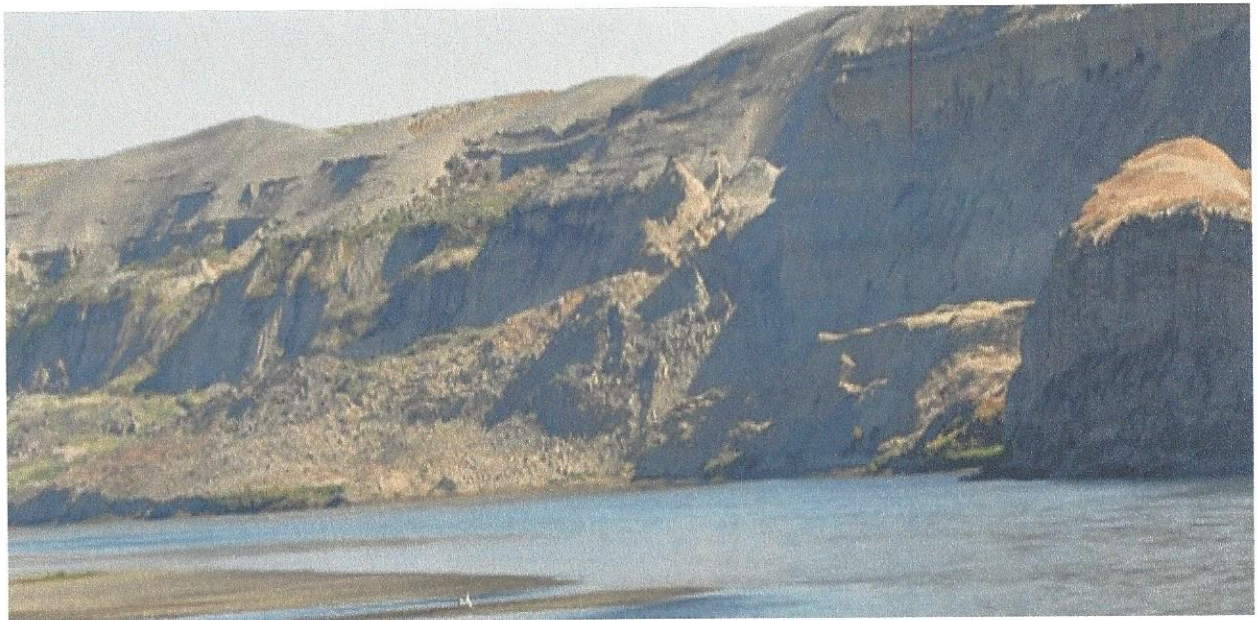




*Independent
Strategic
Management
Solutions, Inc.*
A Balanced Approach

ISMSolutions

Quality Assurance Plan





Change Record and Effective Page

QAP Revision 0, Change 0

Prepared by: Gregg I. Nakamoto Date Oct. 23, 2013

Reviewed by: [Signature] Date Nov. 9, 2013

Approved by: Darley J. Oleron Date 11/9/13

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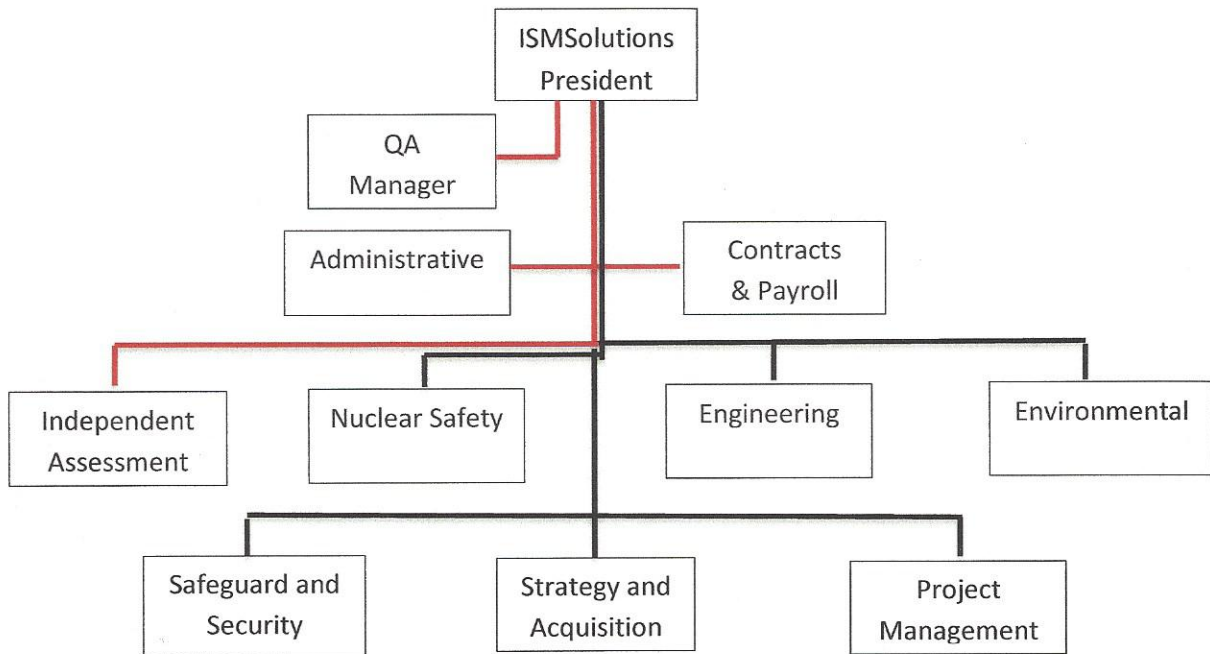
I. Introduction

This Quality Assurance Plan (QAP) describes Independent Strategic Management Solutions, Inc. (ISMSolutions) quality policies and principles for services affecting quality and safety. The QAP is based upon the requirements of the U.S. Department of Energy Order 414.1C, Quality Assurance, 10 CFR 830, Nuclear Safety Management, Subpart A, Quality Assurance, DOE P 450.4A, Integrated Safety Management Policy, ISO 9000 series, and ASME NQA-1. ISMSolutions is a management and technical consulting business that serves government and commercial clients in the nuclear, environmental, national security, energy, electrical utility, and defense sectors. The QAP describes quality provisions for the items and services where ISMSolutions is directly responsible for quality. Most of the services ISMSolutions offer are for “Service-type” contracts in that personnel provided are complimentary to the client’s workforce. For these contracts, it is expected that ISMSolution’s personnel will be trained and perform work to the client’s requirements and will work under the contractor’s or Client program. In the event that a contract requires implementation of the client’s Quality Assurance (QA) requirements, a separate QA plan will be written. Revisions and changes to this QAP will be done, as required, as ISMSolutions activities expand.

It is the policy of ISMSolutions to establish quality requirements to ensure that risks and environmental impacts are minimized and that safety, reliability and performance are maximized through the application of effective management systems commensurate with the risk posed by the facility, ship, or activity.

II. Organization

The ISMSolutions organization is shown diagrammatically in Figure 1. The red lines depict current services that fall under ISMSolutions QAP. Quality requirements for other ISMSolution client services currently follow the clients QA requirements.



III. ISMSolutions Safety Goals and Expectations

ISMSolutions is committed to protect their employees from injury and illness and to protect property, equipment, and the environment from damage, loss, or degradation due to accidents or other causes. ISMSolutions provides experienced employees that have the necessary skills, knowledge, and abilities to meet a wide range of engineering services. Employees are provided with the proper tools and resources for accomplishment of the client's task. ISMSolutions employees receive a thorough indoctrination of the Statement of Work (SOW) and are expected to receive site specific safety training and other training, as required, from the client. ISMSolutions condition of employment encourages employees to immediately report potentially hazardous conditions without fear of reprisals. ISMSolutions will take immediate action to correct any potentially hazardous condition encountered by their employees. ISMSolutions safety goal is to maintain a zero Occupational Safety and Health Association (OSHA) recordable Case Rate and a zero OSHA Lost workday case rate.

Quality is built into our work process from project inception to closeout. It involves establishing and implementing systems to identify, prevent, detect, and rectify adverse issues associated with work products, assignments, management, and cost. ISMSOLUTIONS applies a variety of quality assurance techniques to ensure projects



are completed on time, with the highest quality, within budget, and meet other management and technical performance targets.

IV. Responsibilities

The Quality Manager (QM) develops and implements the QA program to implement company policies and to ensure that services affecting quality are controlled. The QM is responsible for the design and implementation of the company's quality assurance program and for maintaining procedures under this QAP. Payroll activities for ISMSolutions are provided by Baker & Giles and Kipling Management, LLC. All contracts are administered by the President of ISMSolutions. The President is responsible for ensuring ISMSolutions employees are able to provide services required by the contracts. ISMSolution employees are composed of nationally recognized engineers, scientists and regulatory attorneys who have extensive experience in the nuclear industry. They provide a wide range of services listed in the organizational chart.

The President of ISMSolutions is responsible for ensuring employees possess the necessary skills, knowledge, and abilities, including physical capabilities, to carry out his or her assigned tasks.

For service-type contracts, the QM or designated project point of contact (e.g., Project Manager) is responsible for indoctrinating ISMSolutions employees on the client's Statement of Work (SOW) and providing any referenced documents required to accomplish the work. In order to ensure there is a clear understanding of tasks and deliverables, before commencing work the QM or Project Manager (PM) will ensure that he and the client have a common and clear understanding of each task and the scope, structure and content of each deliverable. The QM or PM will also ensure that ISMSolutions employees are cognizant of special reporting requirements and any special conditions of the SOW (e.g., reporting requirements, reporting of time and attendance, client safety indoctrination and training that must be taken prior to work, security access requirements, etc.).

The PM will conduct regular project meetings to assess status, make assignments, and resolve issues. These meetings will enable ISMSolutions to ensure we are meeting the client's needs, and identifying potentially evolving risks of the project. The PM will monitor each project/task assigned to ensure we maintain proper control of cost, quality, schedule, and performance. Prior to sending deliverables to the client's Contracting Officer or Technical Monitor, all deliverables will be checked by a



technical expert on our staff and subject to review by the PM. All written products will be reviewed by an experienced technical editor.

Additionally, employees of ISMSolutions are expected to understand and follow the client's SOW and contractual requirements. ISMSolutions employees should report any changes in scope or other issues that could affect the timing, cost or work products to the client's contract point of contact and to the ISMSolutions President and/or project point of contact. Indoctrination of employees to the SOW will be documented.

ISMSolutions employees will be provided with proper Personal Protective Equipment commensurate with the hazards expected to be encountered during their task. ISMSolutions employees are responsible to report any potentially unsafe conditions encountered in the workplace to the PM, the client's point of contact and the ISMSolutions President. The President is responsible to ensure that potential hazards are addressed immediately.

The QM or PM is also responsible for obtaining records of any site specific safety training or other training received under the client's programs.

V. Quality Assurance Requirements

A. Quality Assurance Program

The QA program provides control over activities affecting quality to an extent consistent with their importance. Periodic program assessments shall be performed to maintain quality. The ISMSolutions QA program is expected to expand commensurate with the work activities affecting quality.

The ISMSolutions QA program shall provide for indoctrination, training, and qualification, as necessary, of personnel performing or managing activities affecting quality. ISMSolutions policies shall be disseminated to all employees. Records of indoctrination, training, and qualifications will be kept.

Additionally, records that document the work performed under a contract shall be maintained as quality records.

B. Document Control

The preparation, issuance, and revision of the ISMSolution documents will be controlled.



The only controlled set of these documents shall be kept by the QM. The QM is also responsible for keeping a list of controlled documents and the record of revision and changes to these documents. ISMSolutions employees are responsible to ensure only the latest revision is being used.

C. Procedures

All revision and changes to these documents shall be reviewed and approved by the ISMSolutions President.

Pen and ink changes for editorial errors are allowed on the QMs controlled document. Pen and ink changes shall be incorporated into the next revision or change.

D. Training

For service-type contracts, indoctrination to the client's SOW will be documented. Additional training received from the client will also be documented.

The success of any organization requires members of the organization to be competent in the work they perform. Several ISMSolutions personnel have been previously certified as Lead Auditors. For these personnel, records of their certification shall be kept. As a minimum, the certification records will indicate (1) employer's name (2) identification of person being certified (3) activities certified to perform (4) basis of qualification (a) education, experience, indoctrination, and training (b) test results, where applicable (c) capability demonstration results (5) results of periodic evaluation (6) results of physical examinations, when required (7) signature of employer's designated representative who is responsible for such certification (8) date of certification or recertification and certification expiration.

ISMSolutions will maintain Lead Auditor qualifications through one or more of the following: (a) regular and active participation in the audit process (b) review and study of codes, standards, procedures, instructions, and other documents related to quality assurance program and program auditing (c) participation in training program(s) Based on annual assessment, management may extend the qualification, require retraining, or require requalification. Lead Auditors who fail to maintain their proficiency for a period of 2 years or more shall require requalification.



E. Quality Improvement

ISMSolutions reviews, evaluates, and strives to improve our overall performance and effectiveness by using both self and independent assessments. Self-assessments will be performed on a frequency determined by the QM. Periodic independent assessments will be scheduled and performed to ensure ISMSolutions QA plan and safety requirements are being met and to assess performance and identify any improvements needed. Independent assessments involve review, evaluation, inspection, surveillance, or audit to determine and document whether items, processes, systems, or services meet specified requirements and perform effectively. An independent assessment is conducted by individuals within the organization or from an external organization that are independent from the work or process being evaluated. A schedule of both self-assessments and independent assessments will be kept by the QM. In addition and as required, ISMSolutions will perform periodic safety inspections/audits to evaluate the effectiveness of programs based on the work/hazards of SOW.

For each assessment, an assessment plan shall be developed. The plan should identify the personnel performing the assessment, scope of the assessment, and documents planned to be reviewed.

The results of the assessment will be documented. Conditions requiring prompt corrective action shall be reported immediately to the QM.

Findings and/or observations of the assessment will be addressed. Corrective actions or improvements will be identified and implemented by a schedule. As appropriate, personnel will receive training on any lessons learned.

Follow-up action shall be taken to verify that corrective action is accomplished and are effective.

Audit records shall include audit plans, audit reports, written replies, and the record of completion of corrective action.

Problem identification can also result from unfulfilled expectations of the client. Any client feedback received by ISMSolutions employees will be documented and immediately made known to the President. The President will determine and



document appropriate actions to be taken. Prior to implementation, the President will ensure that the client's expectations will be met by the proposed solution. Client feedback may also be received during periodic client contract audits or during contract closeout. Client feedback will be documented and appropriate actions will be determined by the President. Intra-contract client feedback is expected to be resolved immediately with the client's approval. Post-contract feedback will be addressed by the President and, when available, communicated back to the client. All corrective actions or improvements will be documented.

F. Documents and Records

Policies, procedures, and plans are maintained current and deployed in a manner that makes them readily available to the users. The QM is responsible for the maintenance of ISMSolutions documents and QA records. ISMSolutions activities are not expected to generate lifetime records. The retention period for all records shall be determined and documented by the QM. All records shall be legible and provide documentary and traceable evidence that the quality requirements have been met.

G. Corrective Actions

Conditions adverse to quality shall be promptly identified, documented, and corrected. Significant adverse conditions shall be evaluated by causal analysis and a written corrective action plan developed and executed. The QM shall approve corrective action plans.

VI. References

1. ASME NQA-I-2004, Quality Assurance Requirements for Nuclear facility Applications
2. ISO 9000, Quality Management
3. 10CFR830, Nuclear Safety Management, Subpart A, Quality Assurance Requirements
4. DOE 0 414.1C, Quality Assurance
5. DOE P 450.4A, Integrated Safety Management Policy