Transport Canada Transports Canada

TP 8606E

(Revised 07/2005)

INSPECTION AND AUDIT MANUAL

Canada

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FOREWORD

Our regulatory oversight program has been implemented to promote and ensure conformance with the aviation regulations and standards, collectively prescribing an acceptable level of aviation safety.

In conducting regulatory inspection and audit, and documenting the activity process, we are able to assess and demonstrate an organization's level of conformance to regulatory requirements. Adherence to the guidance herein is imperative and will ensure inspection or audit policies / procedures are uniformly applied across Canada.

To maintain overall effectiveness of the inspection or audit activity, our approach to each candidate organization must be one of transparency, with a high degree of professionalism, using experience, skills and communication as essential ingredients. The aviation community must view our program as one that is fair and equitable in its application.

The Technical & National Programs Division (AARPF) is responsible for the promulgation of Civil Aviation inspection and audit policy and procedures through the Inspection and Audit Manual. Complementary publications or Functional Branch Control documents have been developed to further assist staff in carrying out their audit and inspection duties.

Merlin Preuss

Director General

Civil Aviation

RECORD OF AMENDMENTS

*2nd Edition – September 2005**

Amendment No.	Date yyyy / mm / dd			Pages / Section Affected	Date Entered yyyy / mm / dd			Initials
2nd Edition	2005	July	30	All	2005	Sep	30	WF

** replaces the Inspection & Audit Manual – 1st Edition, September 2000*

Manual Revisions

The Inspection and Audit Manual will be subject to on-going review and revision. Persons identifying errors or omissions, or those wishing to make recommendations for change, are asked to forward their observations to the Director, Aircraft Maintenance and Manufacturing (AARP). All changes will be subject to consultation and coordination through the NCAMX.

CHAPTER 1 DEFINITIONS

1.1 DEFINITIONS

The following terminology is specific to this manual and to those portions of functional area control manuals that pertain to inspections and audits:

audit: an in-depth review of the activities of an organization to verify conformance to regulatory requirements;

audit activities: those activities and procedures through which information is obtained to verify conformance to regulatory requirements;

auditee: the organization to be audited. This term may be interchanged with "company", "document holder", "operator" and "organization";

audit finding: a non-conformance to a specified regulatory requirement or company approved procedure, identified during an audit and documented on a finding form;

audit manager: the individual, designated by the Convening Authority, responsible for the planning and conduct of an audit;

audit report: a report that outlines the audit process and provides a summary of the audit findings;

certification: the process of determining competence, qualification, or quality on which the issuance of a Canadian aviation document is based. This includes the original issuance, denial, renewal or revision of that document;

characteristic: any distinct property or attribute of a product, process, service or practice of which conformance to a regulatory requirement can be measured;

combined audit: an audit that targets more than one functional area;

confirmation: the assurance that findings are in accordance with data obtained from different sources;

confirmation request form (CRF): a form issued to the company by an inspector requesting specific information. The company is requested to respond within a specified time period;

conformance: the state of meeting regulatory requirements or company approved procedures;
The term "conformance" is used throughout this manual where in some cases the term "compliance" would be more technically correct.

convening authority (CA): the individual responsible for authorizing and overseeing a regulatory audit;

corrective action plan (CAP): a plan submitted in response to findings. The CAP outlines how the company proposes to correct the deficiencies documented in the findings;

documented: that which has been recorded in writing, photocopied or photographed and then signed, dated and retained;

finding: a non-conformance to a regulatory requirement or company approved procedure;

finding form: a form used to document a finding;

follow-up: the final audit phase that focuses on corrective action to findings issued during an audit;

functional area: an area under the functional responsibility of a headquarters Director (i.e., C&BA, AM&M, Aerodrome Safety, etc.);

functional area control manual: a manual (or manuals) that contain inspection and audit policies and procedures that are specific to that functional area and which includes the checklists, forms and guidance materials that will be used by inspectors in the course of their inspection and audit activities;

functional area database: a database used by a functional area to provide information or assist in the audit process. (examples include the National Aviation Company Information System (NACIS) and the National Aerodromes Safety Database (NASD))

inspection: the basic activity of an audit, involving the systematic assessment of a specific characteristic of an organization to verify conformance to regulatory requirements or company approved procedures. The term also refers to inspector tasks exercised in the performance of this activity;

national audit plan: the annual plan of scheduled national audits approved by the National Civil Aviation Management Executive (NCAMX);

national audit program: the TCCA program that promotes conformance to aviation regulatory requirements that collectively prescribe an acceptable level of aviation safety;

national audit and assessment program personnel inventory: an electronic inventory database to serve as a human resource tool to identify and invite candidates for audit and/or SMS assessment teams.

non-conformance: the failure to meet regulatory requirements or company approved procedures;

The term "non-conformance" is used throughout this manual where in some cases the term "non-compliance" would be more technically correct.

parallel finding: the determination of TCCA non-conformance to a regulatory requirement or a non-regulatory policy, procedure or guideline;

parallel observation: a subjective determination that identifies the possible need to establish or revise a regulatory requirement or a non-regulatory TCCA policy, procedure or guideline;

practice: the method by which a procedure is carried out;

procedure or process: a series of steps followed methodically to complete an activity. This includes: the activity to be done and individual(s) involved; the time, place and manner of completion; the materials, equipment, and documentation to be used; and the manner in which the activity is to be controlled;

quality assurance activities (QAA): a series of planned activities to determine whether the management system conforms to the requirements of the Integrated Management System Standard (RDIMS 114849). These activities include quality assurance reviews and self-assessments.

regional audit plan: the annual plan of scheduled regional audits;

sampling: the inspection of a representative portion of a particular characteristic to produce a statistically meaningful assessment of the whole;

scope: the number of functional areas, and specialty areas therein, that will be inspected, and the depth (back in time) of the review;

specialty audit: an audit that targets a single functional area;

specialty area: an area within a functional area that identifies common or similar requirements and for which checklists are provided and named after that specialty area, or after specific elements within that specialty area;

standard: an established criterion used as a basis for measuring an organization's level of conformance;

team leader: the individual appointed by the audit manager to conduct the functional area portion of an audit. Deputy team leaders may be appointed by the team leader to oversee specialty area portions of an audit;

team member: the individual appointed by the team leader to participate in an audit;

verification: an independent review, examination, measurement, testing, checking, observation and monitoring to establish and document that products, processes, practices, services and documents conform to regulatory requirements. This includes confirmation that an activity, condition or control conforms to the requirements specified in contracts, codes, regulations, standards, drawings, specifications, program element descriptions, and technical procedures;

working papers: all documents required by the auditor or audit team to plan and implement the audit. These may include inspection schedules, assignments, checklists and various report forms.

1.2 ABBREVIATIONS AND ACRONYMS

The following abbreviations and acronyms will be found throughout this manual and in functional area control manuals, including checklists and other guidance materials:

AA ..... Aeronautics Act

A/C ..... Aircraft

ACA ..... Aircraft Certification Authority

AD ..... Airworthiness Directive

AEO..... Approved Engineering Organization

AFM ..... Aircraft Flight Manual

AIP ..... Aeronautical Information Publication

AMA..... Airworthiness Manual Advisory

AME ..... Aircraft Maintenance Engineer

AMO..... Approved Maintenance Organization

AN ..... Airworthiness Notice

ARASS ..... Activity Reporting and Standards System

ATC..... Air Traffic Control

ATIP ..... Access to Information and Privacy

ATO..... Approved Training Organization

CA ..... Convening Authority

CAD ..... Canadian Aviation Document

CADORS..... Civil Aviation Daily Occurrence Reporting System

CAP ..... Corrective Action Plan

CAR..... Canadian Aviation Regulation

CASI..... Civil Aviation Safety Inspector

CASS..... Commercial Air Service Standards

CCP ..... Company Check Pilot

CDL..... Configuration Deviation List

CEO..... Chief Executive Officer

CFS..... Canada Flight Supplement

C of A ..... Certificate of Airworthiness

C of G ..... Centre of Gravity

C of R ..... Certificate of Registration

CRF ..... Confirmation Request Form

DAC ..... Director, Aircraft Certification

DAEO..... Design Approval Engineering Organization

DAM&M..... Director, Aircraft Maintenance and Manufacturing

DA & ANS ..... Director, Aerodromes & Air Navigation

DAO ..... Design Approval Organization

DAPM ..... Design Approval Procedures Manual

DAR ..... Design Approval Representative

DC&BA..... Director, Commercial and Business Aviation

DFO..... Director, Flight Operations

DG ..... Dangerous Goods

DGA ..... Director, General Aviation

DGCA..... Director General, Civil Aviation

DOT..... Department of Transport

DSS..... Director, System Safety

ELT..... Emergency Locator Transmitter

EPM..... Engineering Procedures Manual

FAM ..... Flight Attendant Manual

FAR ..... Federal Aviation Regulation

FTAE..... Flight Training and Aviation Education

HQ..... Headquarters

ICAO ..... International Civil Aviation Organization

IFR..... Instrument Flight Rules

JAA..... Joint Aviation Authority

JAR..... Joint Aviation Requirements

MCM ..... Maintenance Control Manual

MDRS..... Mandatory Defect Reporting System

MEL ..... Minimum Equipment List

MMEL ..... Master Minimum Equipment List

MMM ..... Manufacturer's Maintenance Manual

MPM..... Maintenance Policy Manual

MRB ..... Maintenance Review Board

N/A ..... Not Applicable

NACIS..... National Aviation Company Information System

NAAPPI ..... National Audit & Assessment Program Personnel Inventory

NAP..... National Audit Program

NAPA..... National Aeronautical Product Approval

NASD..... National Aerodrome Safety Database

NCAMX ..... National Civil Aviation Management Executive

NOTAM ..... Notice to Airmen

NVFR ..... Night Visual Flight Rules

OCI ..... Office of Collateral Interest

OPI ..... Office of Primary Interest

OTI ..... Office of Technical Interest

PCSM ..... Product Control System Manual

PI ..... Principal Inspector

PIC..... Pilot-in-Command

PMI..... Principal Maintenance Inspector

POI ..... Principal Operations Inspector

PPC ..... Pilot Proficiency Check

QA ..... Quality Assurance

QAA ..... Quality Assurance Activities

QC ..... Quality Control

QPM ..... Quality Program Manual

RDCA..... Regional Director, Civil Aviation

RMA&AN..... Regional Manager, Aerodromes & Air Navigation

RMAC ..... Regional Manager, Aircraft Certification

RMAE ..... Regional Manager, Aviation Enforcement

RMC&BA ..... Regional Manager, Commercial and Business Aviation

RMGA..... Regional Manager, General Aviation

RMAM&M..... Regional Manager, Maintenance and Manufacturing

RMSS ..... Regional Manager, System Safety

SB..... Service Bulletins

SDR..... Service Difficulty Report

SFC..... Safety Features Card

SIC..... Second-in-Command

SID ..... Supplemental Inspection Document

SMS..... Safety Management System

STA ..... Supplemental Type Approval

STC..... Supplemental Type Certificate

TA/TC ..... Type Approval/Type Certificate

TBO..... Time Between Overhauls

TC..... Transport Canada

TCCA ..... Transport Canada Civil Aviation

TDG..... Transportation of Dangerous Goods

TDGA..... Transportation of Dangerous Goods Act

TDGR..... Transportation of Dangerous Goods Regulations

TI..... Technical Inspection

TL ..... Team Leader

TP ..... Technical Publication

TPM..... Training Policy Manual

TSB..... Transportation Safety Board

TSO ..... Technical Standard Order

VFR ..... Visual Flight Rules

VHF..... Very High Frequency

WB ..... Weight and Balance

CHAPTER 2 AUDIT POLICY

2.1 INTRODUCTION

2.1.1 DIRECTOR GENERAL, CIVIL AVIATION

The Director General, Civil Aviation (DGCA) is responsible for the development of inspection and audit policy and procedures. The appropriate responsibilities have been delegated to DGCA pursuant to section 4.3(1) of the Aeronautics Act, as reflected in the Delegation of Authority Document.

The DGCA has provided policy and procedural guidance through the ***Frequency of Inspection Policy Document*** and the ***Inspection and Audit Manual***.

2.1.2 INSPECTION AND AUDIT MANUAL

This manual outlines general audit policy and procedures and serves as the principal guidance document for the conduct of audits within TCCA.

> ***Note:*** The policy and procedures outlined in this manual are also applicable to inspections conducted at times other than during audits. Although such inspections may be less formal in planning and execution, the principles outlined in this manual remain; this is especially true as it pertains to using checklists, documenting findings, obtaining corrective actions and following up to ensure that such corrective actions are effective. Additional guidance on this may be provided in the appropriate functional area control manual.

2.1.3 FUNCTIONAL AREA CONTROL MANUALS

The DGCA, through HQ Functional Directors, has commissioned the use of branch specific manuals. These manuals contain inspection and audit policies / procedures that are specific to the functional area. This may include checklists, forms and guidance materials that will be used by inspectors in the course of their inspection and audit activities.

Functional Directors have responsibility for updating and promulgating information contained in these documents.

2.1.4 NATIONAL AUDIT PROGRAM

The National Audit Program has been developed to promote conformance with the Canadian Aviation Regulations (CARs) and associated standards.

2.1.5 TECHNICAL & NATIONAL PROGRAMS DIVISION

The Technical & National Programs Division, through the Director, Aircraft Maintenance and Manufacturing, is responsible for the management of the National Audit Program, which includes the following:

(a) defining audit policy, procedures and training standards;

(b) managing and conducting the audit procedures training course(s);

(c) maintaining the Inspection and Audit Manual and assisting in the development and management of functional area control manuals where requested by the applicable Branch Director;

(d) administering the program to ensure that Civil Aviation audit policies and procedures are applied uniformly across Canada; and

(e) co-ordinating audits conducted under the National Audit Plan, including participation where directed by the NCAMX.

2.2 AUTHORITY

2.2.1 MINISTER

Inspections and audits are conducted pursuant to subsection 8.7(1) of the Aeronautics Act, which permits the Minister to

"…enter any aircraft, aerodrome, facility relating to aeronautics or any premises used for the design, manufacture, distribution, maintenance or installation of aeronautical products for the purposes of making inspections…"

2.2.2 INSPECTOR DELEGATION OF AUTHORITY

Transport Canada audit personnel receive the authority to conduct audits and/or inspections through their applicable Delegation of Authority (DoA) Document issued by the Director General, Civil Aviation. Personnel assigned to audit duties must ensure that their DoA includes Subsection 8.7(1) of the Aeronautics Act to permit access to the auditee's facilities.

2.3 INSPECTOR REGULATORY POWERS

Inspectors are delegated the authority to exercise regulatory powers when encountering a situation where there is an imminent threat to aviation safety. Such powers include detention of aircraft and suspension of Canadian aviation documents. Inspectors are expected to use judgement and tact in dealing with such matters where the over-riding factor is safety to persons and property.

Although an inspector cannot permit a threat to safety to persist, it is important that the company or organization under review be advised of the specific safety concerns and be given the opportunity to address the situation voluntarily. Where applicable and possible, the audit team leader and/or manager shall also be consulted.

2.4 AUDIT CATEGORIES

2.4.1 REGIONAL AUDITS

Regional audits are the most common category of audits conducted by TCCA. The RDCAs (and Director C&BA) will approve their respective Regional Audit Plans with input from their Regional Managers (Chief, Airline Inspection Division).

2.4.2 NATIONAL AUDITS

Audits of companies in the National Audit Plan are categorised as National Audits. The National Civil Aviation Management Executive (NCAMX) is the body within TCCA that selects National Audit Plan candidates, where selection is based on audit complexity and personnel resource requirements.

The National Audit concept is to formulate a team utilising staff and resources from across the country, thus reducing the resource commitment from a single region.

The NCAMX approves the annual National Audit Plan.

2.5 AUDIT TYPES

The type of audit is determined by the circumstances under which the audit is convened and includes the following:

(a) post-certification audit;

(b) additional authority audit;

(c) routine conformance audit; and

(d) special-purpose audit.

The frequency for audits referred to in subsection (1) (a)(b) and (c) is specified in the *Frequency of Inspection Policy Document*.

2.5.1 POST-CERTIFICATION AUDIT

Once an organization has been issued an aviation document, a post-certification audit will be conducted to ensure that certification requirements have been met. This will normally take place within 6-15 months following initial certification.

2.5.2 ADDITIONAL AUTHORITY AUDIT

An additional authority audit may be conducted prior to the granting of an additional authority. Prior notification to the organization is not required.

2.5.3 ROUTINE CONFORMANCE AUDIT

A routine conformance audit will be conducted for the purpose of determining a organization’s overall level of conformance to regulatory requirements. All applicable characteristics of the organization will be subject to review.

2.5.4 SPECIAL-PURPOSE AUDIT

A special-purpose audit is one conducted to respond to safety concerns or circumstances other than those requiring a post-certification audit, an additional authority audit or a routine conformance audit. A special purpose audit may preclude certain team-member activities and responsibilities that would be normally associated with other types of audits.

2.6 AUDIT CLASSIFICATION

Audits are classified as “combined” or “specialty”. A combined audit will target more than one functional area whereas a specialty audit will focus on specialty areas, or elements (checklists) thereof, within a single functional area. Specialty audits may be run concurrently to limit TCCA presence in a company.

2.7 SCOPE AND DEPTH

2.7.1 CRITERIA

The scope and depth of an audit is influenced by the following:

(a) the category, type and classification of the audit;

(b) the period back in time that systems are subject to review (typically from the last audit to the present);

(c) the enforcement record of the organization;

(d) the time since the last audit (frequency of inspection);

(e) the confidence in corrective actions taken by the organization as a result of a previous audit; and

(f) inspector and financial resources available.

2.7.2 CONSULTATION REQUIREMENT

For other than routine conformance audits, the appropriate Regional/HQ Manager and principal inspector will be consulted before the scope of a particular audit is determined.

2.8 FREQUENCY

With the exception of post certification and special purpose audits, companies will be audited at frequencies specified in the *Frequency of Inspection Policy Document*.

2.9 AUDIT BUDGETS

2.9.1 GENERAL

The audit manager is responsible for resource utilisation and control during audits. Where applicable, forecast expenditures will be included in the proposed audit plan, to be approved by the Convening Authority (CA), and should include a breakdown of travel and overtime costs for all inspection activities. Once the budget has been approved, the audit manager will ensure that expenditures fall within approved allocation areas (paylist and non-paylist). Upon completion of the audit, the audit manager will provide the CA with an expense summary.

2.9.2 NATIONAL

National audits will have cost or responsibility centre numbers assigned with the appropriate funds allotted for each audit. The budget for national audits is normally held by DGCA at Headquarters.

2.9.3 REGIONAL

Regional audits may have cost or responsibility centre numbers assigned with the appropriate funds allotted for each audit. The budget for Regional audits is normally held by the RDCA at the Regional Office or for Airline Inspection Division audits, the Director of C&BA.

2.10 AUDIT PHASES

The audit process consists of the following four distinct phases:

(a) pre-audit;

(b) physical audit;

(c) post-audit; and

(d) audit follow-up.

2.10.1 PRE - AUDIT

Planning and preparation during the pre-audit phase will ensure that the objectives of the audit are achieved effectively, efficiently and economically. The time schedule and the personnel and financial resources required will be determined by the scope of the proposed audit and approved in the audit plan. Information gathered during the pre-audit phase will assist the audit team in:

(a) identifying the specific areas, systems and activities to be inspected;

(b) selecting the appropriate inspection checklists;

(c) determining if the scope of the audit is adequate; and

(d) finalising the audit plan.

2.10.2 PHYSICAL AUDIT

The physical audit phase will be implemented in accordance with the audit plan. The purpose of this phase is to verify conformance with regulatory requirements and to assign findings where non-conformance has been confirmed. Audit results will be communicated to the company under review at daily meetings and/or the exit meeting.

Once an audit has commenced, it will not be terminated without approval of the convening authority.

2.10.3 POST-AUDIT

Post-audit activities include completion of administrative details and production of the audit report.

2.10.4 AUDIT FOLLOW-UP

Audit follow-up includes acceptance of the organization's corrective action plan, verifies full implementation of that plan and formal closure of the audit by the CA.

2.11 CHECKLISTS

2.11.1 PURPOSE

Checklists provide a systematic approach for the conduct of an inspection and are designed to identify specific items for review and make reference to the applicable regulatory requirement, be it to a regulation, standard or control manual (MCM, MPM, COM, etc.) requirement.

Checklists should not limit the inspector's ability to explore other areas where warranted.

2.11.2 APPLICABILITY

Inspection checklists will:

(a) be used to guide the inspection;

(b) be completed or have areas that were not completed so annotated; and

(c) be signed and dated by the team member using the checklist.

2.11.3 SAFETY MANAGEMENT SYSTEM ASSESSMENT GUIDE

Where an assessment of an organization's safety management system (SMS) will be completed, the SMS Assessment Guide, TP14326, will be used. The Assessment Guide can be found on the Safety Management Systems website at: http://tcinfo/CivilAviation/SMS/guidance.htm or http://www.tc.gc.ca/CivilAviation/SMS/guidance.htm

2.12 AUDIT TEAM

2.12.1 INSPECTOR ASSIGNMENTS

Inspectors assigned to an audit team shall report to the audit manager (through the appropriate team leader where applicable) for the duration of the audit. To ensure continuity, inspectors assigned to an audit shall not be released from their duties prior to the completion of their assignments set out in the audit plan unless written authorization has been received from the audit manager.

Team members must be able to focus on audit activities and must therefore be released from other responsibilities during the term of the audit.

2.12.2 INSPECTOR QUALIFICATIONS

Audit team member qualifications will vary according to their respective duties and responsibilities and are specified in Chapter 4.

Where the qualifications referred to above have not been met, persons providing specialist assistance and inspectors under training may be included as team members with the approval of the CA. Any work undertaken by these individuals must be reviewed by a qualified member who will sign and take responsibility for work completed.

2.12.3 INSPECTOR RESTRICTIONS

To remain impartial throughout the audit process, principal inspectors who have been involved in regular oversight activities with an organization should not participate in audits of that organization. Principal inspectors shall, however, assist the audit team in an advisory capacity when requested to do so by the audit manager.

The CA may approve the participation of principal inspectors as active members of the audit team should unforeseen circumstances dictate.

Except where authorized by the CA, aviation enforcement inspectors will not participate as members of any audit team.

2.12.4 AUDIT CO-ORDINATION

Audits will be co-ordinated through the CA. The audit manager will ensure that the CA is informed of all relevant matters and will be accountable to the CA for the management of personnel and financial resources and the integrity of the audit process.

2.12.5 CONFLICT OF INTEREST

Any member of the audit team who believes that their participation may be a conflict of interest shall advise the audit manager. The following are potential conflicts of interest:

(a) former employment with the company (depending upon recency of employment and the terms under which employment was terminated);

(b) organizational ties with the company;

(c) direct company involvement; and

(d) the holding of company shares by a family member or other family ties with the company.

2.12.6 SPECIALISTS

A specialist may join the audit team by mutual agreement of the CA, audit manager and appropriate team leader.

Examples of specialists would be: persons experienced on a company's computer system where the system is too complicated for team members to operate; or an aircraft/component manufacturer's technical representative; etc.

2.12.7 OBSERVERS

An observer may join the audit team by mutual agreement of the CA, audit manager, appropriate team leader and auditee. This observer may be a TCCA inspector or any other person authorized by the convening authority.

2.12.8 NATIONAL AUDIT & ASSESSMENT PROGRAM PERSONNEL INVENTORY

The Technical & National Programs Division is developing an inventory of potential audit managers, team leaders and team members for national audits. RDCAs, through their appropriate managers, will ensure that all inspectors assigned to audit and inspection duties provide the required information in the manner and format requested.

2.13 ROLE OF AVIATION ENFORCEMENT

The appropriate Regional Manager/Chief, Aviation Enforcement shall be informed of planned audits and asked to designate an enforcement inspector to advise the audit manager.

The enforcement inspector referred to above is a source for information and guidance on such matters as the legislative process, inspection authorities, safety powers and collection and retention of evidence.

2.14 DIRECTORS' ROLES

HQ Directors provide the Regions with functional direction on audit-related matters within their respective areas of responsibility. The primary means to achieve this is through the development and promulgation of the appropriate material in the functional area control manual(s). HQ Directors also monitor the effectiveness of the Regional and National Audit Plans by means of Quality Assurance Activities (QAA) using policies and procedures outlined in this manual and the appropriate functional area control manual(s) as the standard.

2.15 DISCREPANCIES WITHIN TCCA MANDATE

During an audit, the company under review may produce TCCA letters or approval documents that are inconsistent with current regulation or policy. Where non-conformance to a regulatory requirement results, an audit finding will be assigned to the company under review to ensure that the non-conformance is resolved through the corrective action plan. The audit manager shall include these inconsistencies in a parallel finding.

2.16 PARALLEL FINDINGS/OBSERVATIONS

When parallel observations or findings are identified during an inspection, the required form will be completed in accordance with sections 5.2 and 5.3 and follow-up is to be conducted in accordance with section 5.4.

2.17 DISCREPANCIES OUTSIDE OF TCCA MANDATE

Where potential violations of regulations that are outside TCCA's jurisdiction (e.g. Security, Department of Communications, Labour, provincial or municipal legislation) are identified, the audit manager shall notify the CA. The CA will then determine if the inconsistency warrants interdepartmental or intergovernmental action and where required, will forward a formal report to the appropriate Director General.

2.18 CONFIDENTIALITY

Owing to the sensitive nature of audits, confidentiality of audit information is important; this is especially true during the physical audit. Inspectors shall exercise judgement and discretion when discussing matters pertaining to the audit; whether on or off the site. Discussion of audit content shall be limited to the audit team and appropriate TCCA management and shall be undertaken in accordance with the communication protocols specified in the audit plan.

2.19 AUDIT REPORT

The audit report is the documentary result of an audit and is required for each audit. The report outlines the inspection process, provides a summary of the areas under review and includes copies of any audit findings. Section 3.4.1 outlines the general procedures for preparing an audit report. A sample audit report can be found in the appropriate functional area control manual.

2.20 ACCESS TO INFORMATION

2.20.1 REQUEST FOR AUDIT RECORDS

With respect to the *Access to Information Act* any request for audit records must be processed upon receipt by Transport Canada.

In the case of a completed audit, ATIP division will notify the third party (approved organization) that TC plans to release the documents unless the third party provides appropriate recommendations for non-disclosure.

In the case of ongoing audits where disclosure of the requested audit documents will be injurious to the decision making process (and/or the deliberations between TC and the approved organization) the Audit Manager in consultation with the Convening Authority shall always make recommendations for non-disclosure of the relevant portions of requested records to the ATIP division when responding to a retrieval notice. It is the responsibility of the ATIP division, in accordance with the *Access to Information Act*, to consult the third party on the disclosure of the audit records. These records may then be released pursuant to the *Access to Information Act* guidelines.

2.20.2 RELEASE OF AUDIT REPORTS TO THE PUBLIC

Audit records shall not be released to the public except in response to an official request under the *Access to Information Act.*

2.21 AUDIT RECORDS RETENTION/DISPOSAL

2.21.1 RECORDS DISPOSITION AUTHORITY

The process for disposal and/or retention of audit records is controlled by the National Archives of Canada. Transport Canada, Civil Aviation has a Records Disposition Authority No. 98/010 issued by the National Archives. This authority provides for the transfer of files by TC to the custody and control of the National Archives, who after a specified retention period (generally 5 to 10 years as identified in an appendix to the authority) will recommend destruction.

2.21.2 TC CUSTODY AND CONTROL

It is then TCs decision whether the files shall be destroyed or returned to TCs custody and control. In the case of audits, the appendix identifies 5 years subject to review. Additionally, this process has to be conducted with due diligence and in good faith. Although this may sound subjective the process has been successfully in place for a number of years.

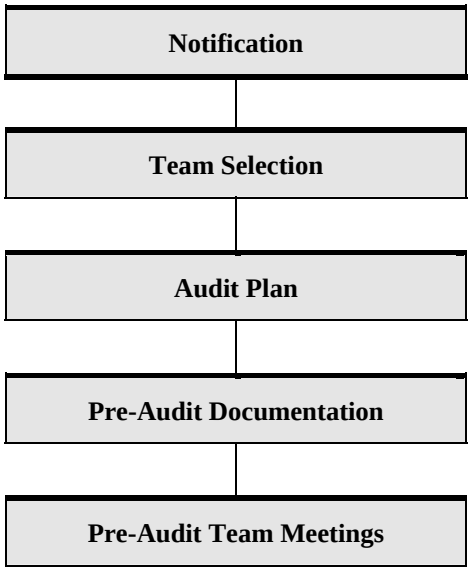
CHAPTER 3 AUDIT PROCEDURES

3.1 SELECTION OF AUDIT PROCEDURES

Audit procedures are similar in application yet there are differences attributable to the size, scope and complexity of the organizations being audited. With some types of audits, not all procedures outlined in this Chapter will be employed. The appropriate functional area control manual will provide more specific detail on this subject.

3.2 PRE-AUDIT

The phases of the pre-audit are illustrated by the following figure and involve, among other things, notifying the organization, selecting an audit team, developing an audit plan, reviewing files and related documentation, opening an audit file if one has not been opened prior to the audit, and convening the pre-audit team meeting.



3.2.1 NOTIFICATION

An organization will normally be contacted fourteen to sixty days prior to the planned audit date to confirm the audit schedule. The notification period for audits planned on shorter notice will be at the discretion of the convening authority.

The complexity of the audit will determine the lead-time for this contact. Organizations included in the National Audit Plan should be contacted three months prior to the planned audit date.

3.2.2 TEAM SELECTION

Audit team selection including team member terms of reference, qualifications and responsibilities are specified in Chapter 4.

3.2.3 AUDIT PLAN

The audit manager will develop an audit plan for the CA's approval. A sample of the audit plan will be provided in the appropriate functional area control manual. This plan ensures that the audit will be conducted in an organized manner and in accordance with predetermined criteria. Appropriate sections of the plan will be distributed to each member of the audit team to provide guidance and direction throughout the audit. In addition to this, the audit manager may wish to provide the auditee with portions of the plan. The audit plan should address the following items as applicable:

3.2.3.1 Objective

(a) The audit plan should state the audit category (section 2.4) and type (section 2.5) as applicable (i.e., National Routine Conformance Audit, Regional Special Purpose Audit, etc.).

3.2.3.2 Scope and Depth

The following should be specified where applicable:

(a) the specialty areas (including elements therein) of the organization to be audited;

(b) the period back in time that the audit will cover; and

(c) the geographical dispersion.

3.2.3.3 Organization Description

The audit plan should provide specific information on the organization. This will provide the reader with an overview of the organization and will include information pertaining to the following:

(a) the number of employees and their location;

(b) bases of operation; and

(c) any other information required by the applicable functional area control manual.

3.2.3.4 Methodology

The audit plan should describe the methodology to be used during the audit including:

(a) the manner in which the audit is to be conducted (i.e., procedures specified in the *Inspection and Audit Manual* and the appropriate functional area control manual);

(b) the specific procedures to be followed (specialist guidance such as checklists, forms and guidance materials provided in the appropriate functional area control manual);

(c) the sampling method(s) to be used; and

(d) details pertaining to maintenance of the audit file required by section 3.2.5.

3.2.3.5 Communications

The audit plan should identify the communication protocols that the audit team is to follow. This will include internal communications within the audit team and Transport Canada personnel, as well as external communications with the auditee, external agencies and the public.

3.2.3.6 Foreign Travel

When foreign travel is required or contemplated, the following information should be researched:

(a) the requirement for government passports, visas, inoculations, notification of foreign civil aviation authorities, and co-ordination with External Affairs; and

(b) the availability of voice and data communications, diplomatic courier service and foreign currency exchange.

The best resource for the above information is usually the auditee.

3.2.3.7 Specialist Assistance

Specialists are persons who possess knowledge and expertise that is required of the audit team yet is not available from within TCCA.

3.2.3.8 Parallel Findings and Observations

The audit plan will indicate the process team members will follow when parallel findings or observations are identified.

3.2.3.9 Budget

The following will be indicated in the audit plan:

(a) amounts budgeted for overtime, travel, accommodation and daily allowances;

(b) budget contingency if requested by the CA (10 per cent); and

(c) team member responsibility to report deviations from budget plan.

3.2.3.10 Company Management Personnel

The audit plan shall include a listing of company management personnel who are relevant to the audit including the person's name, title and office phone number.

3.2.3.11 Team Composition

The audit plan shall include a table or an organization chart of the audit team indicating the following where applicable:

(a) names of the convening authority, audit manager, team leader(s), support personnel, principle inspector(s), team members, observers and specialists;

(b) team member technical specialty;

(c) team member designator; and

(d) office telephone number.

3.2.3.12 Audit Schedule

An audit schedule shall be provided indicating the following team information where applicable:

(a) team member travel dates to and from the audit;

This may be indicated in the audit budget rather than the audit schedule.

(b) specialty area assignments including the applicable element summary responsibilities; and

(c) pre-audit and physical audit assignments including start/complete dates/times.

3.2.4 PRE-AUDIT FILE AND DOCUMENTATION REVIEW

This includes a thorough review of all files and documentation that are relevant to the organization. The following should be completed during this activity where applicable:

(a) ensure that all reference manuals and documents to be used during the audit are readily available and include the latest approved amendments;

(b) review the auditee's approved manuals for conformance to the appropriate standard;

(c) review the auditee's files and records to include:

(i) previous audits including corrective actions and follow-up where applicable,

(ii) accident or incident data, including CADORS reports,

(iii) previous enforcement action, and

(iv) exemptions, waivers, approvals, limitations and authorizations;

(d) identify areas that require further review during the physical audit;

This can be added to the notes section of the applicable checklist.

(e) select the applicable checklist(s) from the appropriate functional area control manual in accordance with the scope of the audit; and

(f) complete all applicable pre-audit items on the checklists.

Pre-audit items are designated "P - (item number)" whereas physical audit items are designated "A - (item number)".

3.2.5 AUDIT FILE

An audit file is required to track audit history and help determine audit frequency. It is also valuable in assessing the effectiveness of audit follow-up. Accordingly, an audit file shall be opened for each organization that is audited.

The audit file shall contain a complete chronological record of all correspondence and documentation dealing with audits including a complete record of audit follow-up action.

Items that appear inconsistent or incomplete during a review of the audit file must be flagged for verification during the physical audit.

3.2.6 PRE-AUDIT TEAM MEETING

This meeting should include the following agenda items as applicable for the category, type and class of audit:

(a) administrative details;

(b) audit plan review and amendment, ensuring that all team members have received appropriate portions of the audit plan;

(c) budget information, including tracking of overtime and travel expenses;

(d) conflict of interest, confidentiality and access to information;

(e) forms administration;

(f) use of checklists;

(g) communications;

(h) pre-audit review and physical audit overview; and

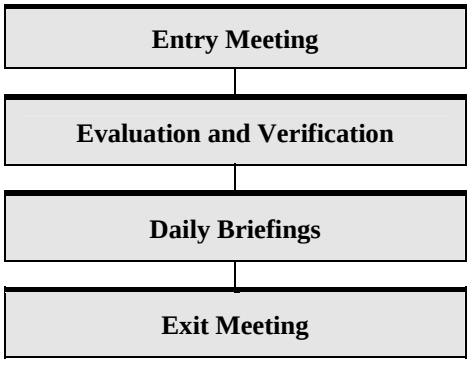
(i) where possible, principal inspector briefing on the organization's current activities, trends, performance and previous audit history including corrective action and follow-up.

Sample meeting notes can be found in the appropriate functional area control manual.

3.3 PHYSICAL AUDIT

3.3.1 GENERAL

Activities conducted during the physical audit are illustrated by the following figure and consist of the entry meeting, evaluation and verification, daily briefings and the exit meeting.



3.3.2 ENTRY MEETING

The entry meeting should set the tone for the physical audit and should be attended by the auditee's senior management. Members of the audit team will attend the entry meeting as directed by the audit manager. Additional TC personnel may attend as directed by the CA. This meeting will outline the audit process and confirm any administrative requirements so that the physical audit may be conducted both effectively and efficiently, while minimising disruptions to the auditee.

Sample entry meeting notes can be found in the appropriate functional area control manual.

3.3.3 EVALUATION AND VERIFICATION

During this phase, the audit team will

(a) confirm whether the auditee's operation conforms to regulatory requirements;

(b) confirm whether controls are operating effectively and as intended and specified in the appropriate control manual; and

(c) where non-conformance with a regulatory requirement is identified, gather evidence or supporting documentation (with the assistance of the enforcement point-of-contact if required) and prepare an audit finding.

3.3.3.1 Audit Checklists

Use of the applicable checklists contained in the appropriate functional area control manual is mandatory, as they will assist auditors in determining the level of conformance to regulatory requirements. Based on the results of the completed checklist, a determination of the strengths and weaknesses of the auditee's control system will be possible. Although each item on the checklist need not be checked, this system will be most effective if all items are evaluated.

There may be times where it is not possible to review a particular specialty area element (i.e., an entire checklist). This shall be documented in the audit report and where applicable, a parallel observation submitted.

3.3.3.2 Inspections

Inspections conducted during an audit range from the simple observation of an activity to the detailed analysis of a system or process using comprehensive checklists or forms. The term inspection includes such activities as: the review of files and records; interviews; the use of conformation requests; aircraft or aerodrome inspections; the observation of activities such as a fire fighting drill, de-icing procedures and air traffic control operations; pre-flight inspections or ramp checks; and in-flight and sub-base inspections.

Where possible during combined or concurrent audits, inspections should be carried out as co-ordinated inspections.

These are inspections conducted by auditors from different functional or specialty areas (i.e., a ramp inspection conducted by a dangerous goods inspector, a maintenance inspector and a cabin safety inspector).

3.3.3.3 Sampling

General

It will not always be possible or necessary for the audit team to examine all of an organization's activities (i.e., a 100% inspection of all operations, processes, procedures and documents), especially if the activity involves review of a large number of items or a large volume of documentation (population). Time available to accomplish the inspection and the experience level of auditors are limiting factors. Consequently, the audit manager may have to resort to the general concepts of sampling in collecting the necessary objective evidence.

Sampling is accomplished by examining only a representative sample of the population whose results would then make possible a reliable conclusion regarding the overall level of conformance of the auditee's system to regulatory requirements.

The Audit Manager has to be confident in the team's ability to detect systemic problems if such are present in the auditee's system. A system producing a high percentage of non-conformances will only require a small sample to detect them. Similarly, a system producing a low percentage of non-conformances will require a larger sample to detect non-conformances.

There is a statistical relationship between the probability that the sample will detect an acceptable percentage of non-conformances if they exist, and the sample size. An inspection sample specifies the minimum sample size that is required to confirm systemic problems in the auditee's system. This relationship is based on the risks involved in every sampling. In an audit, these risks are summarised as follows:

(a) ***Type I Risk:*** the risk of concluding that the auditee's system is worse than it actually is; and

(b) ***Type II Risk:*** the risk of concluding that the auditee's system is acceptable when it is not.

The NAP has established as a guideline, an acceptable probability of 95% that the sample will detect an acceptable level of 5% non-conformance. This is an accepted industry standard for sampling and establishes clearly defined sampling criteria for a given population (refer to Table 1 of this chapter).

For example, assuming that we have 400 personnel records to inspect for a particular characteristic, 153 records will have to be reviewed.

The Audit Manager must use good judgement, experience and risk management techniques before deciding on how much to sample, or even to use sampling concepts at all. It must be recognised that there is a direct relationship with the importance of the characteristic(s) being inspected and the use of sampling concepts.

Where sampling is used, the inspector needs sufficient evidence (typically three examples) in order to reliably conclude that an audit finding is justified. Once this has been achieved, there is no need to inspect the whole sample.

Random Sampling Method

The following guidelines shall be used for a random sample process:

(a) each sample group must stand alone (i.e., if there are 70 pilots, 120 flight attendants, 55 maintenance personnel, and 4 dispatchers, each of the four groups must be considered separately);

(b) samples must be selected at random; and

(c) Table 1 of this chapter will be used as applicable.

Non-Random Sampling Method

The audit manager may decide to use non-random selection techniques to choose the units of the sample to be evaluated. This method involves experience and judgement and should follow a risk management methodology thus focusing on areas known to have higher instances of non-conformance and a greater affect on aviation safety. It should be noted that in these situations, the statistical interpretation of the general sampling principle would not be applicable to drawing conclusions from sample results.

Conclusion

It is important to understand that where sampling is used and non-conformance cannot be found in the sample, one cannot assume that the quality of the auditee's system is perfect. In sampling there is no guarantee that the results from the sample selected will reflect the true condition of the auditee's system. This consideration is more important for smaller populations (less than 20) where it is preferable to inspect 100% of the population.

Table 1

Population	Sample	Population	Sample	Population	Sample
1-9	100%	350	128	1 150	203
10	9	400	153	1 200	204
15	14	450	159	1 250	206
20	18	500	165	1 300	207
25	22	550	170	1 350	208
30	26	600	175	1 400	209
40	33	650	179	1 450	210
50	40	700	182	1 500	211
60	46	750	185	1 550	212
70	52	800	188	1 600	213
80	58	850	191	1 650	214
90	63	900	193	1 700	215
100	67	950	195	1 750	216
150	86	1 000	198	1 800	217
200	100	1 050	199	1 850	218
300	121	1 100	201		

3.3.3.4 Interviewing Auditee Personnel

Interviews are verbal communications with the auditee's personnel and range from an informal discussion to a pre-arranged interview of the President/CEO. Interviews are important to auditors in that they permit the auditor to

(a) determine whether the control system documented in control manuals is that in use,

(b) determine the accuracy of information provided in NACIS;

(c) assess the knowledge of supervisory personnel pertaining to their duties and responsibilities; and

(d) where applicable, confirm the validity of findings identified during an audit.

The following guidelines will be useful when preparing for an interview:

(a) prepare carefully prior to the interview by defining the areas to be explored and setting specific objectives (guidance material may be included in the appropriate functional area control manual);

(b) explain why the interview is taking place;

(c) use open questions and avoid complex questions or phrases;

(d) ensure that questions are understood;

(e) listen carefully to answers and allow interviewee to do most of the talking;

(f) avoid being side-tracked from your original objectives;

(g) terminate the interview if the atmosphere becomes highly negative;

(h) thank the interviewee at the conclusion of the interview; and

(i) document responses during, or as soon as possible following the interview.

3.3.3.5 Confirmation Requests

Confirmation requests are typically used where the auditor requires information and the appropriate company representative is not immediately available to provide it. Communications are entered on the Confirmation Request Form (CRF) and forwarded to the auditee with a request that the information be provided by a specified date/time. A sample CRF can be found in Chapter 6.

Team members will forward CRFs to the team leader (or delegate) who will review the document, ensure that it is recorded in a control log (sample in Chapter 6) and forwarded to the appropriate person in the auditee's organization.

At the end of each day, the CRF control log should be compared with the returned CRFs to ensure that the log is current. For a large audit, this can be done at the daily briefing with the auditee. In this manner, both the auditee and the audit team will be updated as to the status of these documents. Regardless of the way in which the control log is maintained, all CRFs should be cleared prior to the completion of the physical audit at that site or base.

When the CRF has been returned and appropriate action taken, this material should be filed according to the appropriate functional or specialty area, allowing documentation relating to high-profile items to be maintained for later reference. This file will also provide background and evidence/supporting documentation for any follow-up or enforcement action taken at a later date.

3.3.4 AUDIT FINDINGS

3.3.4.1 General

Audit findings must be prepared accurately as they form the basis of the audit report and a successful audit. A sample finding form can be found in Chapter 6.

Since a number of team members will be completing finding forms, it is important that a standardized approach to inputting data on the form be taken.

All evidence and supporting documentation will be included with the completed finding form for review by the applicable team leader and the audit manager. Although this documentation will not be included in the audit report, it will be retained in the audit file. An evidence control log, which will meet the requirement for an evidence receipt where applicable, is found in Chapter 6.

3.3.4.2 Issuance During the Physical Audit

Where it is determined that corrective action and subsequent follow-up to a non-conformance is required in a period less than that which occurs through the use of an approved corrective action plan (typically 30 working days), an audit finding may be issued during the physical audit. This type of finding is usually made where safety is compromised and corrective action is required immediately, or at the very least, prior to completion of the audit. The corrective action section of the audit finding form includes a checkbox and a line to specify the date/time that corrective action is required by.

The operator must respond to the audit finding by the date/time specified in the corrective action section of the finding form using a corrective action form. A sample corrective action form can be found in Chapter 6.

Issuance of audit findings during the physical audit will only be contemplated when the convening authority, audit manager and applicable team leader are in agreement with such action.

For the purposes of follow-up to corrective actions taken during the physical audit, the applicable team leader or audit manager will accept submitted corrective actions by signing the applicable corrective action form.

3.3.4.3 Filling Out the Finding Form

When completing these forms, auditors shall use the following checklist:

(a) at the top of the finding form:

(i) correctly identify the auditee; where applicable, use the organization's name as found on the Canadian aviation document;

(ii) enter the location of the base or sub-base where the non-conformance applies;

(iii) enter the auditee's TCCA audit file number;

(iv) identify the area of inspection (this will be the title of the checklist); and

(v) identify the finding number in accordance with procedures specified in the appropriate functional area control manual.

(b) in the "Non-Conformance to" section:

(i) correctly identify the regulatory requirement or company approved procedure to which the non-conformance applies in accordance with procedures specified in the appropriate functional area control manual;

(ii) check the box "which states" when an entire quotation is to be used (verbatim), then quote the regulatory requirement or company approved procedure word for word, ensuring that the quotation is relevant;

(iii) check the box "which states in part" when a partial quotation will be used (segmenting), then quote the regulatory requirement or company approved procedure word for word, separating segments as necessary with the notation "..." and ensuring that the quotation is relevant; and

(iv) when segmenting, quote a sufficient portion of the text to clearly identify the regulatory requirement while avoiding the use of unnecessary words.

(c) in the "Examples" section:

(i) specify the three most applicable examples of the non-conformance, where practicable;

(ii) ensure that the examples illustrate non-conformance with the applicable requirement be it a regulation, standard or control manual ;

(iii) make reference to any evidence or supporting documentation that confirms the validity of the finding.

(iv) in the "Corrective Action required by" section:

(A) check the appropriate box;

(B) where applicable, specify the date/time that corrective action is required by; and

(C) specify the name of the auditor and the date the audit finding was made.

3.3.5 DAILY BRIEFINGS

Team briefings should be held at the end of each day during the audit to

(a) ensure adherence to the audit plan;

(b) validate confirmation requests and audit findings;

(c) resolve issues or problems arising from the day's activities; and

(d) provide the team leader with the information necessary to update the audit manager, where applicable.

Daily briefings for the auditee should be scheduled to minimize any disruption. These briefings are conducted to update the auditee's management on audit progress and to discuss any audit findings that have been identified. The audit manager or team leaders may elect to have a team member brief the auditee's officials on specific items.

3.3.6 EXIT MEETING

Upon completion of the audit, the audit manager will convene an exit meeting with the auditee's senior management to brief them on the results of the audit. Normally, the CA and the audit management team will attend. The CA may wish to chair the meeting or simply attend with the team (sample notes for this meeting can be found in the appropriate functional area control manual).

Where applicable, the audit team will have briefed the auditee on all audit findings during the daily meetings so debate between the team and the organization should not occur. The auditee should be advised that they will have an opportunity to respond formally to the audit report in their corrective action plan submission.

The audit manager shall advise the auditee that the audit report will be forwarded to them within the time period referred to in subsection 3.4.1.3 and that a corrective action plan must be submitted to TCCA within 30 working days after the report has been received. Details of the corrective action process will also be discussed.

3.4 POST-AUDIT

The post-audit process includes the wrap-up of audit administrative details (claims, overtime, etc.), preparing the audit report and convening the audit report review committee where applicable.

3.4.1 AUDIT REPORT

3.4.1.1 General

The audit report is a document that summarises the results of an audit and includes the audit findings and where applicable, corrective actions taken to findings issued during the audit in accordance with section 3.3.4.2. The report is a factual account of the audit and will not include subjective statements, suggestions or recommendations.

The audit manager is responsible for the preparation of the audit report and its approval by the CA. The auditee will determine the official language in which the report will be printed. Finding forms may be submitted by team members in either language, the audit manager will ensure that these forms are translated where required.

3.4.1.2 Report Format

The audit report will include:

(a) ***Part I —*** Introduction, which identifies the auditee, summarizes the audit process and includes the executive summary which summarizes the most significant findings for the information of auditee and TCCA senior management;

(b) ***Part II/III —*** Functional Summaries, which contain the specialty area element (checklist) summaries for each functional area audited; and;

(c) ***Part IV—*** Audit Findings, which contains the audit findings assigned during the audit.

Audit reports may vary depending upon the category, type and class of audit, yet will follow the general structure specified above. Refer to the appropriate functional area control manual for more detail and samples.

3.4.1.3 Report Procedures

Although draft finding forms may be left with the company as a courtesy, this is not mandatory. Audit findings issued to the auditee during the physical audit pursuant to section 3.3.4.2 will be left with the organization and copies included in the audit report. Where the finding required corrective action prior to the end of the physical audit, the completed corrective action form will be attached to the audit finding.

Where draft findings are left with the auditee, the word "draft" must be added to the form header.

The audit report is normally presented to the auditee within ten working days calculated from the last day of the physical audit. Audit reports that require additional time for committee review may be given five additional days to complete. Circumstances where this is permitted shall be specified in the appropriate functional area control manual. Any delay beyond the above maximums must be documented since the validity of the audit will be compromised if the report is not presented in a timely manner.

The CA will sign the report cover letter (sample provided in the appropriate functional area control manual) and forward the audit report to the auditee. The report will outline the procedure for responding to audit findings and specify the required response time of 30 working days from the time the auditee receives the report.

The audit report will be distributed according to procedures specified in the appropriate functional area control manual. The report may be released to other branches after corrective action plan approval if formally requested by the appropriate Director and authorized by the CA.

3.5 AUDIT FOLLOW-UP

3.5.1 GENERAL

Upon completion of the audit, the CA will delegate follow-up responsibilities to the manager(s), principal inspector(s) and/or other assigned persons, responsible for regulatory oversight of the appropriate aspect of the auditee's operation or as specified in the appropriate functional area control manual.

The responsible person referred to above will ensure that

(a) the corrective action plan (CAP) and audit follow-up has been entered in the functional area database.

(b) where applicable, corrective actions required by a specific date on the corrective action section of the finding form have been completed by the date specified; and

(c) the corrective action plan is submitted in the appropriate time period, and is approved, implemented and effective in rectifying the applicable non-conformances.

Audit follow-up is considered complete when

(a) the applicable principal inspector has accepted all audit finding corrective actions;

(b) corrective action status has been recorded in the audit file; and

(c) the CA has been advised and a letter forwarded to the auditee advising them that the audit is closed. A sample letter can be found in the appropriate functional area control manual.

Quality Assurance Activities will be used to determine the effectiveness of audit follow up.

3.5.2 TYPES OF CORRECTIVE ACTION

3.5.2.1 Short-Term Corrective Action

This action corrects the specific non-conformance specified in the audit finding and is preliminary to the long-term action that prevents recurrence of the problem. Short-term corrective action will be completed

(a) by the date/time specified in the corrective action section of the finding form, or

(b) per the accepted corrective action plan

3.5.2.2 Long-Term Corrective Action

Long-term corrective action has two components. The first component will involve identifying the root cause of the problem and indicating the measures the auditee will take to prevent a recurrence. These measures should focus on a system change. The second component is a timetable for company implementation of the long-term corrective action. Subject to the following paragraph, long-term corrective action will take place within 90 days and will include a proposed completion date.

Some long-term corrective actions may require time periods in excess of 90 days (ex, major equipment purchases). In this case, refer to Audit Closure section 3.5.5.3, which explains how to deal with audit findings both beyond 90 days and closure of findings within 12 months. Where applicable, the company will include milestones or progress review points at 90 day intervals leading up to the proposed completion date for each audit finding.

Where the short-term corrective action taken meets the requirements for long-term corrective action, this shall be so stated in the long-term corrective action section on the corrective action form.

3.5.3 CORRECTIVE ACTION PLAN SUBMISSION

The covering letter of the audit report will advise the auditee that it must

(a) where applicable, submit corrective action forms for each audit finding requiring corrective actions by the date specified in the corrective action section of the finding form; and

(b) submit a corrective action plan addressing all other audit findings within 30 working days from the date of receipt of the audit report. Normally, this deadline will not be extended without the CA's approval.

The CA will include the name(s) of the person(s) to whom the corrective action plan shall be sent in the audit report covering letter. This person will normally be the responsible manager.

Corrective action plans received from the auditee should include completed corrective action forms (Chapter 6) and where applicable, supporting documentation that may take the form of technical record entries, purchase orders, memoranda, revised audit procedure cards, manual amendments, etc.

3.5.4 CORRECTIVE ACTION PLAN ACCEPTANCE

Where the corrective action plan is acceptable, the auditee will be so advised and the appropriate information (administrative/on-site follow-up, proposed completion date) will be entered on the corrective action form or where applicable, the corrective action tracking form, for the purpose of follow-up. A sample corrective action tracking form can be found in the appropriate functional area control manual. Functional area databases can also be used to track the progress of audit follow up.

Before accepting plans for findings that include long-term corrective actions exceeding 90 days as permitted in subsection 3.5.2.2, the responsible manager must be satisfied that the proposed corrective action is reasonable and that safety will not be jeopardised. These findings will then be considered closed for the purposes of corrective action plan follow-up provided the requirements of subsection 3.5.5.1 are met.

If the auditee's corrective action plan is not acceptable, the applicable principal inspector or other assigned person, will request that the plan be revised and re-submitted within 10 working days of the request. Where the auditee is unresponsive to this action, an alternative course of action may be pursued; where applicable, such action could include the sending of a Notice of Suspension to the company by the CA or responsible manager.

3.5.5 CAP FOLLOW-UP

3.5.5.1 Follow-up Process

Where the audit findings are of a minor nature, no threat to aviation safety exists and the auditee has a reputable quality assurance or internal audit program, an “administrative follow-up” may be acceptable. In this case, the documents referred to in subsection 3.5.3 must be reviewed and found acceptable. All other findings require “on-site follow-up” to ensure that non-conformances have been rectified and that corrective actions are effective.

Progress will be monitored as the auditee completes audit finding corrective actions. This will be accomplished by using the follow-up section on the corrective action form, the corrective action tracking form or functional area database. Both forms identify the finding number, the type of audit follow-up (administrative or on-site) and the date upon which the corrective action was completed.

Long-term corrective actions that have been accepted in accordance with subsection 3.5.4 will be followed-up by the applicable principal inspector, or other assigned person, who will advise the responsible manager when the item is complete. This follow-up will be confirmed through routine surveillance activities.

3.5.5.2 Audit Follow-up

Personnel assigned audit follow-up responsibilities will

(a) monitor the auditee to ensure that the 30 day response time for corrective action plan submission is observed or, where applicable, that corrective actions required by a specific date (indicated on the corrective action section of the finding form) have been completed;

(b) ensure that the corrective action plan addresses the most important findings first;

(c) ensure that each proposed corrective action will rectify the root cause of the finding to prevent its recurrence;

(d) determine that the auditee has developed a reasonable timetable for long-term corrective action and ensure that the proposed completion date is indicated on the appropriate section of the corrective action form, entered on the corrective action tracking form or entered in the applicable functional database;

(e) accept the corrective action plan in co-ordination with the responsible manager and where necessary, the audit manager and appropriate team leader and/or team member;

(f) determine for each corrective action plan item whether the follow-up is to be administrative or on-site and indicate so on the corrective action form, corrective action tracking form or applicable functional database;

(g) monitor the progress of the corrective action plan by maintaining the follow-up section of the corrective action form, the corrective action tracking form or applicable functional database and ensuring that the appropriate follow-up (administrative or on-site) has been conducted;

(h) ensure that all completed corrective action forms and corrective action tracking forms, together with any supporting documentation, are placed on the audit file; and

(i) advise the responsible manager when all corrective actions have been completed.

3.5.5.3 Audit Closure

To enable Convening Authorities to close regulatory audits within 12 months following Corrective Action Plan (CAP) acceptance, the following process should be applied. As a rule, the CAP should aim at having all corrective action in place within 90 days of acceptance by the applicable principal inspector or other assigned person. However, it is not always possible to meet these deadlines and special consideration may be required to ensure audit closure in a timely fashion.

Audit findings will be categorized as follows:

(a) ***An immediate safety issue;*** corrective action must be carried out immediately in order for the organization to continue their activities. The finding should be written into the report. Should long-term corrective actions be required, depending on the circumstances, this will be dealt with as identified in paragraphs (b), (c) or (d).

(b) ***Corrected within 90 days;*** normally the majority of findings should fall into this category. The accepted CAP must indicate that the long and short-term corrective action will be in place within 90 days. The applicable principal inspector or other assigned person will ensure follow-up.

(c) ***Corrected between 90 days and twelve months;*** in cases where it is anticipated that the corrective action will take more than 90 days after CAP acceptance, a risk assessment should be completed by the applicable principal inspector or other assigned person before accepting the CAP.

(d) ***Longer than 12 months;*** in cases where it is not possible or reasonable to apply the corrective action within 12 months of acceptance of the CAP, a risk assessment study should be completed by the applicable principal inspector or other assigned person. If the risk assessment confirms that the proposed period of time is justified, an exemption should be issued. The corrective action would therefore be completed.

The regulatory audit can be closed by the Convening Authority 12 months after CAP acceptance, since the corrective action has either been completed or assessed to the point whereby an exemption could be issued.

The responsible manager(s) will confirm that all follow-up actions have been completed, entered in the functional area database and will so advise the CA. The CA will then forward a letter to the auditee informing them that the audit is closed. A sample audit closure letter can be found in the appropriate functional area control manual.

3.5.6 AVIATION ENFORCEMENT ACTION

Once the audit report has been sent to the auditee, a copy will be sent to the appropriate Aviation Enforcement office. The necessity or extent of any enforcement action will be determined jointly by the CA and the appropriate Regional Managers (including the Regional Manager, Aviation Enforcement) or HQ managers (including the Chief, Aviation Enforcement). A decision record will highlight those audit findings that are to be investigated by Aviation Enforcement. This record will form part of the audit file.

The co-ordination outlined above may take place as a discrete activity or, alternatively, as a function of an audit review committee.

3.5.7 AUDIT REPORT REVIEW COMMITTEE

The audit report review committee will be convened at the direction of the convening authority. Audit reports resulting from combined audits should normally be subject to committee review, as should specialty audits of companies with complex operations.

The purpose of the audit report review committee is as follows:

(a) to confirm the technical accuracy of the report with special attention given to the auditee's description, the functional and specialty area summaries, and the audit findings;

(b) to ensure that the report is an objective account of the audit and that no subjective statements are included in the report;

(c) to ensure that statements made in the functional and specialty area summaries are supported by the actual audit findings; and

(d) to determine if any findings identified in the report should be subject to investigation by the Aviation Enforcement Branch.

The audit report review committee will consist of the following as applicable to the type, category and classification of audit:

(a) convening authority;

(b) audit manager and team leader(s);

(c) Regional/HQ Director(s);

(d) Regional Manager(s)/HQ Chief(s);

(e) TCC/Regional/HQ Superintendent(s);

(f) Aviation Enforcement point-of-contact and Manager/Chief; and

(g) company principal inspector(s).

To facilitate an effective review it will be necessary to provide copies of the report to committee members in advance of the committee meeting, yet it is acknowledged that the meeting must be held shortly thereafter in order to provide time to make any changes, produce the final report and forward same to the auditee within the time periods specified in subsection 3.4.1.3.

Recommendations resulting from the committee review will be considered advisory by the convening authority, as the convening authority will retain responsibility for the final report.

3.5.8 POST-AUDIT SURVEILLANCE

During audit follow-up, surveillance is the only means to ensure that organizations with non-conformances comply with regulatory requirements and respond satisfactorily to audit findings. Post-audit surveillance can be conducted administratively, by inspection or as a more structured follow-up audit.

CHAPTER 4 AUDIT TEAM REQUIREMENTS

4.1 TEAM SELECTION

The audit team, approved by the CA, will vary according to the category, type and classification of the audit. Regional specialty audits will often consist of only one inspector where that inspector is responsible for all audit duties. Large combined audits will have an audit manager, administrative support, two or more team leaders, team members, specialists and observers as appropriate. It is therefore recognised that an audit team may not require all the positions listed below and that various duties and responsibilities may be combined or deleted when assumed by a particular team member. This chapter outlines the terms of reference, qualifications and responsibilities of the CA, audit manager, team leader and each team member.

4.2 CONVENING AUTHORITY (CA)

4.2.1 CA LEVEL MATRIX

The following is a matrix of the scope and CA level for each category of audit.

Audit Category	Audit Classification	Convening Authority
Regional	Combined	• Regional Director, Civil Aviation • HQ Director/Chief • Regional Manager
Regional	Specialty	• Regional Director, Civil Aviation • HQ Director/Chief • Regional Manager • TCC/Regional Superintendent
National	Combined	• Director General, Civil Aviation • Regional Director, Civil Aviation • HQ Director
National	Specialty	• Director General, Civil Aviation • Regional Director, Civil Aviation • HQ Director/Chief • Regional Manager

4.2.2 RESPONSIBILITIES

The convening authority shall:

(a) determine the objective and scope of the audit;

(b) appoint an audit manager for each audit. A sample letter of appointment can be found in the appropriate functional area control manual (electronic means, including e mail, is acceptable for this purpose);

When assigning managers to a national audit, the audit manager should be appointed at least three to six months prior to the planned audit, depending on the size and complexity of the audit. This will allow sufficient time for research, familiarization with the terms of reference, selection of the audit team, budget planning and the development of an audit plan.

(c) oversee the selection of the audit team;

(d) approve the audit plan;

(e) attend the entry meeting, when required;

The convening authority will usually not attend the entry meeting as this would detract from the audit manager's authority. The CA may wish to attend the meeting however, where the audit is convened under extraordinary circumstances.

(f) attend the exit meeting, when practicable;

(g) review and approve the audit report, sign the report cover letter and ensure that the auditee receives the report within the required time-frame;

(h) ensure that action is taken in an appropriate and timely manner for any immediate threat to safety identified by the audit manager during the physical audit;

(i) ensure that appropriate follow-up action is completed after the physical audit; and

(j) send a letter to the auditee confirming that all audit findings and corrective actions are complete and that the audit has been closed.

4.3 AUDIT MANAGER

4.3.1 TERMS OF REFERENCE

The audit manager's terms of reference will be outlined in the appointment letter, memo or other acceptable method and specify that the audit manager:

(a) will report directly to the CA until released from his/her audit duties;

(b) will conduct all audit related matters in accordance with policy and procedures specified in the Inspection and Audit Manual and the appropriate functional area control manual;

(c) will immediately contact the CA with a recommendation for action in the event of an immediate threat to aviation safety;

(d) is authorized to communicate directly with HQ directors and Regional managers to obtain the required personnel resources. This may be sub-delegated to team leaders where applicable; and

(e) will, where required, be assigned a responsibility centre number with the appropriate funding for travel, overtime and any related expenses to be incurred during the audit.

4.3.2 QUALIFICATIONS

The audit manager shall:

(a) have completed the Communications Skills for New Inspectors/Officers Course, Aviation Enforcement Course, applicable Specialty Course and Audit Procedures Course;

(b) have experience related to the type of organization to be audited;

(c) possess a sound knowledge of aeronautical legislation and regulations;

(d) have demonstrated communication and management skills;

(e) have experience with TCCA administrative procedures; and

(f) for other than smaller specialty audits, have acted as team leader during at least two audits.

4.3.3 RESPONSIBILITIES

The audit manager shall:

(a) plan, organize, direct and control the audit process;

(b) begin planning activities well in advance of the scheduled audit date;

(c) where applicable, select team leaders in consultation with the CA and confirm their assignment by letter, memo or other acceptable method. A sample letter of appointment can be found in the appropriate functional area control manual;

Team leaders will usually be used on combined audits. Depending on the scope and complexity of the audit, a team leader may delegate selected duties to one or more deputies or, in the case of a small combined or specialty audit, team leader duties may be assumed by the audit manager.

(d) maintain an audit file, which will include the audit manager's letter of appointment and terms of reference, all working notes, copies of audit-related documents and a copy of the audit report;

(e) develop an audit plan for approval by the CA;

(f) notify the auditee by letter of the planned audit (approx. three months prior notice for national audits). A sample letter can be found in the appropriate functional area control manual;

(g) co-ordinate personnel requirements for the audit team with the appropriate Regional directors and HQ managers, as applicable;

(h) ensure that the pre-audit documentation review is complete;

(i) ensure that team members are knowledgeable in their assigned specialty areas;

(j) co-ordinate with the appropriate TCCA specialty areas to ensure that all non-audit departmental liaison and activities with the auditee are minimized and/or co-ordinated through the audit manager during the audit period;

(k) convene a pre-audit team meeting where applicable;

(l) advise the appropriate Regional Manager/Chief, Aviation Enforcement of the planned audit and request a contact point should an enforcement inspector be required;

(m) establish contact with the CA and regional audit OPIs to relay fieldwork progress, potential problems, changes in the objectives or scope of the audit, and other significant matters arising during the pre-audit phase;

(n) co-ordinate and chair the entry meeting with the auditee and maintain communications with the auditee's senior management;

(o) advise the CA immediately of any immediate threat to safety and ensure that the CA is aware of any safety issues identified during the physical audit;

(p) ensure that any decisions to be made by, or approvals required from, the CA during the physical audit are received in a timely manner;

(q) exercise line authority over audit team members and observers;

(r) ensure that all audit findings are tied to the applicable regulatory requirement and are supported by specific examples and evidence or other supporting documentation where applicable;

(s) ensure that all draft findings have been discussed with the auditee prior to the exit meeting, where it is possible to do so;

(t) co-ordinate and chair the exit meeting with the auditee's senior management;

(u) prepare the covering letter and audit report for approval by the CA;

(v) provide the CA with recommendations for possible enforcement action arising from the audit and co-ordinate subsequent action regarding regulatory audit findings with the assigned enforcement inspector;

(w) ensure that team members have fulfilled all responsibilities prior to release from audit duties and confirm their release by letter, memo or other acceptable method if released other than as planned;

(x) submit a report of personnel resources used on national audits to AARPF; and

(y) ensure that parallel observations and findings have been completed and distributed in accordance with subsection 5.1.

4.4 TEAM LEADER

4.4.1 TERMS OF REFERENCE

The team leader's terms of reference will be outlined in the appointment letter, memo or other acceptable method and specify that the team leader:

(a) will report directly to the audit manager until released from his/her audit duties;

(b) will conduct all audit related matters in accordance with policy and procedures specified in the Inspection and Audit Manual and the appropriate functional area control manual;

(c) will immediately contact the audit manager with a recommendation for action in the event of an immediate threat to aviation safety; and

(d) where applicable, is authorized to communicate directly with HQ directors and Regional managers to obtain the required personnel resources.

4.4.2 QUALIFICATIONS

The team leader shall:

(a) have completed the Communication Skills for New Inspectors/Officers Course, Aviation Enforcement Course, applicable Specialty Course and Audit Procedures Course;

(b) have experience related to the type of organization to be audited;

(c) possess a sound knowledge of aeronautical legislation and regulations;

(d) have demonstrated skills in communication and management;

(e) have experience with TCCA administrative procedures; and

(f) have acted as team member during at least two audits.

4.4.3 RESPONSIBILITIES

The team leader shall:

(a) become familiar with the audit terms of reference and support and assist the audit manager;

(b) select the appropriate team members and confirm their assignment by letter, memo or other acceptable method. A sample letter of appointment can be found in the appropriate functional area control manual;

(c) direct and control his or her team's activities;

(d) submit the team budget and activity schedule to the audit manager for approval;

(e) keep the audit manager advised of deviations from the above budget;

(f) keep the audit manager informed of the audit progress in his or her functional area;

(g) ensure that all audit findings are tied to the applicable regulatory requirement and are supported by specific examples and evidence or other supporting documentation where applicable;

(h) review and verify specific sections of the audit report as required by the audit manager;

(i) ensure that parallel findings/observations are documented on the appropriate forms and forwarded to the audit manager;

(j) brief auditee management on his or her functional area during daily briefings and at the exit meeting;

(k) prepare an executive summary of the most significant audit findings. This will form the basis for the team leader's remarks at the exit meeting and will be included in Part I of the audit report.

4.5 TEAM MEMBER

4.5.1 TERMS OF REFERENCE

The team member's terms of reference will be outlined in the appointment letter, memo or other acceptable method and specify that the team member

(a) will report directly to the audit manager, through the team leader where applicable, until released from his/her audit duties;

(b) will conduct all audit related matters in accordance with policy and procedures specified in the Inspection and Audit Manual and the appropriate functional area control manual; and

(c) will immediately contact the audit manager or where applicable, the team leader, with a recommendation for action in the event of an immediate threat to aviation safety.

4.5.2 QUALIFICATIONS

A team member shall:

(a) have completed the Communication Skills for New Inspectors/Officers Course, Aviation Enforcement Course, applicable Specialty Course and Audit Procedures Course;

(b) have experience related to the type of organization to be audited; and

(c) possess a sound knowledge of aeronautical legislation and regulations.

4.5.3 RESPONSIBILITIES

A team member shall:

(a) become familiar with the audit terms of reference;

(b) review conflict of interest guidelines with respect to your audit responsibilities;

(c) become familiar with the auditee's policies and procedures;

(d) conduct audit fieldwork and document audit findings;

(e) document parallel findings/observations as they are encountered and forward these to the audit manager through the team leader, where applicable;

(f) communicate with the team leader to ensure that audit progress is reported and potential problems are addressed;

(g) review the validity and applicability of audit findings by ensuring that all findings are tied to the applicable regulatory requirement and are supported by specific examples and evidence or other supporting documentation where applicable; and

(h) provide the team leader with the applicable specialty area element (checklist) summaries where requested to do so in the audit plan.

4.6 NATIONAL AUDIT PROGRAM MANAGER

4.6.1 RESPONSIBILITIES

The assigned National Audit Program Manager will, as required:

(a) provide assistance to the convening authority for the selection of audit managers and team leaders;

(b) provide assistance to audit managers and team leaders for the selection of team members;

(c) provide assistance to the audit manager for the preparation of the audit plan and budget;

(d) attend audit related meetings as required;

(e) provide assistance to the audit team with pre audit and on site logistics;

(f) provide advice and guidance to the audit manager and team leaders regarding the conduct of the audit including any special considerations;

(g) provide assistance to the audit manager and team leaders with the production of the audit report and findings;

(h) provide assistance and guidance to the audit manager with parallel observations and findings;

(i) provide assistance to the convening authority to confirm audit closure and notification to the auditee;

(j) ensure that the audit is conducted in accordance with the policies and procedures contained in this manual;

(k) report any quality assurance issues identified during the audit to the Chief, Technical & National Programs (AARPF);

(l) assume the role of audit manager or team leader as requested.

CHAPTER 5 PARALLEL OBSERVATIONS AND FINDINGS

5.1 GENERAL

During the course of an audit, audit team members may make parallel observations or findings pertaining to deficiencies in, or the misapplication of, Civil Aviation regulatory requirements or non-regulatory policies, procedures or guidelines. These observations and findings will be documented on the parallel observation or parallel finding form, the purpose of which is to improve the quality and effectiveness of the TCCA regulatory oversight program.

The audit manager will forward all parallel observations and findings to the convening authority upon completion of the audit.

The Convening Authority is responsible to ensure that the follow-up process specified in section 5.4.1 has been followed.

Parallel observations and findings shall neither be included nor referenced in the audit report.

5.2 PARALLEL OBSERVATION

The following information shall be included when making a parallel observation:

(i) a description of the problem citing examples where possible; and

(ii) recommendations to resolve the situation.

Due to the subjective nature of parallel observations, recommendations are non-binding on the CA, RDCA or DGCA.

Parallel observations are subject to the communication process described in subsection 5.4.1.

A sample parallel observation form can be found in Chapter 6.

5.3 PARALLEL FINDING

Parallel findings shall include

(a) a description of the non-conformance that resulted in the finding; and

(b) examples that support the finding.

Parallel findings are subject to the corrective action process described in section 5.4.

A sample parallel finding form can be found in Chapter 6.

5.4 PARALLEL FINDING AND OBSERVATION FOLLOW-UP

5.4.1 FOLLOW-UP PROCESS

Upon receipt of parallel findings, the CA will assign an appropriate OPI/principal inspector (or other assigned person) for co-ordination and follow-up.

Parallel findings over which the CA has no authority shall, where applicable, be forwarded to the RDCA, or for HQ items, the DGCA, who will assign an appropriate OPI for co-ordination and follow-up.

The OPI(s) referred to above will

(a) co-ordinate corrective action plan responses with the appropriate Responsible Manager/Director within 30 days; and

(b) track the completion of each corrective action item and advise the CA, and where paragraph 2 applies, the RDCA or DGCA, when the corrective action plan is fully implemented.

The CA will forward parallel observations to the appropriate OTI for review and consideration. The OTI will advise the CA of any proposed action within 30 days. The Parallel Report Follow-up OPI (s) need not track parallel observations unless requested to do so by the CA.

5.4.2 PARALLEL FINDING FOLLOW-UP

Personnel assigned parallel finding follow-up will;

(a) monitor the group assigned a parallel finding to ensure that the 30 day response time for corrective action plan submission is observed;

(b) monitor the progress of the corrective action plan by maintaining the follow-up section of the parallel finding form; and

(c) ensure that all completed parallel finding forms, together with any supporting documentation, are placed on the appropriate file and a copy distributed to the CA and where applicable, the RDCA or DGCA.

CHAPTER 6 FORMS

6.1 GENERAL

This chapter contains samples of the following forms:

Confirmation Request Form;

Confirmation Request Tracking Form;

Corrective Action Form (1 page);

Corrective Action Form (2 pages);

Finding Form;

Parallel Finding Form;

Parallel Observation Form;

Evidence Log;

Transport Canada Transports Canada

CONFIRMATION REQUEST FORM

Company Name		Date (yyyy-mm-dd)
Company Representative	Title	
Area of Inspection (Checklist):		CRF No.:
Subject Matter		
Name of Inspector	Date (yyyy-mm-dd)	Time
Response Required By ▶	Date (yyyy-mm-dd)	Time
Company Response		
Company Representative's Signature	Date (yyyy-mm-dd)	Time

For Transport Canada use only:

Company Response Accepted ☐ Yes ☐ No Audit Finding ☐ Yes ☐ No

Comments

For Transport Canada	Date (yyyy-mm-dd)

26-0672 E (0510-01)

Canada

Transport Canada Transports Canada

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CONFIRMATION REQUEST TRACKING FORM

Number	Subject	Submitted By	Date Processed (yyyy-mm-dd)	Date Required (yyyy-mm-dd)	Date Returned (yyyy-mm-dd)

26-0673 E (0510-01)

Canada

Transport Canada / Transports Canada

CORRECTIVE ACTION FORM

Company Name	Base Location	Date (yyyy-mm-dd)	File

Area of Inspection (Checklist)	Number

Company Corrective Action
a) Short-term

Completion Date (yyyy-mm-dd)

b) Long-Term Corrective Action to Prevent Reccurrence

Proposed Completion Date (yyyy-mm-dd)	Company Representative (Name / Signature)	Date (yyyy-mm-dd)

Transport Canada Response / Comments ☐ Accepted ☐ Rejected New CAP Target Date _____ (yyyy-mm-dd)

Inspector's Signature	Date (yyyy-mm-dd)

Reason for Closure / Follow-Up / Comments

CAP Tracking Form in Use ☐ Yes ☐ No On-Site Follow-Up Required ☐ Proposed Date _____ (yyyy-mm-dd)

☐ Administratively closed; ☐ Closed Pursuant to I&AM 3.5.4 Long Term Corrective Action Exceeding 90 days

Date of Closure (yyyy-mm-dd)	NACIS Updated ☐	Finding Closed by

26-0674 E (0510-01)

Canada

Transport Canada Transports Canada

CORRECTIVE ACTION FORM – PART 1

Company Name	Base Location	Date (yyyy-mm-dd)	File
Area of Inspection (Checklist)		Number	

Immediate or Short Term Corrective Action

Completion Date (yyyy-mm-dd)

Long Term Corrective Action

1. Cause(s) of Problem

2. Actions to Prevent Recurrence

Proposed Completion Date (yyyy-mm-dd)	Company Representative – Name/Signature	Date (yyyy-mm-dd)

26-0675 E (0510-01)

Canada

Transport Canada / Transports Canada

CORRECTIVE ACTION FORM – PART 2

Company Name	Base Location	Date (yyyy-mm-dd)	File

Area of Inspection (Checklist)	Number

Transport Canada Response / Comments:

☐ CAP Accepted

Proposed Follow-Up: ☐ On-Site OR ☐ Administrative Proposed Follow-up Date: _____

☐ CAP Rejected ☐ New CAP Target Date: _____

Inspector's Signature	NACIS Updated ☐	Date (yyyy-mm-dd)

Finding Closed: Reason(s) / Follow-up / Comment(s):

Follow-up completed: ☐ On-Site *OR* ☐ Administrative Date Completed: (yyyy-mm-dd) _____

Closed Pursuant to IAM 3.5.4 Long Term Corrective Action Exceeding 90 days: ☐

Tracking Form in Use: ☐ Yes ☐ No Tracking Form File Location:

Date of Closure (yyyy-mm-dd)	NACIS Updated ☐	Finding Closed by

Transport Canada Transports Canada

Page _____ of _____

FINDING FORM

Company Name	Base Location	Date (yyyy-mm-dd)	File

Area of Inspection (Checklist)	Number

Non-Conformance With

☐ which states ☐ which states in part

Examples

Corrective Action Required By ▶	Date (yyyy-mm-dd)	Time	Or ☐ *The Approved Corrective Action Plan.*

Name of Inspector	Date (yyyy-mm-dd)

26-0676 E (0510-01)

Canada

Transport Canada Transports Canada

PARALLEL FINDING FORM

Company Name	Date (yyyy-mm-dd)	File
Area of Inspection (Checklist)	Number	
Description of Finding		
Examples		
Inspector	Date (yyyy-mm-dd)	
Corrective Action		
Responsible Manager/Director	Date (yyyy-mm-dd)	
Convening Authority's Response		
Follow-Up		
Target Completion Date (yyyy-mm-dd)	Date Item Completed (yyyy-mm-dd)	Follow-Up OPI

26-0677 E (0510-01)

Canada

Transport Canada Transports Canada

PARALLEL OBSERVATION FORM

Company Name	Date (yyyy-mm-dd)
Description of Observation/Deficiency	OTI
Recommendations	
Inspector	Date (yyyy-mm-dd)
OTI Response	
Responsible Manager/Director	Date (yyyy-mm-dd)
Convening Authority's Response	

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Canada

Transport Canada Transports Canada

EVIDENCE LOG

Area of Inspection (Checklist)		Finding Number
Non-Conformance With		
Evidence Obtained **Originals**		
Certified Copies Provided to	Certified by	Date (yyyy-mm-dd)
Certified Copies		
Certified by		Date (yyyy-mm-dd)

26-0679 E (0510-01)

Canada