeTransfer, OneDrive, Google Drive, etc.).

Fees must be provided to AMPP when submitting the application for review. AMPP cannot begin review until payment is received.

4. QP Fee Information (In U.S. Funds)

Companies applying for accreditation must submit the applicable **Administrative and Audit Fee** with their application. Please request pricing information and invoice prior to submitting your application.

NOTE: *The fees cover the cost of staff time to review and process your application package, the cost of the onsite evaluation and audit, and the overhead expenses required to operate the Accreditation Programs.*

Fees are not refundable once AMPP begins the review process.

If a program member who has achieved accreditation withdraws from the QP program during an accreditation term, AMPP will retain the entire fee submitted at the beginning of the accreditation period.

You must pay post-audit fees for QP 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 your suspension. If you do not pay the fees after the suspension period ends, you will lose accreditation and must reapply for initial QP Accreditation. When reapplying, you will have to pay all applicable fees and all past due fees.

NOTE: *Maintenance applications are due December 15 for all previously accredited organizations. AMPP will assess a \$1,000 late fee for maintenance applications received by AMPP between December 16 and March 31. AMPP reserves the right to reject and return maintenance applications submitted after March 31.*

5. Initial Application and Submittal Review by AMPP

Once the initial application review process is complete and your application and submittal package is accepted by AMPP, an AMPP certified technical auditor is assigned to perform your company's independent technical audit. The auditor will contact you to schedule your initial audit, which consists of a visit to your headquarters' office and one or two active work sites or projects under contract to your company where the auditor can evaluate your company's operational capability.

NOTE: *The auditor may also review randomly selected project files for projects listed in your submittal. These files, as well as management and production personnel familiar with those projects, must be available during the audit for an initial audit to be completed.*

All initial audits will have an office audit conducted in addition to the job site or shop visit. Office/Desk audits may be conducted virtually, in part, at AMPP's discretion.

All non-public information submitted is treated as confidential.

6. Initial Audit Evaluation Process

A. General Program Audit Procedure

AMPP performs the evaluation of your company based on the current version of the appropriate (AMPP) SSPC QP/QS Standard and corresponding [audit checklist](#). Upon acceptance of the initial application and submittals by AMPP, the application and submittal package are forwarded to the AMPP auditor assigned by AMPP to schedule and conduct the initial audit.

When a date and time has been selected for the initial audit, mutually agreed upon, and confirmed in writing or verbally by you and the AMPP auditor, the auditor will visit your office and job site(s) or shop to perform the evaluation. The job site visits may take place before or after the office visit and may be unannounced or done on short notice.

- i. If your company has a qualifying audit score, AMPP will accredit your company and conduct annual maintenance audits to verify your company's ability to adhere to Standard requirements once accredited.
- ii. The auditor will verify and evaluate items from the audit checklist during the onsite audit. The necessary records or files that you must present at that time include but are not limited to job files for reported projects, inspection reports, and equipment and maintenance records. Some information will be presented verbally. The auditor may also evaluate DAC-related items as directed by the Program Manager or Director.

B. Corrective Action Requirements

After the initial or annual maintenance audit, for already accredited companies, the AMPP auditor notifies you of your audit results. You have up to 45 days to submit an acceptable written Corrective Action Plan (CAP) for any finding cited during the audit. If you do not submit acceptable corrective actions within 45 days, AMPP has the option to revoke your Accreditation. Corrective Action Plans (CAP) for **each** finding must be filed using a separate form for each finding using the online [Corrective Action Plan](#) form.

A [Root Cause Analysis](#) document is available online to help understand the root cause analysis required on the CAP form. Up to 90% of rejected CAPs are due to inadequate identification of the root causes of a finding.

C. Audit Conclusion

At the conclusion of the audit, the auditor will schedule an exit interview with your supervisory or management personnel to review any audit findings rated "2," "Less than 2," and any "Concerns" or suggestions/opportunities for improvement. If there are any findings, the auditor will note them on the Contractor Summary Report

(CSR) which must be signed at the conclusion of the audit or acknowledged by the auditee if the completed CSR is provided after the field, shop, or office visit. Your representative's signature does not connote agreement with the results. It only confirms that you have been made aware of the results. Refusal to sign the completed CSR can result in denial of accreditation.

If you choose to contest the audit findings, you must notify the AMPP Accreditation Program Manager in writing within 10 days after the exit interview. It is your responsibility to confirm with the Accreditation Program Manager that AMPP has received your notice contesting any audit findings.

7. Cancellation of Scheduled Audit

If after the audit date has been agreed upon by both your representative and AMPP, and confirmed in writing or verbally, you cancel the audit or request a change in the date, you will be responsible for any additional expenses incurred by AMPP as a result of the cancellation and rescheduling.

8. Critical Item Provision

Some accreditation programs (e.g., QP1 and QP3) contain Critical Evaluation Item Provisions. A QP Critical Item Provision identifies specific evaluation items as "Critical". AMPP has deemed compliance with these essential items critical to maintaining a specific QP Accreditation. The provision requires the contractor to score a minimum of "2" on a scale of 1 to 3 for critical evaluation items in order to achieve and maintain a specific accreditation.

AMPP allows applicants who have not attained an adequate score within 45 days to make corrections in the deficient areas, submit a Corrective Action Plan (CAP) to change system procedures, and ask for a follow-up audit. That same 45-day period is available to program members unable to achieve the required minimum score on critical evaluation items (no more than 2 major findings) during annual onsite maintenance or follow-up audits.

For initial applicants, AMPP will withhold accreditation until corrections are made, required procedures are put in place and AMPP can verify implementation at a follow-up audit, if necessary, and a passing score is achieved during any follow-up audit.

For already accredited program members unable to achieve the required score during an annual audit (which at a minimum consists of an evaluation of all auditable critical items), AMPP provides 45 days to submit an acceptable Corrective Action Plan and request a follow-up audit.

If a program member is deficient in no more than two critical items upon completion of the annual maintenance audit or any follow-up audit, AMPP will extend accreditation status until any follow-up evaluation is successfully completed. If the program member receives a rating of less than "2" for more than two critical items, this shall be cause for AMPP to suspend accreditation status for up to six months, pending receipt and acceptance of written corrective actions and any required verification through a follow-up audit. If submission of a required **CAP (Corrective Action Plan)** is not received or

not post-marked by the established deadline, and there are no mitigating circumstances, AMPP will revoke accreditation. If the required Corrective Action Plan(s) is submitted on time but rejected and AMPP requests a revised CAP and the revised CAP is not submitted by the second deadline established by the AMPP Program Manager, this will also be cause to revoke accreditation.

NOTE: *Refer to the Special Provisions section for information regarding Joint Ventures and Auditing.*

9. Determination of Status

At the conclusion of the evaluation process the AMPP Technical Auditor will report audit findings to the AMPP Accreditation Program Manager or Program Administrator. The QP Program Administrator (Department Director) will make the final decision regarding your status. Those decisions are either:

Confer Accreditation: Your company achieved required scores and has no unresolved disciplinary actions.

Deny Qualification: Your company has not attained a score adequate to achieve QP Accreditation or has unresolved disciplinary actions. You then have 45 days after written notification of audit results to submit acceptable Corrective Action Plans to address findings, and any unresolved disciplinary actions and request that AMPP re-evaluate and conduct a follow-up audit(s) as necessary to verify implementation of your Correction Action Plan(s).

10. Appeal Procedure

During the audit exit interview, the auditor will document and explain all findings cited during the audit. If you dispute any of the audit findings, you may appeal. You must notify the AMPP Accreditation Program Manager in writing within 10 days of the exit interview, specifically identifying the deficiencies you are appealing, and substantively explaining why you dispute them, including providing supporting documentation for each deficiency being contested. It is your responsibility to confirm with the Program Manager that your appeal has been received in a timely manner.

AMPP will evaluate your written appeal and notify you in writing within 30 calendar days of the appeal submission receipt by AMPP whether AMPP accepts your initial appeal. AMPP appeal evaluations will result in either acceptance of your written appeal (e.g., vacating or reducing an audit deficiency from “major to minor” or other justification) or denial of the appeal (sustaining the findings). Following denial of any appeal, the contractor has the option to accept the AMPP appeal resolution and submit a **Corrective Action Plan (CAP)** which may require a follow-up audit to verify CAP implementation. Finally, an appeal denial by AMPP could also result in a suspension of QP Accreditation for up to one year.

The contractor can continue the appeal process by requesting an informal conference in writing and within 10 business days of the appeal denial. The informal conference will be held at AMPP offices in Pittsburgh, PA or other venue determined by the AMPP QP

Program Administrator. in order to allow the appellant to further explain its position and request a different outcome.

The final option for the appellant wishing to continue with the appeal is to utilize the existing **Disciplinary Action Criteria (DAC)** Arbitration Panel Procedure to resolve the matter. Refer to the DAC on the AMPP website for details. [View DAC](#)

11. Internal Audit

Conducting a minimum of one annual internal audit is required for initial applications and in each year of accreditation after initial accreditation. AMPP recommends using the published QP audit checklist to perform your internal audit and recommends conducting an internal audit at each job site to ensure the required documents are accessible on job sites.

Your customers are given an opportunity to comment directly to AMPP at any time on your company's performance. All comments will be treated as confidential and will be used to determine if your company satisfactorily completed a project or phase of a project. Documented complaints alleging that your company is not complying with applicable QP Program requirements may result in AMPP conducting a special audit for probable cause. Failure to pass the aforementioned annual or any follow-up audits can result in AMPP suspending or revoking your company's accreditation.

IMPORTANT NOTE: Failure to cooperate with the program auditor or AMPP Corporate Accreditation Program Manager or Program Administrator, or failure to provide access to data, personnel, or onsite premises, or failure to be truthful to AMPP shall be sufficient cause for denial, suspension, or revocation of your company's accreditation status at the Program Administrator's discretion.

12. Maintenance Applications (for already accredited organizations)

The AMPP QP Accreditation term is one year (1 April – 31 March). To verify that your operations remain in compliance with accreditation standards during that one year, the program requires that AMPP evaluate your company at least once each year. The evaluation audit may be announced or unannounced. Additional audits such a probable cause audits, may be performed at AMPP's discretion, and expense.

To maintain uninterrupted accreditation status, you must reapply for accreditation **annually** by December 15. You must submit a maintenance application, a signed internal audit report completion statement, list of applicable coating or inspection work in progress and completed since the last evaluation and evidence of successful completion of your projects, current safety information when applicable and administrative and audit maintenance fee by the December 15 due date. The necessary forms and applications can be found on AMPP's website at <http://www.ampp.org>.

Follow the appropriate links to the QP Program maintenance application. AMPP will assess a \$1000 late application fee for any maintenance applications submitted after December 15. AMPP also reserves the right to reject any maintenance applications

submitted after March 31 and require the contractor submitting the late application to reapply as an initial applicant.

AMPP will make every effort to send you a reminder email approximately 45 days before the December 15 submittal due date as a reminder to reapply. If you fail to reapply when your submittal is due, your company's accreditation will expire, and your company will lose its accreditation. AMPP will send an email communication to any accredited organization that has failed to reapply as a reminder that accreditation has expired.

NOTE: *You are responsible for ensuring that AMPP has your current contact addresses, phone numbers, contact person names and their email, etc. Failure to receive a reminder letter from AMPP does not relieve you of the responsibility to submit your renewal application when due.*

Once you have reapplied, the annual evaluation must take place within the calendar year barring any mitigating circumstances or your accreditation will expire.

NOTE: *Job records for projects reported in the annual submittal and those for which a job notification is on file are subject to review during a maintenance audit and should be available if the auditor asks for them. It is mandatory to show the auditor an active job site or shop work under contract during the annual audit. For accreditations that do not require submission of job notifications, it remains the responsibility of the accredited organization to keep the AMPP QP staff current with the projects you are working on regardless of whether QP accreditation is required, in order that the auditor can observe work during each accreditation term.*

AMPP reserves the right to audit any project being performed by an AMPP QP accredited contractor or one being inspected by an AMPP Accredited QP5 inspection firm that involves surface preparation or coating application and cure on an industrial/marine structure. Such projects are eligible for an AMPP audit regardless of whether:

- The job is “reportable”; or
- Whether the project requires QP accreditation; or
- Whether there's a formal coating specification for the work.

If you are unsure whether a project you are performing is eligible for an audit, please contact the Program Manager for clarification. If you have active work and have not been audited prior to September 1, you are obligated to inform the Program Manager so the audit can be conducted to avoid a situation where you have no work to show for the annual audit. Contractors who have no active work face loss of accreditation, in the absence of mitigating circumstances. Note, too, that a visit to a second job site within a 100-mile radius of the first site visited on the same audit trip is considered one audit for sampling purposes.

IMPORTANT NOTE: AMPP reserves the right to suspend accredited organizations that fail two consecutive maintenance audits for up to 12 months following failure of the 2nd audit.

NOTE: Corrective action verification audits following a failed audit are not considered

maintenance/annual audits. Probable cause audits are considered the equivalent of an annual maintenance audit if the contractor has not yet had its annual audit.

Organizations who fail the annual maintenance evaluation will be given up to 45 days after notification of audit results to submit a **Corrective Action Plan (CAP)** and request that AMPP re-evaluate and conduct a follow-up audit. AMPP reserves the right to withhold accreditation from companies who fail a maintenance or follow-up evaluation until a CAP is submitted and accepted by AMPP.

NOTE: AMPP may opt, in certain cases, to extend the company's accreditation status following acceptance of a CAP for a limited period subject to specified conditions.

Organizations placed on suspension for failing a maintenance audit during their accreditation term will be formally notified in writing (e.g., certified letter, e-mail) of the suspension. The entity is given up to 45 days from notification to make corrections and submit an acceptable CAP and be re-audited, if determined by the Program Administrator.

The contractor or inspection company is not to represent itself as a QP accredited firm during the suspension period.

During a suspension period the contractor's name will be removed from AMPP's online searchable database of QP accredited contractors. Contractors will be formally notified in writing when a suspension is lifted. When AMPP reinstates accreditation status, it will reissue valid certificates and add the firm's name back to the online searchable database of QP accredited organizations.

13. **Special Provisions / Major Changes in a Company's Organization**

AMPP accredited contracting companies and inspection firms are required to notify the Program Manager or Program Administrator in writing within 30 days of any major organizational or name change. Examples of a major change include, but are not limited to:

- Change in ownership.
- Partnership/joint venture arrangement or change in existing partnership status.
- Change in executive management (e.g., president, CEO, general manager).
- Declaration of bankruptcy.
- Incorporation or change in corporate status.
- Name change.
- Becoming a subsidiary.
- Change to sole proprietorship.
- Relocation of main or branch business offices or opening of new branch offices.

The notification shall include the following information:

- Specific details about changes.
- Revised organizational and responsibility chart.
- Effective dates of change.

- Names of officers of reorganized company.
- Any change in tax identification/EIN, federal or state
- Submit statement from IRS or Secretary of your state assigning new tax ID/EIN or notification from your government jurisdictional authority that your organizational changes are on record

AMPP cannot begin the process of considering transferring accreditation status to a newly organized company until this information is provided.

NOTE: *If a company changes federal or state tax ID numbers or is incorporated in a new state, it will automatically have to reapply as a new company. If it is a simple change of name (e.g., “John R. Doe Co., Inc.” to “J.R. Doe, Inc.” or a change in location) and incorporated in the same state with the same tax ID numbers, a simple transfer of accreditation can be authorized after review by the Program Administrator. Contact the Program Manager if you are unsure whether an event at your company is considered by AMPP a “major” change in a company’s organization.*

AMPP may, at its discretion, subsequently schedule a special audit, at the contracting or QP-5 company’s expense, within 60 days of notification. AMPP may choose to schedule another audit, at the contracting company’s expense, within six months after the special (first) audit to verify that the reorganized company is in fact maintaining the standards of the program. If the company does not pass the six-month audit, accreditation will be rescinded.

No transfer of accreditation status to a new company will be approved until the company provides AMPP with any required or requested information, passes the special (first) audit, and obtains approval from the Program Administrator.

Failure to notify the Program Manager or Program Administrator of any major changes within the required time period can result in an automatic six-month suspension.

A company which has changed its name or has otherwise reorganized, must certify in writing that it will assume responsibility for any disciplinary actions or violations of federal, state, and local governmental regulations issued under the former name. In addition, any violations of the AMPP QP program (e.g., written complaints from owners or **Disciplinary Action Criteria (DAC)** critical faults) by the company under its original name will be considered as part of the record of the company under its new name. A company submitting a change of organizational status can request that AMPP waive the requirement for a special (first) audit before approving any transfer. AMPP will evaluate each request and reserves the right to waive the requirement at its own discretion. Requests to have the audit waived must be submitted at the time of notification of the organizational change.

14. Suspension for Non-Payment of Fees

Failure to pay all fees in a timely manner will result in a six-month suspension from the program and public notification of the suspension. AMPP will notify a company of its suspension if it fails to respond within three business days to the final (second) notice of non-payment. AMPP will also withhold issuing accreditation for initial and annual

renewal applicants who pass the evaluation but still have fees due.

15. Formal Complaint Procedure

Any authorized representative of a Facility Owner who hires a QP accredited painting contractor can file a formal complaint against a QP Accredited organization if the representative has credible information that the company does not practice QP Accreditation procedures. The QP accredee may respond to the complaint by submitting information supporting its position to AMPP. Documented complaints by a Facility Owner or its designated representative can result in a probable cause audit, authorized at the discretion of the Program Administrator at AMPP's expense if the regularly scheduled audit has already occurred.

AMPP is committed to a fair and transparent Complaints and Appeals process regarding our accreditations. If you would like to learn more about this process, or to communicate an issue to our Accreditation Program management, please contact QPinfo@ampp.org and describe your issue and/or request a phone call back. We will respond within two business days to your email communication.

16. Subcontracting Work

AMPP accredited contractors are responsible for monitoring the actions of subcontractors to ensure they perform in accordance with QP accreditation requirements. Contracted tasks include, but are not limited to, environmental monitoring and testing; personnel monitoring; medical surveillance; structural repairs, cleaning, surface preparation and painting; erecting and moving containment and scaffolding, traffic control; and equipment maintenance.

The QP firm is responsible for controlling its subcontracting process to ensure that its subcontractors conform to QP quality management requirements subcontracted to them. The contractor shall evaluate and select subcontractors based on their ability to provide products/services in accordance with the contract and applicable QP/QS quality management requirements.

Purchasing documents sent to the subcontractor shall specify information describing the product or service being purchased. The contractor shall ensure that specified requirements are adequately defined in the purchasing documents prior to their release to subcontractors. Subcontractors must also be notified by you – the accredited company – that AMPP retains the right to audit their surface preparation and coating application operations or inspection practices.

In all circumstances, AMPP accredited contractors should hire only AMPP accredited subcontractors for surface preparation and coating application work.

Accredited contractors must hire AMPP accredited contractors as required by the Facility Owner.

AMPP realizes that there are circumstances when you are hired because of your credentials as an AMPP accredited contractor and yet are required as part of your

contract to hire painting subcontractors that may not be accredited (e.g., minority or set aside contracts). In cases when you do hire non-accredited subcontractors to fulfill a contract obligation which cannot practically or reasonably be met by the contractor or other QP accredited subcontractor, you will need a written waiver of the QP requirement for the subcontractor from the Facility Owner. Regardless of the subcontractor's accreditation status, you are still responsible for the actions of those subcontractors to ensure they perform in accordance with your QP/QS quality programs.

All subcontractors hired by AMPP accredited contractors must be formally approved in writing by the Facility Owner or its designated representative, unless such a requirement (getting written approval) is waived by the Facility Owner. Failure to comply will result in issuance of a severe critical fault under the DAC.

If an accredited contractor's job site is audited and one or more of the painting subcontractors performing surface preparation and coating application work at the job site are not in compliance with QP requirements, AMPP will issue the accredited contractor a warning for violations of the Subcontracting Special Provision. A second incident will result in an automatic 12-month suspension from the accreditation program.

AMPP accredited contractors who hire non-accredited contractors even though the Facility Owner, general contractor or specifying engineer specifically call out in their contract or general notice to contractors that all cleaning and painting subcontractors must be AMPP accredited, will be subject to disciplinary action (i.e., deliberate violation of specification requirements – a very severe violation resulting in suspension or revocation under the **Disciplinary Action Criteria (DAC)**).

If an accredited contractor utilizes another contractor's workers (e.g., applicators, blasters, helpers, laborer, pot tenders, equipment operators, quality control inspectors, competent persons) and these workers are paid by another entity – regardless of whether they are under your direct supervision – the workers are considered to be subcontracted from the other entity. If the contract calls for a QP1 or QP2 contractor, the other entity must also be accredited or else it is considered a violation of the DAC.

If an accredited contractor is borrowing, leasing, renting, etc. workers, and those workers are on the accredited contractor's payroll and under the accredited contractor's direct supervision, the workers are treated as employees of the accredited company.

Complaints from Facility Owners, prime contractors or their representatives concerning AMPP accredited contractors allegedly violating subcontracting practices described above will be investigated by AMPP and may result in an unscheduled probable cause audit of job records and job site.

17. Joint Ventures

When AMPP audits a project being done by one or more QP accredited companies as a **Joint Venture (JV)**, the audit counts as an audit for all the QP accredited companies involved in the JV. (The same applies to DAC violations for all companies involved in the JV). That is, if the audit is successful, all the JV QP companies audited share in the success. If the audit is not successful, the audit is unsuccessful for all JV QP

companies involved. In addition, AMPP reserves the right to audit a non-JV project being done by one or more of the joint venture contractors as part of their routine annual audit.

18. Reporting Work and Citation History on Application

Contractors are responsible for the accuracy and completeness of reporting of regulatory citation history information submitted to AMPP when completing an initial or maintenance application. Failure to accurately report this information on the application will delay the application or result in disciplinary action or if the company is already accredited, could result in suspension of the company's accreditation status.

19. Administrative Suspension and Change of Company Name

Change of company name, ownership or structure does not void a suspension or revocation issued by AMPP. Any company that is suspended or revoked for failing to meet QP audit standards, AMPP administrative policy or any other policy related to QP accreditation is restricted from reapplying for accreditation as a newly formed, merged or renamed company. Re-accreditation in any form is prohibited for the stated duration of the suspension. Once the suspension or revocation period has lapsed, any suspension or revocation history and records will be transferred to the new business.

Any representative of the management, including but not limited to, an officer, director, superintendent, quality control supervisor, safety director, general manager, stockholder or any person who exercises directly or indirectly, including through an intermediary person, any degree of ownership, management or control of the suspended contracting company, who forms or purchases a new company or who exercises any degree of ownership of a new, existing or purchased company renders the new, existing or purchased company ineligible for accreditation while any suspension of the company the person was associated with is in effect. The intent is to prevent management or other key individuals associated with the suspended company from forming or purchasing a new company or exercising any control over an existing affiliated company – such as through an intermediary person – to avoid the consequences of a QP Accreditation suspension.

A suspended contractor may re-enter the program when the suspension or revocation period has lapsed and the conditions for reinstatement have been met. A newly formed, merged, renamed, or otherwise reorganized company must submit an application and follow all procedures for QP Accreditation.

20. Scoring

The AMPP auditor rates your company on all applicable* evaluation items. Only findings rated “1” or “2” are reported on the deficiency schedule, which is given to the auditee at the exit interview. Lack of a finding for an evaluation item means that the auditor rated it “3” or did not rate the item.

**More items are evaluated on initial and full audits than are evaluated on maintenance, spot-check or corrective action follow-up audits.*

Below are the ratings and what they mean.

The rating of “1” is a major CAR or deficiency, and indicates:

The required training, written program, practice or procedure is non-existent;

The required training or written program is inadequate; or

The required practice or procedure has not been in place for the minimum time of six consecutive production months, or it has been in place sporadically (e.g., less than 2/3 implemented based on sampling).

IMPORTANT NOTE: Typically, auditors will not issue major deficiencies for isolated breakdowns in an accredited organization’s quality system. However, there are exceptions. For example, auditors will issue a rating of “1” when they observe one or more safety violations or safety hazards that could result in an injury or serious incident. An obvious example would be a person working without appropriate fall protection as required by the contractor’s safety and health plan and/or governing regulations. Auditors will also issue a rating of “1” if they discover one or more unauthorized deviations from contract requirements or deviations from good painting practices found in the paint shop, shipyard, or field job site.

The rating of “2” is a minor CAR or deficiency and indicates the training or written program is adequate but requires minor revision. Examples include a practice or procedure that is in place with isolated instances of non-conformance no more than 1/3 of the time based on sampling, lack of practice or documentation due to personnel turnover, non-performance by field personnel, personal hardship, and natural disaster.

The rating of “3” indicates that the auditee – based on audit sampling – consistently adheres to specific training and written program requirements as well as required practices and procedures that consistently meet the letter of the standard. When there are no audit findings it means that all items evaluated during the audit were rated “3.”

A Corrective Action Report (CAR), using the AMPP automated [CAP form](#) found on the AMPP website at <http://www.ampp.org> is required for each rating of “1” (major finding) and operational and safety-related minor findings found by the auditor. Remedial action for a major CAR requires the submission of a Corrective Action Report followed by a possible onsite audit to confirm that the contractor has corrected the deficiency and implemented the corrective action plan submitted to AMPP. With the exception of initial audits and maintenance or follow-up audits where multiple CARs are written (e.g., four to five), remedial action for a minor CAR requires that the auditor confirm remediation at the next audit. Minor CARs that are not remedied by the auditee by the next audit turn into a major CAR or finding.

Initial Audits require Corrective Action Report submission for all deficiencies cited – both major and minor.

Concerns: Occasionally, the auditor will note a “Concern” on an audit report. A Concern is not a rating – it is simply a statement for the contractor to consider for its own business purposes. No response is required for a Concern or recommendation for an opportunity for improvement (OFI).