

INSPECTION AGENCY AUDIT PROGRAM GUIDE

Developed by



**7508 Wisconsin Avenue, 4th Floor
Bethesda, Maryland 20814
301-652-7925
www.wacel.org**

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WACEL 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 masonry technicians as well as foundation, structural concrete and structural steel special inspectors and laboratory technicians. 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 2024.

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, meet the requirements of ASTM E329 and help assure that audited 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 Director of Technical Services (DTS)

The Director of Technical Services is a member of the WACEL staff who has full turnkey responsibilities for the WACEL Laboratory Accreditation and Inspection Agency Quality Assurance Audit Program. The DTS performs all inspections, audits and reviews, writes and issues inspection and audit reports updates this manual and determines if laboratories meet WACEL requirements.

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 Program Administrator (PA)

The Program Administrator is the individual in the WACEL office charged with day-to-day administration of the program. The PA'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 annually.

2.0 THE PROGRAM

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. Determine if the inspection agency meets the requirements of ASTM E329.
- e. 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.
- f. Provide a worthwhile goal that inspection agencies will vie to attain.
- g. Enhance the image of WACEL members and quality-oriented organizations.

2.2 SCOPE

The Program's scope includes:

- an examination of documents bearing upon an inspection agency's organization, management and operation;

- an inspection of the agency to view facilities and equipment and observe daily operations in progress;
- conduct of those follow-up activities necessary to assure any deficiencies or other concerns have been properly handled before final evaluation is issued, and
- 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, the audit program 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 to 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 an audit at the time of application. For that reason, the agency have all of the materials required for participation at the time of application. If required materials are not available at the time a facilities inspection begins, then a 2nd ~~the~~ facilities inspection will be rescheduled with additional cost incurred by the inspection agency.

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.

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 an 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.

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 PA updates its list of audited firms. 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 carries such a reminder notice. In addition, three months before anniversary date of successful completion of the audit, the DTS issues a separate reminder notice.

3.0 AUDIT REVIEW PROCEDURES

3.1 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 link to obtain 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.

3.2 APPLICATION

An inspection agency that meets prerequisites shall apply for audit program participation by completing an application form and submitting it along with payment.

3.3 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.

The DTS shall confirm the date with the Applicant's Representatives.

3.4 REMINDERS AND REVIEW

The DTS shall confirm with the applicant that all required materials will be available for review at the start of the 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.

3.5 CONFIDENTIALITY

Confidentiality is of utmost importance. All information furnished by the applicant inspection agency for purposes of review shall be considered privileged. Accordingly, no materials furnished by the applicant shall be shown to or discussed with anyone and the applicant's representative. Likewise, no comments based on privileged information shall be made about the applicant except in private meetings of the DTS and meetings between the DTS and the applicant laboratory.

3.6 FACILITIES INSPECTION

3.6.1 Meeting with Applicant's Representative

The DTS 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.

3.6.2 Meeting with Personnel

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

3.6.3 Inspection

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

3.6.4 Exit Meeting

The DTS shall meet privately with the Applicant's Representative to discuss findings in terms of 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.

3.7 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.

3.8 EXPENSE REPORT

Subsequent to submitting the MRFI Report, the DTS shall submit a complete expense report, comprising his own expenses and submit it to the WACEL comptroller.

3.9 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, the DTS shall conduct the reinspection.

3.9.1 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.

3.9.2 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.

3.10 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 audit will expire in three months.

4.0 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 the audit program.

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.

4.1 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

4.2 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.

4.3 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.

4.3.1 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 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 a successful Audit. 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.

4.4 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.

4.5 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.

4.5 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.

4.5.1 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.

4.5.2 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.

5.0 COMPENSATION AND FEES

5.1 WACEL MEMBERS

WACEL members shall pay a fee of \$1,500 to WACEL for coordinating the audit inspection. This fee shall be payable with the application and is not refundable. The fee for each annual audits is \$750. If the Facilities Inspection has not been held within one year from the date of application acceptance, the \$1,500 is forfeited and the member firm must reapply, unless delays have been caused solely by WACEL.

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.

5.1.1 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.

5.2 NONMEMBERS

Procedures applicable to nonmembers are essentially identical to those applicable to members, except the accreditation fee charged by WACEL shall be \$6,500. 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 \$750 plus expenses, unless more than four hours (including travel time) are required for reinspection. If so, the fee shall be \$1,000 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 \$750 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.

6.0 APPEAL

An applicant 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 PA identifying reasons for the appeal. The written appeal will state the individual's position and what he or she believes the 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 PA 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.

6.1 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.

7.0 RECORD RETENTION

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:

- Application for participation
- Copies of the final MRFI Report
- Copies of correspondence indicating that agencies have successfully completed participation in the Audit Program
- Copies of the signed Certificates of Continues Compliance, including evidence of reference sampling program participation if applicable.
- Copies of Annual Audit Reports
- List of Participating Inspection Agencies
- Program correspondence