

# **INSPECTION AGENCY AUDIT PROGRAM GUIDE**

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## **1.0 INTRODUCTION**

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WACEL (formerly the Washington Area Council of Engineering Laboratories), An Association of Engineering Laboratories, Inspection Agencies and Public Building Officials was founded in 1974 principally to upgrade the standards of practice among engineering laboratories operating in the national capital area, as well as areas south to Richmond (VA) and north to Baltimore (MD).

WACEL's initial activities were focused on personnel standards. WACEL established a certification program to validate qualifications of soils, concrete, and bituminous concrete technicians as well as structural concrete and structural steel inspectors. In 1982, the group broadened its scope by developing its Quality Assurance Laboratory Accreditation Program. Today, WACEL laboratory accreditation is a requirement of membership. In 2003, WACEL expanded its quality assurance requirements to include inspection agencies or those organizations that provide quality assurance observation services but do not have a testing laboratory. WACEL required every laboratory to be accredited and every inspection agency providing observation and/or testing services in the WACEL region as defined by the Board of Directors to meeting the requirements of the Inspection Agency Audit Program to be a WACEL member. This document relates information about that Inspection Agency Audit Program, and includes various documents associated with Program implementation. WACEL conducts biennial evaluations of the Program and makes changes as necessary. The most recent update occurred in 2016.

WACEL regards its Accreditation and Audit Programs as the most significant contributions to improved practice among area engineering laboratories and inspection agencies. The Inspection Agency Audit Program identifies criteria that inspection agencies must meet in order to perform their work in a conscientious and capable manner, and helps assure that accredited firms in fact

meet, if not surpass, those criteria. Even though it is not an accreditation program, the Inspection Agency Audit Program provides valuable reassurance to the public, governmental agencies, clients and others that inspected agencies can perform their work in the proper manner, so their findings comprise an accurate indication of conditions assayed. Of course, no program can guarantee an audited company will at all times perform in a proper manner, that equipment will at all times be in proper calibration, etc. However, the process of participating in the WACEL Inspection Agency Audit Program demonstrates a firm's concern for proper performance. The program also recognizes that quality assurance is an ongoing and ever-improving process. For that reason, the program constantly seeks to maintain high quality standards through annual review audits.

This document comprises a refinement of previous documents and, undoubtedly, future revisions will be issued to make the accreditation process even more meaningful and effective. Toward that end, WACEL welcomes comments and suggestions from all who may read or use this document.

## 1.1 ABBREVIATIONS

Several abbreviations are used throughout this Guide, as follows:

### 1.1.1 IAAT

The Inspection Agency Audit Team (or IAAT) is defined extensively in Section 3.0.

### 1.1.2 MRFI

A Materials Review and Facilities Inspection (or MRFI) Report is issued after an applicant's quality-related materials have been reviewed and facilities have been inspected, and the IAAT arrives at a consensus as to findings. The MRFI Report is not

necessarily the final report. In some instances a review of revised materials or a reinspection of facilities is required to assure proper remedial measures have been taken.

#### 1.1.3 Director of Technical Services

The Director of Technical Services (or DTS) is the individual in the WACEL office charged with day-to-day administration of the program. The DTS's functions are explained throughout the Guide.

#### 1.1.4 TC

The Team Captain for all Inspection Audits is the WACEL Director of Technical Services or another individual approved by the Laboratory Accreditation Committee.

#### 1.1.4 LAC

WACEL's Laboratory Accreditation Committee (or LAC) is charged with Program oversight. The LAC Chairman is sent copies of most documents to help assure he/she is kept apprised of progress. The LAC is responsible for assessing the qualifications, competence and training of the Team Captain and Team Members and Novices annually.

## 2.0 THE PROGRAM

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### 2.1 PURPOSE

The purpose of the WACEL Inspection Agency Audit Program ("the Program") is to:

- a. Identify criteria that an inspection agency must possess to provide consistently accurate data derived from tests it routinely performs and services it routinely provides to identify salient characteristics of construction materials.
- b. Through identification of criteria, provide to inspection agencies, and those that may for whatever reason rely upon them, guidelines for measuring quality of performance.
- c. Provide a vehicle whereby an inspection agency may obtain an objective, knowledgeable evaluation of the quality of its performance.
- d. Provide a means for reassuring the public, government agencies, and others that an inspection agency is capable of providing accurate, reliable data in accordance with established standards.
- e. Provide a worthwhile goal that inspection agencies will vie to attain.
- f. Enhance the image of WACEL members and quality-oriented organizations.

### 2.2 SCOPE

The Program's scope includes:

- ③ an examination of documents bearing upon an inspection agency's organization, management and operation;
- ③ an inspection of the agency to view facilities and equipment and observe daily operations in progress;

- ③ conduct of those follow-up activities necessary to assure any deficiencies or other concerns have been properly handled before final accreditation is issued, and
- ③ annual audits to assess if the inspection agency continues to operate in a manner consistent with the requirements of the WACEL Inspection Agency Audit Program.

The WACEL Inspection Agency Audit Program does not include testing of equipment for proper operation and calibration. Such activities are performed by other agencies. However, accreditation does include a review of other agencies' calibration and other quality-related reports, as well as documentation of actions taken to help correct any deficiencies identified.

### 2.3 PREREQUISITES

Any inspection agency that tests soils and/or concrete is eligible to participate, providing it meets certain prerequisites. Among these is the requirement that a full-time professional engineer licensed in the jurisdiction where the inspection agency is located directs the inspection agency's technical functions. Additionally, the inspection agency must provide evidence that its testing equipment is calibrated and traceable to NIST and that the firm has developed and implemented a quality assurance program.

Certain other prerequisites are identified elsewhere in this Guide. For an agency meet this program's requirements, it must present certain documentation relating to quality assurance activities, business organization, and so on. Additionally, an inspection agency must demonstrate that it is ready for accreditation at the time of application. For that reason, the agency must submit all of the materials required for participation at the time of

application. If required materials do not accompany an application, then the application and fee will be returned.

## 2.4 PROGRAM DURATION, SUSPENSION, TERMINATION AND RENEWAL

### 2.4.1 Duration

Successful participation extends three calendar years from the date all Program requirements have been met.

### 2.4.2 Annual Audit -- Continued Compliance

Approximately four weeks prior to the first anniversary of accreditation, the P.E. in charge of the lab will be issued a Certification of Continued Compliance. A copy of that notification will be sent to the WACEL's Director of Technical Services. The P.E. in charge of the inspection agency and the Director of Technical Services must arrange for an Annual Audit within 30 days of the date of the letter. If for some reason the Director of Technical Services is unable to serve, the Audit will be performed by the Chairman of the WACEL Laboratory Accreditation Committee or another qualified individual selected by the Chairman of the LAC or WACEL President. The scope of the audit will be based on predetermined criteria (See Section 5), past experience, recommendations of the MRFI Final Report and changes to the inspection agency's operations during the past year. A walk-through evaluation may be all that is necessary. Alternatively, a limited reinspection may be required.

The same procedures must be followed 30 days prior to the second anniversary of accreditation. If tolerable weaknesses have become deficiencies, suspension or termination of compliance could result (see Appendix A, B and C).

### 2.4.3 Major Event

A major event affecting the activities of an audited inspection agency must be called to the attention of the WACEL Director of Technical Services and Laboratory Accreditation Committee (LAC) that shall determine if a reinspection is warranted. A major event includes, but is not limited to the addition of a new service within a service discipline, relocation of an inspection agency, expansion, change of legal, commercial or organizational status; change of organizational and management such as a key managerial change, change of ownership, operating procedures or personnel, equipment, working environment or other such matters that may affect a inspection agency's capability or scope of activities or compliance with the requirements in this Guide or any other relevant criteria of competence specified by WACEL. A successfully audited inspection agency's failure to contact WACEL within three months after a major event can be considered grounds for suspension or loss of participation status.

### 2.4.5 Suspension

Suspension of accreditation means that a firm technically loses its participation status for a period not to exceed 30 days. It is applied typically to agencies that are tardy in returning their signed Certificates of Continuing Compliance or do not arrange for an Annual Audit. It is also provided to firms that are late in applying for participation renewal. (See also Section 7.4.1).

### 2.4.6 Termination

Having met the WACEL membership requirement to meet the mandates of the Inspection Agency Audit Program may be terminated for failure to return a signed Certificate of Compliance within 60 days of the date of issuance, or if it is discovered that a major event has not been reported. Termination automatically occurs if an Inspection Agency



WACEL member has its membership terminated for a violation of the WACEL Bylaws or elects to discontinue its membership. Terminated firms may reapply for participation as a nonmember. WACEL Inspection Agency Audit participation is available to members and nonmembers that meet program requirements. A terminated firm must delete all references to WACEL in all materials within two weeks of termination. Once an inspection agency's has been terminated, the DTS updates its list of accredited firms on the WACEL web site – [www.wacel.org](http://www.wacel.org). If an agency is terminated, the terminated agency must eliminate any reference to being having participated in the WACEL Inspection Agency Audit Program in any of its marketing materials, building permit submissions or any other document.

#### 2.4.7 Renewal

Participation renewal is provided in the exact same manner as the initial application. Audited Inspection Agencies are advised to initiate renewal activity no later than three months prior to expiration of existing audit. Each Certification of Continued Compliance (Exhibit 4) carries such a reminder notice. In addition, three months before anniversary date of successful completion of he audit, the DTS issues a separate reminder notice.

### **3.0 INSPECTION AGENCY ACCREDITATION TEAMS**

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#### **3.1 FUNCTIONS**

An Inspection Agency Audit Team (IAAT) acts on behalf of WACEL during the Accreditation Review process, except in the case of an appeal. It is up to the IAAT to assure materials necessary for review are identified to the applicant inspection agency in a timely fashion; to review such materials thoroughly; to arrange for and conduct the necessary meetings and the facilities inspection, etc.

#### **3.2 COMPOSITION**

Depending on the size of the Inspection Agency and the scope of services it provides, the IAAT shall comprise at least the WACEL Director of Technical Services or another individual approved by the Laboratory Accreditation to serve as Team Captain and if necessary a IAAT Member who are proficient in the services offered by the Inspection Agency

Each IAAT also should try to include an Outside Observer representing an interested entity, such as an appropriate government agency or a consulting structural engineering firm. Such observers learn more about the process through participation.

##### **3.2.1 IAAT Size Requirements**

Each IAAT shall comprise at least a DTS and a Team Member if the size and scope of the operation warrant a Team Member's participation. It is difficult to define in any prescriptive manner the number of additional personnel who may be required, due to variables such as physical size of inspection agency, number of field personnel, discipline

mix, and applicant inspection agency preferences. Accordingly, it shall be the responsibility of the IAAT Captain, working with the Applicant's Representative, to determine if more than a basic IAAT is required to do the required work well.

### 3.3 ROLES OF IAAT PARTICIPANTS

#### 3.3.1 IAAT Captain

The DTS plays a pivotal role in the smooth functioning of the IAAT and the entire Audit process. The Captain is responsible for assembling the appropriate size IAAT, distributing review assignments, arranging for various meetings (including the Facilities Inspection), formalizing the Facilities Inspection schedule, writing the Materials Review and Facilities Inspection (MRFI) Report, maintaining contact with other IAAT participants to assure plans are realized, conducting Annual Audits and maintaining contact with the applicant and DTS.

#### 3.3.2 IAAT Member

A IAAT Member serves principally to review and comment on materials and conduct reviews during the Facilities Inspection. If reviews of revised materials and/or reinspection are required, the task(s) often are given to DTS.

#### 3.3.3 IAAT Novice Member

A Novice Member generally has the same technical and general experiential qualifications as a Team Member, except the Novice Member has not previously served on a IAAT. Assignments given to the Novice Member should be relatively similar to those given to a Member. While some, such as those associated with Facilities Inspection, may not be as critically important as a Member's, they nonetheless are essential and merit recognition as

such. Moreover, should the IAAT Member for any reason be unable to participate during the Facilities Inspection, the Novice Member should be able to fill in.

#### 3.3.4 IAAT Outside Observer

Although the Outside Observer need not be a registered professional engineer, the Outside Observer should have a construction-related background. Generally speaking, Outside Observers are either public officials or principals of consulting structural engineering firms. Feasibly civil engineers or architects also could be invited. Outside Observers do not participate to assure procedures are conducted in an unbiased manner. They are invited to obtain a better understanding of and appreciation for the Audit process.

WACEL believes area jurisdictions should employ only accredited laboratories and audited inspection agencies, and that jurisdictions with special inspection programs should require affected owners and design professionals to likewise employ only audited inspection agencies. WACEL also believes design professionals in their specifications should mandate use of accredited laboratories and audited inspection agencies.

Participation of Outside Observers helps achieve such objectives. However, Outside Observers, by virtue of their backgrounds, should also be in a position to contribute to the process, through review of materials and provision of comments, through performing certain inspection or review functions during a Facilities Inspection, and by offering suggestions for process improvements based on their own experiences.

### 3.4 IAAT SERVICE CRITERIA

#### 3.4.1 General

Any individual serving on a IAAT is expected to have the technical education, training and experience commensurate with the tasks and disciplines involved. However, these attributes alone are insufficient. In addition, an individual must be known for intellectual honesty, integrity, objectivity and the ability to maintain confidentiality.

#### 3.4.2 IAAT Captain

The Team Captain is the WACEL Director of Technical Services or another individual whose qualifications to serve as team captain are approved by the WACEL Laboratory Accreditation Team. Other than the WACEL Director of Technical Services, qualifications to serve as a Team Captain are at least five years' experience as a principal of an engineering inspection agency, or a professional engineer in responsible charge of a inspection agency, or a project or inspection agency manager or project engineer who has served as a IAAT Member on at least three prior occasions.

#### 3.4.3 IAAT Member

To serve as a IAAT Member, an individual must be at least a project or inspection agency manager or project engineer who has participated on a IAAT at least once before, either as a Member or Novice Member.

#### 3.4.4 IAAT Novice Member

A Novice Member shall be at least a project or inspection agency manager or project engineer who has never before served on a IAAT or has only served on one occasion.

### 3.5 IDENTIFYING ELIGIBLE IAAT MEMBERS AND NOVICES

Having available an adequate number of persons to serve as Members is critical. Accordingly, each WACEL member is encouraged to provide volunteers who are qualified to serve as Inspection Agency Accreditation Members and Novices.

At the beginning of each WACEL fiscal year, each WACEL member inspection agency shall identify those of its personnel it deems qualified to serve as IAAT Members and the

Director of Technical Services shall issue a notice to those who have participated in the past of requirements to continue to serve as a Member and Novice. It shall be up to a member firm and approved Members and Notices to keep its listing up-to-date, by notifying the DTS of any salient personnel changes, e.g., individuals formerly listed who no longer are with the firm, new members of staff, etc. Every person who wants to serve as an evaluator as Member or Novice must submit an application along with a current resume or CV that details their educational qualifications, professional status, work experience, quality assurance, assessment and calibration training and inspection agency audit experience. Additionally, the DTS will maintain ongoing records of inspection agency audit assessment experience.

Within three months after the first day of a new WACEL fiscal year, the DTS shall review applications and qualifications submitted by members and novices. The DTS shall then prepare a list of tentative candidates for service on IAAT Teams and Novice Members. Additions to the list due to personnel changes reported by members shall likewise be made to the DTS. The DTS shall update the list of approved IAAT Teams and Novice Members.

### 3.6 IAAT PROTOCOL

The IAAT performs a function that is vitally important to those involved with the firm undergoing audit, to public agencies and clients, and to WACEL itself. It therefore is essential that those comprising the Team observe appropriate protocol and be thoroughly familiar with Program procedures and requirements.

#### 3.6.1 Confidentiality

Confidentiality is of utmost importance. All information furnished by the applicant inspection agency for purposes of the Audit shall be considered privileged. Accordingly, no materials furnished by the applicant inspection agency shall be shown to or discussed with anyone except those serving on the same IAAT and the applicant's representative and the WACEL Board of Directors if the IAAT identifies practices that compromise the integrity of the program and are potential grounds for loss of membership, e.g. falsifying reports, falsifying calibration records, certifying technicians for the use of equipment that does not exist in the agency, and other unethical or illegal practices.

If an inspection agency is found to engage in unethical or illegal practices, the findings will be communicated in writing to an agency principal and the agency principal will be given the opportunity to investigate the findings and report them and actions taken to the WACEL Board of Directors if the alleged findings represent a potential loss of audit status or membership.

### 3.6.2 Conduct during Facilities Inspection

The IAAT 's role as a representative of WACEL is particularly conspicuous during the facilities inspection. The Team shall regard itself as a guest of the applicant inspection agency and conduct themselves accordingly. The IAAT is not authorized or in any way permitted to examine records, policies, procedures or practices that are considered by the Applicant as proprietary, e.g. fee schedules, client lists, etc. Questions asked of personnel shall be posed in an objective manner; their responses shall be noted without oral or nonverbal comment. In meetings with the applicant inspection agency 's representative, a IAAT representative shall be candid, but shall refrain from sarcasm or other provocative styles.

Negative findings will be indicated on worksheets and in notes; they shall not be made orally except in private discussion with the applicant 's representative.

### 3.6.3 Disposition of Materials

Subsequent to completion of an Audit, all IAAT participants shall forward to the DTS or destroy, as directed, any and all materials pertaining to the Audit. No comments about the specific procedure, inspection agency involved, etc., shall be made on a voluntary basis to any person at any time.



## **4.0 AUDIT REVIEW PROCEDURES**

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### **4.1 NOTIFICATION OF DESIRE FOR AUDIT PROGRAM PARTICIPATION**

An inspection agency shall contact WACEL to indicate its desire to participate in the Audit Program. In response to a WACEL Member, the DTS shall promptly issue a copy of this Guide. This is sent with a covering email or letter that stresses the need to comply with prerequisites and to obtain guidance if they are unsure about compliance.

### **4.2 APPLICATION**

An inspection agency that meets prerequisites shall apply for audit program participation by completing an application form and submitting it with the materials required for audit participation. Failure to provide materials required for participation will result in the application and fee being returned. The application form must be completed fully and, when returned, must be accompanied by payment.

### **4.3 ASSIGNMENT OF TEAMS**

The DTS shall determine, based on the size and scope of the applicant's operations, the size of the team. If a Team Member or Novice Member is necessary, the Director of Technical Services shall contact potential Team and Novice Members to determine their availability to serve.

In assembling the team, the DTS must assure Members, Novices and Outside Observers are compatible with one another and are acceptable to the applicant.

Once an IAAT agrees to serve, the DTS issues a confirmation email along with the package of materials necessary to conduct the audit.

#### 4.5 FINALIZATION OF DATES

The DTS shall contact the Applicant's Representative to identify specific dates acceptable for Facilities Inspection. The DTS shall discuss with the Applicant's Representative the procedures that will be followed and the tentative timetable, all of which the Applicant's Representative should be familiar with by virtue of having read this Guide. If applicable, the DTS shall also mention the names of the several Outside Observers under consideration, to determine if any is unacceptable to the Applicant's Representative for any reason.

After discussion with the Applicant's Representative, the DTS shall speak again with the Team Member and Novice Member, if appropriate, to select a specific date. Once the IAAT has been assembled and a date for Facilities Inspection has been set, the DTS shall speak with proposed Outside Observers, if applicable, to determine availability to serve.

Once the full IAAT has been assembled and a specific date for Facilities Inspection has been agreed to, the DTS shall write to the Applicant's Representative to confirm the date and IAAT composition. A copy of this email shall be sent to other IAAT participants and the DTS.

##### 4.5.1 Expense Forms

The DTS shall forward to each IAAT participant an exmail relative to reimbursement of expenses and a form.

#### 4.6 REMINDERS AND REVIEW

The DTS shall check materials furnished by the applicant to assure all required materials have been provided, and shall contact the Applicant's Representative to ascertain the situation relative to any materials that may be missing.

The DTS shall immediately forward materials and MRFI worksheets to the IAAT Team and Novice Member(s) if applicable, providing to each a copy of all documents or one copy of selected documents only. In forwarding these materials, the DTS shall advise other IAAT participants to review materials for effectiveness, extent of coverage, clarity and such other factors that affect their applicability and utility and to record comments on the Worksheets. The DTS shall also remind other participants of the schedule of subsequent activities and shall contact the IAAT Outside Observer if one is participating to reconfirm the date of Facilities Inspection.

About one week prior to the Facilities Inspection, the DTS shall communicate to the Applicant's Representative a reminder of the date and times involved, need for private space at certain times, etc., to minimize the briefing time required during the Facilities Inspection. The DTS may also wish to send to the Applicant's Representative a copy of the schedule developed by the DTS subsequent to the Materials Review Meeting.

#### 4.7 MATERIALS REVIEW MEETING AND FOLLOW-UP

Approximately one week prior to the Facilities Inspection, the IAAT (exclusive of the Outside Observer unless he or she prefers to attend) shall meet in person or by conference call to discuss materials submitted by the applicant. The strengths and weaknesses of the various items will be considered, particularly in terms of implications for Facilities Inspection. For example, the applicant's technical practices manual may appear to be so complex it is difficult to follow. Accordingly, it may be appropriate to query various

members of the applicant's staff as to their understanding of various practices. (If they are unfamiliar with technical policies or do not understand them, more guidance is required, or the manual should be rewritten, or both.) Similarly, if job descriptions for various field personnel indicate no requirements for certifications of any type, such as those issued by WACEL, ACI or NICET, the IAAT would be well advised to inquire into this matter on site.

After materials have been discussed and related follow-up actions decided upon in general, the DTS shall review the MRFI Worksheets furnished earlier, to identify specific responsibilities. At this time each IAAT participant will also be given assignments relative to follow-up concerns identified through review of applicant-furnished material and earlier discussion of it. The DTS and other participants will then develop a timetable, beginning with the Pre-Inspection Meeting, up through the conclusion of the day. As a final matter of business, the DTS shall review general inspection considerations, transportation, keeping track of expenses and IAAT protocol as to conduct during the Facilities Inspection, confidentiality of materials, and so on.

Subsequent to the meeting, the DTS shall prepare a tentative final schedule that shall be transmitted to IAAT participants.

#### 4.8 PRE-INSPECTION MEETING

On the morning of the Facilities Inspection, the entire IAAT including the Outside Observer if participating -- shall meet close to the applicant inspection agency. At this time, the DTS shall review individual Facilities Inspection assignments and the schedule.

#### 4.9 FACILITIES INSPECTION

#### 4.9.1 Meeting with Applicant's Representative

The IAAT shall arrive at the applicant's facility at an agreed upon time to meet privately with the Applicant's Representative for purposes of introductions, and to review procedures and schedules.

#### 4.9.2 Meeting with Personnel

After introductions, the Applicant's Representative should call a brief staff meeting to introduce IAAT personnel to inspection agency personnel. Afterward, the IAAT should be given a brief general tour of facilities.

#### 4.9.3 AM Inspection

The IAAT shall observe work in progress, review various records, interview various personnel, etc., according to the schedule previously agreed to.

#### 4.9.4 Luncheon

The IAAT shall recess for lunch. At this time, the IAAT shall discuss findings to date and shall review the schedule for the afternoon. Schedule changes deemed advisable by virtue of preliminary findings shall be made at this time.

#### 4.9.5 PM Inspection

The IAAT shall continue its Facilities Inspection.

#### 4.9.6 Summation Meeting

Prior to departing, IAAT shall hold a Summation Meeting in a private room provided by the applicant. Each person shall discuss findings in a qualitative manner. The DTS shall then review these to assure consensus in terms of the applicant's strengths (activities or

materials which are subject to judgmental evaluation and which are excellent or require no improvement), tolerable weaknesses (activities or materials which would benefit from improvement), and deficiencies (activities or materials which must be improved to successful complete the audit program.

Decisions made at the Summation Meeting are extremely important, because they determine whether or not the inspection agency meets the audit program requirements. There are no hard and fast rules in this regard. It is a decision of the IAAT based on their education, training, experience and judgment. When deficiencies exist, of course, the decision is obvious. Deficiencies would include, among many others, failure to document equipment calibration, use of equipment which is broken or clearly unreliable, improper storage of equipment and samples, personnel performing functions which they have not been properly trained to do, failure to comply with ASTM standards and so on.

The most difficult decisions usually will relate to minor problems, that is, those that are just over the borderline between a situation which is intolerable and one which needs only slight improvement to be tolerable. When the applicant has demonstrated a clear commitment to quality control, the tendency would be to give him the benefit of the doubt. But this would be an improper decision. If it will only take a little effort to correct the problem, all the more reason to delay completion of the audit process for the few days needed to have the problem taken care of. In essence, both the IAAT and the Applicant must recognize and appreciate the significance of the audit program. It comprises a "stamp of approval" rendered on behalf of innumerable people who are not in a position to make such qualitative judgments on their own, and who may have a tremendous amount at risk, depending on the quality of service rendered by a inspection agency.

A large number of tolerable weaknesses can be interpreted to indicate lack of attention to detail, and the likelihood of quality deterioration in a relatively brief period of time. In such instances, it may be appropriate to delay completion of the audit process until some of the most significant of these tolerable weaknesses are improved upon.

The DTS will perform on the first and second anniversary of the audit, an additional audit, verifying that procedures and practices needed for the accreditation have been maintained (See Section 5).

As a final element of Summation Meeting business, the DTS shall finalize the schedule for subsequent activities. The Captain shall determine who shall attend the Exit Meeting with the Applicant's Representative (the DTS alone or with others), when it would be convenient for a follow-up inspection (if necessary), and who should review revised materials (if required), as well as matters relating to the writing of the MRFI report, destruction of copies of materials, etc.

#### 4.9.7 Exit Meeting

The DTS (possibly joined by one or more other IAAT participants) shall meet privately with the Applicant's Representative to discuss findings in terms of strengths, tolerable weaknesses and deficiencies. If there are any deficiencies, the DTS shall advise the improvements that must be made to successfully complete the process. The DTS shall also review the nature of improvements required and by when they should be instituted (within three months maximum). If such improvements relate to equipment or activities, a follow-up inspection will be required to visually ascertain that improvements have in fact been instituted.

In cases where there is a serious breach of practice, falsifying records, reports, certification test results, field test results and other unethical or illegal activities that would preclude successful participation in the audit program and are of a serious nature that could result in loss of WACEL membership, these alleged findings will be communicated only to an agency principal in confidence. The principal will be required to conduct an internal audit within 30 days to either confirm or refute the findings. If the internal investigation confirms the findings, the principal must detail procedures and actions taken in writing to respond to the findings. If the internal investigation refutes the findings, the principal must provide written evidence as to why those findings are not valid.

The WACEL Board of Directors will determine if additional action is necessary following the principal's response. If additional action is required, the principal will be notified in writing and be given the opportunity to explain the course of action taken to the Board of Directors.

#### 4.10 LETTER OF THANKS

After the of Facilities Inspection, the DTS shall issue a letter of thanks to the Team Member and Outside Observer if applicable.

#### 4.11 MATERIALS REVIEW AND FACILITIES INSPECTION (MRFI) REPORT

Following the Facilities Inspection, the DTS shall prepare a draft Materials Review and Facilities Inspection (MRFI) Report to the applicant putting into written form the substance of the report presented orally at the Exit Interview. The draft report including copies of appropriate inspection checklists, shall be submitted to other IAAT participants for review and comment, with instructions to furnish comments (even if the draft is totally acceptable) within seven business days.



After the DTS has assured that all other IAAT participants have commented, he shall make whatever modifications are necessary in order to finalize it. The final IAAT final MRFI Report shall be issued to the applicant. A copy shall be to each other IAAT participant (including the Outside Observer, at the DTS's option). This copy shall carry a covering letter or memorandum noting that it is wholly confidential and provided for checking purposes only. If the Team Member(s), Novice Member or Outside Observer disagrees with any of the report's findings, conclusions, etc., they are to write to the DTS documenting their differences. Upon receipt of the letter, the DTS should arrange for a meeting or conference call of the Team to discuss and resolve the areas of disagreement. If necessary, a new report reflecting agreements reached at the meeting shall be issued to the Team for a final review and comment. If the Team agrees to the report's findings, the Team Member, Novice Member and Outside Observer shall destroy their copies of the report. Only the DTS and the applicant are permitted to retain a copy of the report. WACEL will retain a copy of the report for three years. This report is considered and is treated as confidential.

#### 4.12 EXPENSE REPORT

Subsequent to submitting the MRFI Report, the DTS shall submit a complete expense report, comprising his own expenses and those of other IAAT participants. Other IAAT participants must be reminded that failure to submit an expense report in a timely fashion may preclude their ability to be reimbursed. The WACEL DTS will authorize immediate WACEL payment of all expenses, and shall directly bill the applicant to recover all applicable costs. WACEL will not recognize completion of an audit until all expenses have been paid.

#### 4.13 DEFICIENCIES CORRECTION AND REVIEW

The applicant has three months from the date of the MRFI Report to correct any deficiencies and one month from the date of the Annual Audit Report to correct any deficiencies identified in the Annual Audit. Any request for an extension of time shall be referred by the DTS to the LAC for review and decision. The LAC may grant one additional month.

If the deficiencies require a reinspection, such shall be discussed at the Summation Meeting (4.9.6). The DTS shall conduct the reinspection.

##### 4.13.1 Continued Deficiencies

If the changes made still do not relieve an applicant of the deficiency, the DTS shall inform the applicant in writing by letter and shall give additional time to finalize corrections. However, the aggregate amount of time permitted shall in no case exceed four months from the date of the MRFI Report. If by that time the deficiencies still have not been corrected, the DTS shall so inform the applicant. The DTS shall then inform the applicant that the Audit is over, and that the applicant must reapply within 30 days in order to maintain WACEL membership.

##### 4.13.2 Elimination of Deficiencies

If the changes made by the applicant eliminate deficiencies, the DTS shall send to the applicant a written report indicating that the review showed that deficiencies have been corrected and that the applicant has successfully completed the audit process.

#### 4.14 Records Update

- a. The agency's file is moved from "in process" to "completed."

- b. The list of inspection agencies is updated
- c. "Tickle" dates are established for issuance of the first annual Certification of Continued Compliance, Annual Audits, second Annual Certification of Continued Compliance, and a reminder notice that accreditation will expire in three months.
- d. Service records of those who comprised the IAAT are revised as appropriate.

## **5.0 ANNUAL AUDIT**

Approximately, forty five days before the first anniversary of the accreditation, the Applicant will be sent a copy of the Certificate of Continued Compliance that indicates the certificate must be signed and returned along with a cover letter indicating that the Annual Audit must be conducted within the next six weeks. Failure to return the Certificate of Continued Compliance will result in automatic termination of accreditation.

Upon receipt of the signed certificate of continued compliance, the DTS will contact the inspection agency representative to arrange a date for the annual audit.

### **5.1 SCOPE OF ANNUAL AUDIT**

The purpose of the Annual Audit is to reaffirm that the agency continues to operate in a manner that is consistent with the requirements of the audit program. It offers the inspection agency the opportunity to demonstrate improvements made as a result of its participation in the Audit Program and to obtain an independent evaluation of the effectiveness of changes made to enhance quality control policies and procedures. The scope of the audit involves, at a minimum, a review of records indicating equipment has been calibrated in the last year, a visual examination that equipment is in operable condition, verification that the agency remains capable of performing the tests it offers and verification that technicians who have been employed more than 120 days have obtained certification in the technical disciplines in which they are providing observation and testing services. In addition, DTS or other designated auditor will discuss actions the agency has taken to improve tolerable weaknesses identified in the MRFI and significant changes, if any, that an agency may have undergone in the last year

### **5.2 FINALIZATION OF AUDIT DATE**

Upon receipt of the letter notifying the Applicant of the need to conduct an Annual Audit, the DTS shall contact the Applicant's Representative to identify specific dates acceptable for the Annual Audit. Once a date has agreed to, a confirmation email should be sent to the Applicant Representative.

### 5.3 AUDIT VISIT

The DTS upon arrival at the inspection agency should meet privately with the Applicant Representative to review procedures and the schedule for the Audit. These include review of records, spot check of equipment and a discussion of policies and procedures implemented to enhance quality since the last visit.

#### 5.3.1 Summation Meeting

After reviewing records and equipment, the DTS shall meet with the Applicant to review findings. As was the case with the initial summation meeting, the DTS shall review strengths (activities or materials which are subject to judgmental evaluation and which are excellent or require no improvement), tolerable weaknesses (activities or materials which would benefit from improvement), and deficiencies (activities or materials which must be improved before accreditation can be accorded).

The DTS must exercise judgment in determining whether or not the agency continues to meet program requirements. The decision is obvious if an agency has not maintained its quality assurance program, had its technicians certified or had its equipment calibrated.

The difficulty will be to determine if there are sufficient tolerable weaknesses that preclude the continuation of accreditation. At the conclusion of the meeting, the DTS will

report the results of the Audit, informing the Applicant Representative if the inspection agency continues to meet program criteria.

If there are deficiencies, the DTS shall advise that improvements must be made in order to comply with audit program requirements.

The DTS shall review the nature of improvements required and by when they should be instituted (within one month of the audit). If such improvements relate to equipment or activities, a follow-up audit might be required to visually ascertain that improvements have in fact been instituted.

#### 5.4 AUDIT REPORT

Following the Audit, the DTS shall prepare and send an Audit Report to the applicant, documenting the conclusion reached at the audit and follow up action that may be required.

#### 5.5 EXPENSE REPORT

The DTS shall submit a complete expense report to the WACEL comptroller, comprising expenses for the audit. The comptroller will review the charges and forward payment of all expenses, directly billing the Applicant to recover applicable costs.

#### 5.5 DEFICIENCIES

The Applicant has 30 days from the date of the audit report to correct any deficiencies. Any request for an extension of time shall be referred by the DTS to the LAC for review and decision. The LAC may grant one additional month. If the deficiencies require a

reinspection, such shall be discussed at the conclusion of the Audit. The reinspection should be brief.

#### 5.5.1 Continued Deficiencies

If the inspection agency fails to respond to the deficiencies identified in the Audit Report or if the response does not satisfy the deficiencies, the DTSs shall inform the Applicant by in writing and shall give the applicant two additional weeks to finalize corrections. If the deficiencies are not resolved by the deadline, the DTS shall inform the Applicant, indicating that the Annual Audit is over, that the applicant may apply for a full inspection in order to maintain its WACEL membership.

#### 5.5.2 Elimination of Deficiencies

If the changes made by the applicant eliminate deficiencies, the DTS shall send the applicant a brief letter report indicating that the review showed that deficiencies have been corrected.

## **6.0 COMPENSATION AND FEES**

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### **6.1 WACEL MEMBERS**

WACEL members shall pay a fee of \$1,000 to WACEL for coordinating the audit inspection. This fee shall be payable with the application and is not refundable. If the Facilities Inspection has not been held within one year from the date of application acceptance, the \$1,000 is forfeited and the member firm must reapply, unless delays have been caused solely by WACEL.

Subsequent to Facilities Inspection, each person serving on the IAAT shall send to the DTS an itemization of expenses. The DTS shall review these for appropriateness and shall add to this list his own expense. This shall be forwarded to the WCEL comptroller who shall then make payment directly to the individuals involved and issue a bill to the applicant, such bill being payable upon receipt.

If the applicant does not pay its bills for expenses, inspections or annual audits within 60 days of receipt, then the applicant could have its WACEL membership suspended or terminated.

#### **6.1.1 Termination of Membership**

Should a firm's membership terminate at any time during the Audit process, all WACEL charges must be paid at the nonmember rate before confirmation of participation will be provided. Should a firm's membership terminate after confirmation of participation has been conferred, the inspection agency audit will no longer be valid. The inspection agency has the option of re-applying as a nonmember.



## 6.2 NONMEMBERS

Procedures applicable to nonmembers are essentially identical to those applicable to members, except the accreditation fee charged by WACEL shall be \$5,000. The nonmember applicant (as the member applicant) is responsible for the expenses of the DTS, Members, Novice Members and Outside Observers. The bill for their expenses shall be issued subsequent to issuance of the MRFI Report.

Should reinspection be required, the nonmember shall pay \$500 plus expenses, unless more than four hours (including travel time) are required for reinspection. If so, the fee shall be \$750 plus expenses.

Should the Facilities Inspection not be conducted within one year from the date of application, the nonmember applicant shall receive a refund. The amount of this refund shall be determined by the DTS. In general, the application fee may or may not be refunded, depending on the cause of the delay, as already discussed. If expenses have been incurred on the applicant's behalf, these will be deducted from whatever other amounts may be due. Also, if the DTS has spent considerable time on procedures up to but not including Facilities Inspection, a \$500 charge may be imposed, depending on the cause of the delay.

## 6.3 FEE MODIFICATIONS

The fees charged by WACEL for coordination and those imposed on nonmembers for the service of WACEL member representatives are subject to change at any time, per directives of the WACEL Board of Directors. Should such changes be made, this Program Guide and the application form shall be revised. Applicants using outdated application forms shall be advised of

new charges once their application is received. Those who apply prior to the institution of new rates shall pay the rates applicable at the time of application.

## 7.0 APPEAL

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An applicant or any IAAT participant shall have the right to appeal any decision made by WACEL representatives during any aspect of the Inspection or Audit. To appeal, an individual shall write to the DTS identifying reasons for the appeal. The written appeal will state the individual's position and what he or she believes the IAAT 's, or DTS's or other party's position to be. He or she shall then state why the decision made should be reversed or otherwise modified.

The DTS shall forward copies of the letter to the LAC Chairman, WACEL President and to those persons or that person whose decision is being challenged. The latter shall have up to six weeks to issue a response setting forth his or their position. This response shall be addressed to the LAC Chairman, with a copy being sent to the appellant and others to whom the letter of appeal was sent. The appellant and any other interested parties will then have up to six weeks to comment in writing to the LAC Chairman, relative to either or both letters.

Following the commentary period, the LAC Chairman shall call a meeting. Any individual serving on that Committee who is affiliated with the appellant or any individual whose decision is being challenged shall be unable to vote, however. If the number remaining -- including the WACEL President who shall meet with the LAC -- is less than five, the President shall appoint other persons to the LAC. The LAC Chairman shall then distribute copies of correspondence received (and any comments he may care to add) to the LAC as then constituted, and shall set a date for a meeting to be held no more than six weeks from the date of distribution of correspondence.

The LAC in its meeting shall discuss the issues. It shall then vote on the matter. Its vote will be final and binding by virtue of at least a two-thirds majority opinion. If a two-thirds majority opinion cannot be obtained, the parties involved will be so notified, and the matter will be heard once again within four

weeks of the meeting. At this time, the appellant shall attend to present his position orally, with those persons or that person whose decision is being challenged being invited to do likewise. Following the conclusion of presentations, and questions that may be posed by the LAC, the LAC shall go into executive session to vote, with its decision to be determined by a simple majority.

#### 7.1 TIME CONSIDERATIONS

Certain activities associated with Accreditation Review depend on timing factors, e.g., time permitted between date of application and date of Facilities Inspection; time permitted to correct deficiencies. In that considerable time may be lost due to the appeal procedure, the time involved shall be applied as a credit in the applicant's favor when the applicant is the appellant. However, if the appeal is filed after a given time span has elapsed, no further time will be provided, unless the LAC shall decide otherwise.

## **8.0 RECORD RETENTION**

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All document submitted and/or developed as part of the WACEL Inspection Agency Audit Program are treated as and considered confidential. The DTS will maintain and store the following records for a period of three years from the date accreditation is conferred:

- ③ Application for participation
- ③ Applications and resumes of Team Captains, Members and Novices
- ③ Copies of materials submitted for participation
- ③ Copies of the final MRFI Report
- ③ Copies of correspondence indicating that laboratories has successfully completed participation in the Audit Program
- ③ Copies of the signed Certificates of Continues Compliance, including evidence of reference sampling program participation if applicable.
- ③ Copies of Annual Audit Reports
- ③ List of Participating Inspection Agencies
- ③ Program correspondence

Team Members and Novice Members participating in Audits should only retain copies of the final MRFI Report. All other materials obtained from the participating inspection agency should be destroyed or returned.