



Oversight Activity – Risk Based Approach

Purpose/Summary:

This procedure describes the data, methods, and tools used by the Americas Aerospace Quality Group (AAQG) Americas Certification Oversight Team (ACOT) to analyze Certification Body (CB) activity. The Committee will produce an annual CB Report Card and from the analysis categorize CBs into groups to identify top performing CBs as well as those whose performance may present a general risk to certified organizations within the Aviation, Space and Defense (ASD) Community.

Definitions:

General Risk	Open category for performance consideration (e.g., Independent / Supplementary)
Increased Surveillance	Additional office or witness assessment activity over the minimum requirement. This may include joint or independent assessments.
Risk Principle	Derived from an analysis of three elements, Performance, Opportunity, and Change.
8D Corrective Action	Structured approach to Corrective Action

Acronyms:

AAQG	Americas Aerospace Quality Group
AB	Accreditation Body
ACOT	Americas Certification Oversight Team (replaces “RMC”)
CB	Certification Body
OASIS	Online Aerospace Supplier Information System
RMC	Registration Management Committee (Replaced by “ACOT”)
SD	Standard Deviation

Attachments:

Process Flow Chart
CB Corrective Action Response Template/Guideline
CB Report Card Template

General:

The CB Report Card is designed to provide statistically valid data for the ACOT to monitor and manage the performance and risk in the CB community. The report card is built on three elements, 1) Performance, 2) Opportunity, and 3) Change.

1. **Performance** has four categories described in Tables A-D:

- 1.1 AB Audit Metrics
- 1.2 Detailed Performance Metrics
- 1.3 OASIS Metrics
- 1.4 Documented Information



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2. **Opportunity** measures the number of client certifications and the associated risk.
 - 2.1 The philosophy is that the more certifications a CB has the greater the number of opportunities for errors and therefore, the higher risk.
3. **Change** measures the amount of change at a CB.
 - 3.1 Increased change equates to increased risk.
4. These three elements are calculated and show in the Risk Assessment Table at the end of the CB Report Card leading to an Overall Risk analysis.
 - 4.1 Overall Risk is analyzed in three categories:
 - 4.1.1 Performance – will be analyzed in four categories utilizing the variables weighted as shown in Tables A, B, C and D.
 - 4.1.2 Opportunity – will be based on the number of certificates held by each CB.
 - 4.1.3 Change – will be a series of metrics requiring a “Yes” or “No” answer. Multiple “Yes” responses may be an indication of changes within the CB and represent higher levels of risk.
5. This combination of data completes the Report Card and is used to assess CB performance and risk. Consideration may be given to shifting OP Assessor activity from low-risk CBs to high-risk CBs as determined by the ACOT and the Oversight Committee.
 - 5.1 A CB's progress will include a five year “Sparkline” at the top of the report card. This will give the ACOT as well as the CB a quick indication of any trends.

Process:

6. On an annual basis, the ACOT Database Subcommittee shall generate a CB Report Card from the data elements described below.
 - 6.1 AB Audit Metrics – This category measures the results of the Office and Witness Audits conducted by the AB with the metrics and weighting per Table A. This category also considers nonconformance events that may occur outside of the audit process.
 - 6.2 Detailed Performance Metrics – This category is centered on interface performance such as customer complaints, AB interface metrics and ACOT actions with the metrics and weighting per Table B.
 - 6.3 OASIS Metrics – This category analyzes the CBs OASIS Database activity as it relates to the generation of non-conformances with the metrics and weighting per Table C.



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- 6.4 Documented Information Metrics – This category measures the CBs management of OASIS inputs including feedback and uploading of data per the requirements of the scheme with the metrics and weighting per Table D.

Preparation:

7. Prior to the first annual meeting of the ACOT, the Database Subcommittee shall coordinate with the ABs and the OASIS database coordinator to provide data for analysis and presentation. The data shall include the prior twelve months.

8. Data Collection and Analysis:

- 8.1. The following data will be collected from the ABs (sorted by CB for the previous calendar year):

- 8.1.1 Number of Office Audits and number of nonconformities.
- 8.1.2 Number of Witness Audits and number of nonconformities.
- 8.1.3 Number of Nonconformance Reports (separated by Minor and Major) issued independent of the audits.
- 8.1.4 Suspensions.
- 8.1.5 Escalated Nonconformance Reports.
- 8.1.6 Number of customer complaints received by the AB about the CB.

NOTE: Independent and Supplemental Audit data can be collected and analyzed to validate the AB data.

- 8.2. The following data will be collected from the OASIS database coordinator (sorted by CB for the previous calendar year):

- 8.2.1 Number of Audits performed (AS9100, AS9110, AS9120).
- 8.2.2 Number of Minors written.
- 8.2.3 Number of Majors written
- 8.2.4 Number of OASIS Feedback issues received and not responded to within 30 days.
- 8.2.5 Number of data uploads to OASIS, when a certificate decision is required, greater than 30 days.
- 8.2.6 Number of data uploads to OASIS, when a certificate decision is not required, greater than 90 days.

9. CB Report Card creation Section One - **Performance**:



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9.1 The database committee will analyze the data and group the results into the following four categories. Each category will have the following weighting:

9.1.1	AB Audit Metrics	(Table A)	25%
9.1.2	Detailed Performance Metrics	(Table B)	25%
9.1.3	OASIS Metrics	(Table C)	25%
9.1.4	Documented Information Metrics	(Table D)	<u>25%</u>
			100%

9.2 Category Weighting:

The following tables identify the category metrics, the weights within the category, and the thresholds.

Table A – AB Audit Metrics:

AB Audit Metrics (25%)	Weight	Threshold
Ratio: Nonconformances/Witness Audits	.25	>2
Ratio: Nonconformances/Office Audits	.25	>5
Ratio: Nonconformances/Total Audits	.30	>2.7
Major/Minor Nonconformances issued independent of Audit	.20	>1
Total	1.00	

Table B – Detailed Performance Metrics:

Detailed Performance Metrics (25%)	Weight	Threshold
Negative Shift in Total Audit Ratio (Last Year's Ratio – This Year's Ratio)	.10	>1.0 (SD) (negative)
Customer Complaints filed with the AB about the CB	.30	>2
Suspended within the last two years	.35	>0
Presented to the ACOT in the previous year per this process	.15	>0
General Risk	.10	
Total	1.00	

Table C – OASIS Metrics:

OASIS Metrics (25%)	Weight	Threshold
Ratio: Minors/Audits	.30	<1
Ratio: Majors/Audits	.30	<.1
Ratio: Total Nonconformances/Audits	.40	<1.1
Total	1.00	



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Table D – Documented Information Metrics

Documented Information Metrics (25%)	Weight	Threshold
Timely upload of Documentation into OASIS w/certificate decision		
Initial. More than 5% of total uploads exceed 30 days.	.33	>5%
Recertification. More than 5% of total uploads exceed 90 days.	.33	>5%
Feedback not responded to within 30 days	.34	>2
Total	1.00	

9.3 Actions:

- 9.3.1 ACOT and AB actions will be determined by the scores calculated from the weighted metrics.
(All scores will be based on a 100-point scale).

Table E – Guidelines for ACOT Follow-up.

Guidelines for RMC Follow up	
No action	>/=80
AB Watch	70 - 80
CB to report to RMC	<70

- 9.3.2 AB Watch – The Accreditation Body will follow up during the year. The report cards will be provided to the AB for additional data for their audit preparation.
- 9.3.3 Based on the score, the ACOT will determine if a presentation on the progress of the CB is required from the AB.

10. CB Report Card Creation Section Two - **Opportunity:**

- 10.1 The following data shall be collected from the AB:
- 10.1.1 A count of the CBs certificates shall be listed by type (AS9100, AS9110, AS9120)
- 10.2 This data will be ranked in order and the formula will be 50/40/10. CBs that hold the top 50% of the overall certifications will be considered HIGH, the next 40% will be considered MEDIUM, and the bottom 10% will be considered LOW.
- 10.3 CB’s working in multiple countries introduce another layer of risk the process. For the calculation, clients outside country will count double on the overall calculation.



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11. CB Report Card Creation Section Three - **Change**:

11.1 The following data will be requested from the AB:

11.1.1 Changes in Aerospace Program Manager at the CB

11.1.2 Increased AB surveillance or coming off increased AB surveillance.

Table F – Change Elements

+/- 10% of certificates year to year
Negative Shift in Total Audit Ratio (Last Year’s Ratio – This Year’s Ratio) (See performance)
Change in Aerospace Program Manager in past year
Suspensions
>3 Customer Complaints filed with the AB about the CB
Coming off or going on increased surveillance due to performance in the past year

11.2 If the answer to any of the Change elements is “Yes”, the following rules will apply:

Table G – Determination of Risk Level

Yes Counts	Risk Level
>3	HIGH
2	MEDIUM
<2	LOW

12. Presentation of CB Report Cards:

12.1 At the annual ACOT meeting in which CB performance is reviewed, the Database Committee, with the support of the AB, will present the CB Report Cards. All Report Cards will be available for this meeting; however, the focus of the meeting will be the CBs performance or overall high-risk issues.

12.2 The CB Report Card will provide, for each CB, a complete list of all the variables and their performance over the last five years. The Report Card will also include the performance score and the results of the risk level analysis.

13. ACOT Action:

13.1 Based on the results of the Performance Section (Section one) of the Report Card, the ACOT will determine the appropriate action for any CB that has a score of less than 65%. (See Table E) This action can be:



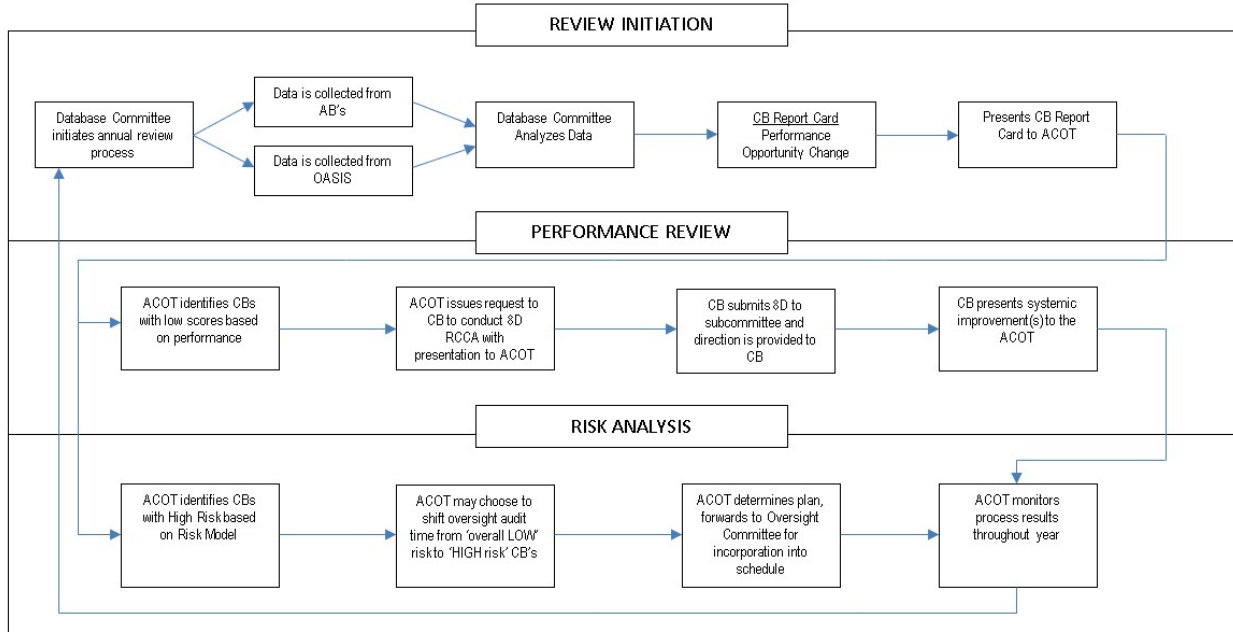
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- 13.1.1 A request for the CB to attend an upcoming meeting of the ACOT to provide a status on actions being taken to correct Report Card issues, using the ACOT 8D systemic corrective action approach.
- 13.1.2 A recommendation for suspension to the AB.
- 13.1.3 Increased OP Assessor surveillance.
- 13.2 The risk will also be analyzed across all three sections (Performance, Opportunity, and Change). If the CB is “RED” in two out of the three categories, the ACOT will assess the need for action. This action can be:
 - 13.2.1 A shifting of ACOT over-sight Office or Witness Audit from a CB that is all “GREEN” to an additional Office or Witness Audit of a high-risk CB.
 - 13.2.2 Conducting a Market Surveillance activity (IAF ID 4:2020 Market Surveillance Visits to Certified Organizations)
 - 13.2.3 Increased OP Assessor surveillance, for example, an OP Assessor may be assigned to another joint audit, it may require the OP Assessor to conduct an independent audit.
- 14. **Records:**
 - 14.1 The Database Committee will maintain CB Report Cards and any supporting emails (as appropriate) for a minimum of ten years unless otherwise specified.
- 15. **Data Confidentiality:**
 - 15.1 Certain data in the form of audit reports, nonconformities, checklists, or other company specific information, generated by the application of this standard, shall be handled as confidential (commonly referred to as proprietary or sensitive) between the parties generating, collecting, or using the data.



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Process Flow Chart





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Certification Body		Date:
CB Contact		Phone:
<p>Threshold Violations: (This section will contain a list and description of the thresholds that were violated Note: It is not about the individual thresholds, the Corrective Action is being issued because there are multiple threshold violations which may be indicative of a systemic issue with your process)</p>		
<p>Identify Team: (Because of the nature of this corrective action we recommend that this corrective action not be an individual's responsibility, this block should identify who was involved in the process)</p>		
<p>Describe the Problem: (Given the information provided, we recommend formulating a problem description based on what you know about your process and the systemic issues identified above.)</p>		
<p>Implement and Verify Short Term Corrective Action: (This section should identify what is being done immediately to solve the problem, and what was done to verify that those actions were put in place)</p>		
<p>Define and Verify Root Cause: (This section should identify the Quality Science tools used to investigate the problem and how you verified the root cause does in fact exist)</p>		
<p>Verify Corrective Actions: (This section should contain a look back at the already implemented containment corrective actions and reevaluate them in light of the root cause analysis.)</p>		
<p>Implement Permanent Corrective Actions: (This section should contain the corrective action plan, with milestones, ownership and expected outcomes including a verification and validation plan)</p>		
<p>Prevent Recurrence: (This section should contain the actions taken to prevent this from re-occurrence, with milestones, ownership and expected outcomes including a verification and validation plan)</p>		
<p>Future Steps: (This section should contain the steps being taken for the future, monitoring the process)</p>		



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CB Report Card Template

Certification Body Report: - YEAR
Certification Body Name: - CB NAME
Performance: SCORE -###.## - Performance Color Report Date: Month - Year



AB Audit Metrics (25%)	Weight	Threshold	2018	2019	2020	2021	2022
Ratio: Nonconformances/Witness Audits	.25	>2	0	3.0	1	2	0
Ratio: Nonconformances/Office Audits	.25	>5	3	2.0	0	0	1
Ratio: Nonconformances/Total Audits	.30	>2.7	.75	2.5	.5	.66	.5
Major/Minor Nonconformances issued independent of Audit	.20	>1	0	0	0	0	0
Detailed Performance Metrics (25%)							
Negative Shift in Total Audit Ratio (Last Year's Ratio – This Year's Ratio)	.10	>1	.25	1.5	-2	.17	-.17
Customer Complaints filed with the AB about the CB	.30	>2	0	0	0	0	0
Suspended within the last two years	.35	>0	NO	NO	NO	NO	NO
Presented to the ACOT in the previous year per this process	.15	>0	NO	NO	NO	NO	NO
General Risk	.10		NO	NO	NO	NO	NO
OASIS Metrics (25%)							
Ratio: Minors/Audits	.30	<1	1.2	1.07	1.09	1.02	1.0
Ratio: Majors/Audits	.30	<.1	.4	.154	.143	.091	.14
Ratio: Total Nonconformances/Audits	.40	<1.1	1.6	1.231	1.229	1.11	1.12
Documented Information (25%)							
Timely upload of Documentation into OASIS w/certificate decision							
Initial. More than 5% of total uploads exceed 30 days.	.33	>5%	0	6	7	0	0
Recertification. More than 5% of total uploads exceed 90 days.	.33	>5%	0	0	0	0	0
Feedback not responded to within 30 days	.34	>2	0	0	3	0	0

Risk Assessment:

Performance Risk	Opportunity Risk	Change Risk
LOW	MEDIUM	High

Comments:



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16. Revision History

Revision	Date	Comments
A	05-Apr-2016	Original Release
B	25-Aug-2016	
C	18-Feb-2021	Incorporated Procedure Changes
D	08-Jun-2022	Review and reformat in accordance with AS9104-1A:2022
E	24-Feb-2023	Replaced “RMC” with “ACOT” throughout. Update Process Flow Chart Update text and Documented Information criteria