

Attachment A 8120.23A Process Overview

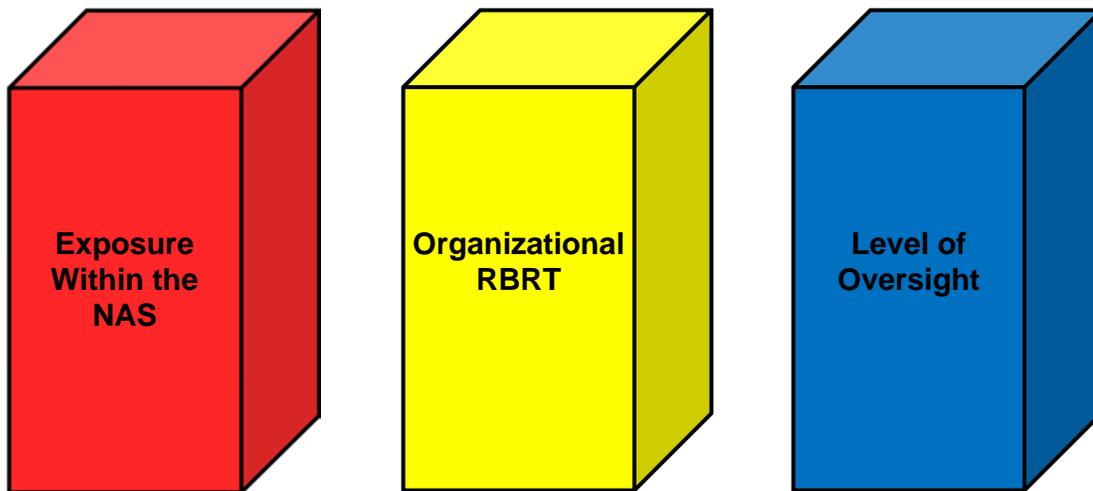
A-1. Purpose of This Attachment. This attachment provides an overview of the revised AIR CM process as described in FAA Order 8120.23A. It also provides guidance to the managing offices that are participating in the phased implementation of the 8120.23A CM process.

Section 1. CM Planning Part 1. Risk Assessment

A-2. Overview. To ensure that resources are being applied to the appropriate areas of risk and the correct level of oversight is being conducted, each active PAH is subject to a risk assessment. Each assessment employs three pillars to provide a consistent and justifiable basis for effective use of FAA resources when performing certificate management (CM):

- a. Exposure within the National Airspace System (NAS),
- b. Organizational Risk Based Resource Targeting (RBRT), and
- c. Level of oversight (the number and frequency of audits).

Figure A-1. Three Pillars of Risk Assessment



A-3. Risk Assessment Preparation. The managing office must conduct a risk assessment of each PAH at a minimum of once every 12 months and not later than April 30 of each year. Delegated facilities, holders of a letter of TSO design approval, and PAHs in an inactive status are not subject to a risk assessment. The risk assessment must be conducted in accordance with the instructions provided in the deviation memorandum and its applicable attachments. The managing office must collect and verify all information needed to complete the risk assessment before entering the information into the system. When appropriate, the managing office will contact each PAH to obtain current or clarifying information relevant to the risk assessment.

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A-4. PAH Risk Level Determination. The first pillar of the PAH's overall risk assessment determines the PAH's risk exposure in the National Airspace System (NAS), using the Risk Level Determination Document, located in attachment B. The Risk Level Determination Document places the PAH in one of three risk levels, based on a series of questions. The results of the PAH's risk level determination are used in determining the level of FAA oversight required. Refer to attachment B for the level determination decision flow.

- a. PAHs with the highest risk exposure in the NAS are placed in level 1. These PAHs manufacture products, as defined by §21.1, at significant production rates, with greater complexity, and significantly outsourced production to its suppliers.
- b. PAHs placed in level 2 manufacture either a product or a critical article and are designated as a lesser risk than level 1, but still represent a significant risk in the NAS.
- c. PAHs designated level 3 have the least risk exposure in the NAS. Unlike PAHs designated level 1 or level 2, these PAHs do not manufacture products or articles located on the category parts list (CPL) or designated as critical by the PAH or the Aircraft Certification Office (ACO).

Note: When using the Level Determination Document, the managing office may use the PAH's critical parts list in lieu of the CPL, when approved by the ACO. The PAH's critical parts list is obtained from the PAH during the production approval process, as well as updated annually, and should be located within the PAH's profile in ACAIS. The newly revised CPL is available on the Rev. A Phased Implementation Sharepoint site. (*add link*)

A-5. Agreement of PAH Risk Level Determination. The Risk Level Determination Document requires an approving official, usually the managing office manager or their delegate, to review the assigned Inspector's initial level determination. To the greatest extent possible, the PI and managing office manager or their delegate should agree on the initial level determination. However, the managing office manager or their delegate may change a level 2 determination up to level 1 or level 1 down to level 2. If this type of change is made by managing office manager or their delegate, the rationale must be documented in the Risk Level Determination Document. The managing office manager or their delegate will indicate final approval in accordance with the instructions provided in attachment B.

A-6. Completion of the Risk Level Determination Document. After completing the Risk Level Determination Document, located in attachment B, the managing office will upload the document to the applicable PAH's 8120.23A folder in ACAIS. Notify AIR-100 that the document is available for review by sending an email to: kevin.nyce@faa.gov and donald.a.leer@faa.gov.

A-7. Organizational RBRT Assessment. The second pillar of the PAH's overall risk assessment uses the CM RBRT PAH Assessment Sheet, located in attachment C, to

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determine the organizational risk. The sheet includes several factors that result in the identification of quality systems and complexities according to their potential to produce nonconforming products or articles and the consequential results associated with introducing those products or articles into the system. As a result of the RBRT assessment, a PAH is assigned one of the following organizational risk levels:

a. High. A PAH with the greatest potential to produce nonconforming products or articles.

b. Medium. A PAH with a moderate potential to produce nonconforming products or articles.

c. Low. A PAH with low potential to produce nonconforming products or articles.

A-8. Agreement of Organizational RBRT Assessment. The RBRT assessment sheet requires an approving official, usually the manager of the managing office or their delegate, to review the assigned inspector's PAH ratings. To the greatest extent possible, the assigned inspector and managing office manager or their delegate should agree on the ratings. The managing office manager or their delegate will indicate approval in accordance with the instructions provided in attachment C.

A-9. Completion of the Organizational RBRT Assessment. After completing the Organizational RBRT Assessment, located in attachment C, the managing office will notify AIR-100 that the document is available for review by sending an email to: kevin.nyce@faa.gov and donald.a.leer@faa.gov.

A-10. AIR-100 Review of the Risk Assessment. AIR-100 will score each Organizational RBRT Assessment and provide the resulting organizational risk level to the applicable managing office. The PAH's organizational risk level and its level determination will be required in determining the FAA's audit responsibilities applicable to the PAH. Refer to figure A-2 of this attachment.

Part 2. Audit Requirements

A-11. Minimum Audit Requirements. The third pillar of the PAH's overall risk assessment uses the CM audit responsibilities, defined in figure A-2, to develop the level of oversight for each PAH. Figure A-2 provides a summary of the tasks and their frequencies associated with the ongoing CM of PAHs (non-UAS PC holders).

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Figure A-2. Ongoing CM Audit Responsibilities (Minimum Requirements)

Level 3		Level 2			Level 1		
L	M	L	M	H	L	M	H
1+ Audit within every 60 months	1+ Audit within every 48 months	1+ Audits within every 36 months 1 QSA NTE 48 months	3+ Audits within every 12 months 1 QSA NTE 36 months	4+ Audits within every 12 months 1 QSA NTE 24 months	6+ Audits within every 12 months 1 QSA NTE 36 months	12+ Audits within every 12 months 1 QSA NTE 24 months	18+ Audits within every 12 months 1 QSA NTE 24 months

Note 1: All audits in the table above are only “minimum” audit requirements. The plus symbol (+) indicates that the managing office management may determine that additional audits are required based on risk.

Note 2: Product audits must be conducted during all audits.

Section 2. Product-Based System Audit Activities

A-12. Audit Basics. An audit (PI evaluation, supplier control audit, or QSA) is a systematic, independent, and focused data-driven, product-based examination of an established PAH’s manufacturing system based on the quality system elements as defined in §21.137. Its purpose is for the managing office to validate that the PAH is effectively complying with regulations and to determine conformity to FAA-approved design and applicable quality system requirements. An audit is conducted at the manufacturing location of the PAH or its supplier. The audit must be conducted on the most critical articles at the point of manufacture. The audit will be scheduled in accordance with the results of the latest risk assessments.

Note: Although a PI audit, SCA, and QSA are product-based system audits, a separate product audit is still required to be conducted during all audits and whenever determined to be necessary by the managing office.

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A-13. Supplier Facilities. Suppliers who manufacture CPL articles or are designated as critical by the PAH or the Aircraft Certification Office (ACO) must be entered into ACAIS by the managing office. As an option, the PAH can upload this listing using the EDPA external portal. Instruction for this process is listed in Appendix “D”.

A-14. Selection of PAHs and Suppliers for Audits. Subsequent to determining the results of a PAH’s risk assessment (number and frequency of CM audits), the managing office must select the point of manufacturing locations where the required CM audits will be conducted. These manufacturing locations should be selected no later than June 30th and be based on where the manufacturing actually occurs. Based on the managing office’s knowledge of the PAH, the managing office may begin the selection process by determining a ratio that reflects where the PAH’s manufacturing occurs. For example, a PAH that utilizes suppliers to perform most of its manufacturing may have a ratio of 20% PAH facilities versus 80% suppliers. In this case, 20% of the required minimum number of audits would be conducted at the PAH’s facilities, and 80% would be conducted at the PAH’s suppliers. Once the ratio is determined, the managing office should use the Facilities Selection Tool, located in attachment D (*or Rev. A Early Implementation Sharepoint site if available*), to prioritize and select the highest risk active manufacturing facilities to be audited.

Note: The ASI will not select a PAH for an SCA unless there is a special reason or the supplied articles are not part of the PAH’s production approval.

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The following PAH facilities and managing offices are participants in this phased implementation deviation:

ANE

PAH Name	Managing Office
Helicopter Tech Inc.	ANE-MIDO-44
Phill-Air Inc.	ANE-MIDO-45
Parker Hannifin Corporation-Devens, MA	ANE-MIDO-42
Triumph Engine Control Systems, LLC	ANE-MIDO-41
AgustaWestland Philadelphia Corp.	ANE-MIDO-46
Lycoming Engines	ANE-MIDO-44

ACE

PAH Name	Managing Office
Wipaire, Inc.	ACE-MSP-MIDO
Honeywell Aerospace - Boyne City	ACE-CLE-MIDO
Embraer Executive Aircraft, Inc.	ACE-ORL-MIDO
Gulfstream Aerospace Corp., Savannah	ACE-ATL-MIDO
General Electric Company	ACE-VAN-MIDO

ASW

PAH Name	Managing Office
Mitsubishi Heavy Industries America	ASW-MIDO-42
Perkins Aircraft Services	ASW-MIDO-42
Sierra Industries, Ltd.	ASW-MIDO-43
Nordam Repair	ASW-MIDO-41
Bell Helicopter Textron, Inc.	ASW-MIDO-42

ANM

PAH Name	Managing Office
Univair Aircraft Corp.	ANM-108P
Cal-Pacific Airmotive Inc.	ANM-108S
Ikhana Aircraft Services	ANM-108L
Cygnat Aerospace	ANM-108V
Honeywell Aerospace - Mechanical	ANM-108P
Robinson Helicopter	ANM-108L
Boeing Commercial Airplanes	ANM-108B

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Time Line for this deviation is:

