**CONFIRMED MINUTES**

**JUNE 23, 2015**

**MONTRÉAL, QUÉBEC, CANADA**

**These minutes are not final until confirmed by the Task Group in writing or by vote at a subsequent meeting. Information herein does not constitute a communication or recommendation from the Task Group and shall not be considered as such by any agency.**

**MONDAY, JUNE 22**

# OPENING COMMENTS

## Call to Order / Quorum Check – CLOSED

The Nadcap Management Council (NMC) Audit Effectiveness Sub-Team was called to order at 7:56 a.m., on 22-Jun-2015.

It was verified that only SUBSCRIBER MEMBERS were in attendance during this closed meeting.

A quorum was established with the following representatives in attendance:

***Subscriber Members/Participants Present (\* Indicates Voting Member)***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | NAME |  | COMPANY NAME |  |
|  |  |  |  |  |
| \* | Latchezar | Anguelov | SAFRAN Group |  |
| \* | Nicolas | Barthelemy | Airbus Helicopters |  |
| \* | Pascal | Blondet | Airbus |  |
| \* | Richard | Blyth | Rolls-Royce | NMC Vice Chair, Sub-Team Vice Chair |
| \* | Craig | Bowden | BAE Systems – MAI |  |
| \* | David | Cianfrini | BAE Systems, Electronic Systems |  |
| \* | Russell | Cole | Northrop Grumman |  |
| \* | Jim | Diamond | 309th Maintenance Wing, Hill AFB |  |
| \* | Hidekazu | Furugori | Mitsubishi Aircraft Corporation |  |
| \* | Martha | Hogan-Battisti | The Boeing Company |  |
| \* | Scott | Iby | UTC Aerospace (Hamilton Sundstrand) |  |
| \* | Jason | Jolly | Cessna Aircraft Company |  |
| \* | Masahiro | Kawamoto | Mitsubishi Heavy Industries |  |
| \* | Karen | Kim | Sikorsky Aircraft |  |
| \* | Kevin | Knox | Rockwell Collins, Inc. |  |
| \* | Bob | Koukol | Honeywell Aerospace |  |
| \* | Ralph | Kropp | MTU Aero Engines AG |  |
| \* | Jeff | Lott | The Boeing Company | NMC Chair |
| \* | Scott | Maitland | UTC Aerospace (Goodrich) |  |
| \* | Frank | Mariot | Triumph Group Inc. |  |
| \* | Jean-Philippe | Mathevet | SAFRAN Group |  |
| \* | Steve | McGinn | Honeywell Aerospace |  |
| \* | Frank | McManus | Lockheed Martin Corporation |  |
| \* | Michael | Murray | Beechcraft |  |
| \* | Scott | Porterfield | Triumph Group Inc. |  |
| \* | Fabrizio | Quadrini | AgustaWestland |  |
| \* | Mark | Rechtsteiner | GE Aviation | Sub-Team Chair |
| \* | Brad | Richwine | Raytheon Company |  |
| \* | Scott | Severson | Rockwell Collins, Inc. |  |

***PRI Staff Present***

|  |  |
| --- | --- |
| Mark | Aubele |
| Scott | Klavon |
| Jennifer | Kornrumpf |
| Jim | Lewis |

## The Code of Ethics, Anti-Trust & Conflict of Interest were reviewed by Jim Lewis.

## Sub-Team Members

Russ Cole requested to become a member of the Sub-Team.

## Meeting Agenda

The Agenda was reviewed for content.

# Audit EFFECTIVENESS

Mark Rechtsteiner reviewed the presentation on the Audit Effectiveness Sub-Team which included a Background of how the Sub-Team was created, boundaries of the sub-team, potential actions to address identified issues, and how to move forward.

## Background

A concern was raised about certain Nadcap suppliers who look great on the surface, however after further investigation, there are issues uncovered. Data was collected from Subscribers and reviewed at the March 2015 meeting in Berlin. As a result, this sub-team was chartered under the NMC Oversight Committee. Three potential issues were identified, with initial focus on the top two: Inadequate auditor validation of Nadcap or customer requirements, Suppliers “gaming” the audit process, and Supplier “meltdown”.

## Sub-Team Boundaries

As agreed from the March 2015 meeting in Berlin, Germany, the scope of the Sub-Team is from the time the Auditor makes contact with the Supplier until the audit is submitted, and also includes Auditor Training, Auditor Consistency, and gaps in the Audit checklists that are affecting Auditor Consistency.

## Potential Causes

The following are potential causes that have been identified as higher priority:

* Audit checklists are not thorough enough to help auditor catch key points.
* Auditors not knowing to what level of specifications (sub-documents) they are expected to review as part of the job audit.
* Is the auditor validating the Supplier work instruction to the Nadcap/industry/customer requirements (Are the auditors reviewing the proper documents (e.g. specs, drawings, PO)).
* Inadequate communication of expectations to the auditors that Nadcap/Customer/Industry requirements are to be audited.
* Auditors do not have enough time to review specs in detail during audit.
* Suppliers not aware of who the final customer is and therefore not fully aware of requirements.
* Supplier steers audit to best machine/process/operator/part. Supplier says that certain processes are not available at the time so that the auditor cannot view them.
* Other equipment which is not included in the job audits not reviewed/seen to ensure job audit equipment is representative.
* Lack of or inadequate job audit tracker.

## Move Forward

It was determined that Audit Effectiveness needs to be addressed during both the General Session (Saturday) and the Task Group Sessions (Sunday) of the October 2015 Auditor Conference. The Audit Effectiveness Sub-Team needs to develop a presentation to be reviewed during the Task Group Sessions, and develop a template to input the information so it can be presented during the October Planning & Ops meeting. Since this information will be needed from all Task Groups, it was suggested to suspend the current Task Group report-out schedule and replace with these Task Group presentations. Another meeting will be utilized to develop the templates prior to the October 2015 Auditor Training weekend.

Mark Rechtsteiner and Frank Mariot will attend the General Auditor Session and present the topic to all auditors so that they are prepared to discuss it in the Task Group sessions. NMC Voting Members will then attend the Task Group Sessions to present and get feedback from the Auditors and Task Group membersThe following people will visit the following Task Groups:

Latchezar Anguelov – HT/NDT

Nicolas Barthelemy – CT

Richard Blyth – NMSE/SEAL

Russ Cole- COMP/NDT

Jason Jolly- MTL

Kevin Knox – WLD

Bob Koukol - CP

Ralph Kropp - WLD

Scott Maitland – NMSE

Jean-Philippe Mathevet – TBD

Frank McManus – CP

Mark Rechtsteiner – CMSP/M&I

Brad Richwine – ETG

Jim Lewis – FLU

ACTION ITEM: Mark Rechtsteiner & Frank Mariot to attend the General Session of the October 2015 Auditor Training Session to discuss Audit Effectiveness. (Due Date: 30-Jun-2015)

ACTION ITEM: Jim Lewis to send an email to the Staff Engineers asking them to set aside 1 hour of their agenda for Audit Effectiveness topics at the October 2015 Auditor Conference Task Group sessions. (Due Date: 30-Jun-2015)

ACTION ITEM: NMC Voting Members to attend the Task Group October 2015 Auditor Training Sessions to discuss Audit Effectiveness at each Task Group. (Due Date: 30-Jun-2015)

ACTION ITEM: Task Groups to report out during the October 2015 Planning & Operations meeting about the feedback on the Audit Effectiveness sessions. (Due Date: 20-Oct-2015)

ADJOURNMENT – 22-Jun-2015 – Meeting was adjourned at 10:30 a.m.

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