

Performance Evaluation Requirements

The DOD requires participating carriers to have an active and effective internal audit program (IAP) in place. Additionally, the FAA strongly encourages carriers to have an internal evaluation program (IEP) in place. (For the purpose of this article, IAP and IEP are interchangeable.) Unfortunately, even with this DOD requirement and federal emphasis, we find carriers that have allowed their IAPs to go dormant between biennial surveys. The IAP continues to be a critical element in the DOD inspection process and a cornerstone of safety for our DOD passengers.

As a quick reminder, the quality and safety requirements published in 32 CFR 861 requires "An internal quality audit program or other method capable of identifying in-house deficiencies and measuring the company's compliance with their stated policies and standards has been implemented. Audit results are analyzed in order to determine the cause, not just the symptom, of any deficiency." It is the DOD's firm belief that this process, when accomplished on a regular and ongoing basis, significantly enhances safety and ultimately makes the carrier a better company.

During the biennial survey process, DOD auditors are looking for five parts to the internal audit process. Most importantly, the IAP must be an on-going, continuous process where audits are scheduled on a planned, routine basis instead of randomly accomplished. All areas must be audited on a reasonable interval to ensure consistent quality. Additionally, all key operational and maintenance processes must be identified and audited. Although, variances in the depth of the program are acceptable consistent with the size of the company, all carriers must have sufficient resources to accomplish audit tasks. Also, audit checklists must be thorough ensuring all compliance requirements and process areas are listed and systemically evaluated.

One of the most common discrepancies found in the IAP is analysis. Discrepancies found during internal audits must be analyzed to find the fundamental cause of the problem instead of simply identifying the symptom. Directly correlated, trend analysis must be done to see if there are systematic weak areas or if there are recurring discrepancies found in similar areas. Results

must be tracked for cross-reference and validation of the actions taken. Additionally, there must be a process in place to keep senior management up to date on program results. This cannot be an ad hoc communication, it should be a planned communication typically scheduled on a regular basis. And finally, IAP documentation needs to be complete, organized, and easily retrievable.

Dormant IAPs put DOD passengers at risk unnecessarily and are noncompliant with 32 CFR 861 and your contract with the DOD. In an effort to detect dormant IAP's prior to our biennial survey, during each 6 month performance evaluation, each carrier will be asked to produce documentation to verify their on-going internal audit process. At this point, there is no specific guidance as to the types of required documentation necessary to verify the IAP, but an audit schedule with completed audits, follow-up actions, and eventual closure will suffice.