

IATF Common Audit Report Application (CARA) and Remote Auditing

Ensuring your organization is prepared for the newest aspects of automotive quality management system certification.

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Please note:

- All participants have been muted.
- Please type your questions in the “Question” section of the dashboard – we will take questions at the conclusion of this presentation.
- Please note that copies of today’s presentation will be available for download shortly.
- This webinar (and all other past PJR webinars) will also be available for re-viewing on our website under “Previously Recorded Webinars.”

Today's presentation will cover:

CARA

- What is CARA/How does CARA work?
- Differences in the audit process
- The CARA nonconformance process (issuance, response, review)
- Resources for learning more about CARA

Remote Auditing

- Policies pertaining to Remote Audits
- Qualifying for a Remote Audit – completion of PJR form F108ict-iatf
- Audit Coordinators and Technology Test Sessions
- What if something goes wrong?

Conclusion/Questions

CARA



What is CARA?

The IATF's CARA (Common Audit Report Application) was released in Fall 2020 and has been positioned as a means to ensure consistency in the completion and reporting of IATF audits.



CARA's formatting includes all of the audit types listed in the IATF Rules 5th edition:

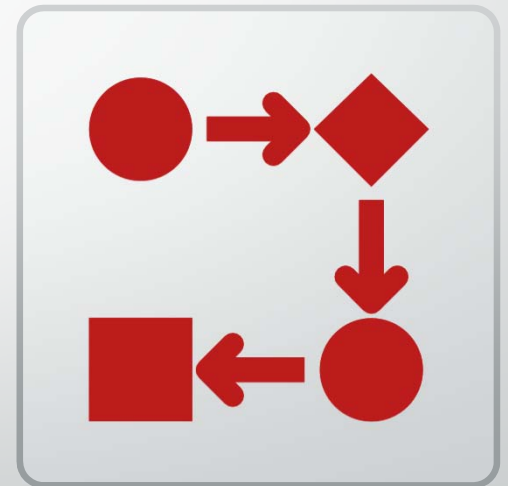
Stage 1 readiness review	Stage 2 certification	Surveillance	Recertification	Special
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How does CARA work?

- When CARA's development began there was speculation that it would closely resemble the OASIS database used by the Aerospace industry.
 - This is not what was ultimately delivered when CARA was released.
- CARA is not a database – but rather a web browser based audit reporting tool.
- Each IATF auditor and certification body is given unique credentials to access CARA and create audit content.
 - Any such content resides on the user's web browser until such time as it is outputted in one or more of the possible formats (clarification coming later.)

Is the audit process any different under CARA?

- PJR (and the IATF at large) firmly believe that the overall audit process should feel no differently to our clients as a result of the deployment of CARA. However, there is one particular change that we want to make sure you're all aware of:
 - Per a Sanctioned Interpretation (Rules 5th SI 16) issued by the IATF, auditors are now permitted to allocate up to 15% of their onsite time to report writing (this had been a 10% maximum previously.)

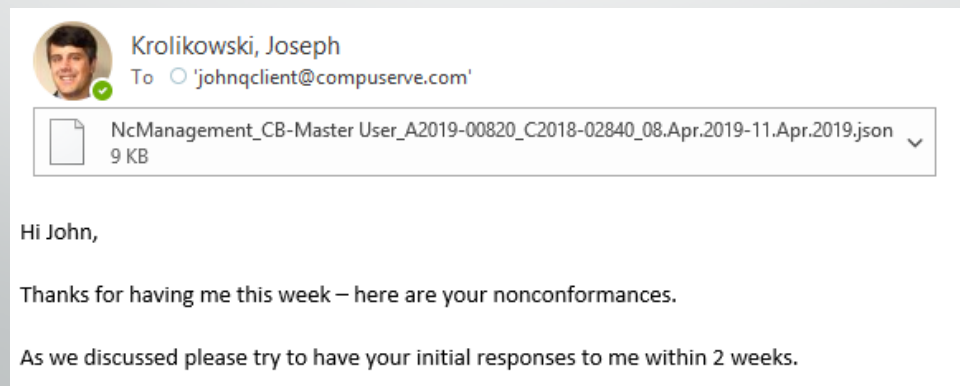


Responding to nonconformances – the key change for IATF clients

- Although the process of performing the audits themselves will feel almost exactly the same under CARA, the process of responding to nonconformances has been significantly changed.
 - Presently our clients are accustomed to receiving a file (typically MS Word) via email or flash drive from their auditor containing all the nonconformances. This file is then used by the client to document responses to the nonconformances, and typically sent back to the auditor with all evidence attached.
- Under CARA – the principles are the same, but the methodology has been significantly changed. Let's review this process step-by-step over the new few slides.

CARA issued nonconformances – step 1

- The auditor prepares the nonconformances within the CARA application. These are given to the client (email, flashdrive) with the nonconformances housed in a “JSON” file.
 - Depending on the number of nonconformances, the auditor may opt to send you a single JSON file, or multiple JSON files (you may request either.)
- Please note that the JSON file itself cannot be opened or manipulated outside of CARA. If you attempt to double-click it you will receive an error message.

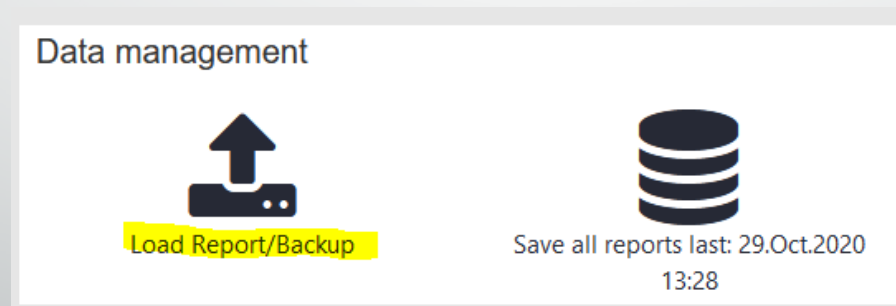


CARA issued nonconformances – step 2

- The client visits the designated CARA website for IATF client.
 - <https://nc-cara.iatfglobaloversight.org>



CARA issued nonconformances – step 3

- You'll click on "Load Report/Backup" in the bottom row and load the JSON file your auditor provided you.



CARA issued nonconformances – step 4

- Once the JSON file has been loaded, you'll be able to respond to the nonconformance(s) by clicking on the "Edit" icon next to each one. You'll find the edit icon to the right when reviewing the list.

NC no.	NC identification no.	Standard	Classification	Due date max. 20 days	Due date max. 60 days	
1	TI03	IATF 16949:2016	minor		11.Jun.2019	 



CARA issued nonconformances – step 5

- Once you've clicked the edit button, you'll be able to review the auditor's nonconformance, including the
 - Statement of nonconformity;
 - Evidence of nonconformity; and
 - Requirement.
- If any part of what has been documented is inaccurate or misconstrued it is imperative that you notify your auditor as soon as possible.
- Remember that PJR's deadline to file a dispute is 15 calendar days from the conclusion of the audit.

CARA issued nonconformances – step 6a

- Assuming that the nonconformance is both understood and agreed to – you are required to provide the following within your response.
 - Correction/Containment – this response must include timing and responsible party(ies)
 - Please note that this portion of your response must also include the results of your Extent Analysis that ensured that all similar situations were addressed.
 - Evidence of Implementation – this should be a reference to any related document numbers, dated training records, etc. that applies to the Correction. There is a second “Evidence of Implementation” field for Corrective Action.
 - Please note that this is not the actual evidence items themselves, but rather a description. The intent is to expedite the auditor’s ease of review of these items. We’ll highlight where the actual evidence items can be attached shortly.

CARA issued nonconformances – step 6b

- Response items continued:
 - Root Cause Analysis – this is a new item (in spite of the name) and is intended not to show the root cause result, but rather the analysis of cause.
 - Root Cause Analysis Files – for items like Fishbone diagrams, etc. (this is optional)
 - Root Cause Result – the final established cause(s) for the cited issue.
 - Root Cause Result Files – as appropriate (this is optional)

CARA issued nonconformances – step 6c

- Response items continued:
 - Systemic Corrective Action(s) – as with Correction this needs to include both timing and responsible person(s.)
 - Systemic Corrective Action Files – this has been shown to be a duplicate field and can be disregarded.
 - Evidence of Implementation – this applies to the corrective action portions of your response. This field should be used to describe the evidence they are providing and correlate it to their correction/corrective action statements.
 - Evidence of Implementation Files – all items listed in either “Evidence of Implementation” statement should have a related piece of evidence provided.
 - Please note that JPEG and PDF files are the only file types presently supported by CARA.
 - If you have additional evidence pieces (Word, Excel, etc.) that cannot be uploaded to CARA you must provide these to your auditor via email or other appropriate means. Please note that these items must still be described in the “Evidence of Implementation” fields.

CARA issued nonconformances – step 6d

- The final fields for you to provide content pertain to verification of effective implementation of your response(s.)
 - Action taken to verify effective implementation of corrective actions – this field should be used to describe the actions that you took.
 - Verify effective implementation of corrective actions files – this field can be used to provide any evidence to support your verification actions (note that this is optional.)

CARA issued nonconformances – step 7

- After you've inputted all required information, you will use the "Save NCs for Auditor" field to create your own JSON file to send back to the auditor for review and approval.
 - We recommend that you also use the "Print Report" feature to output a PDF file for your own records.

Print report

Save NCs for auditor

Save report (XML)

- Be certain to look for "Mandatory Fields" as you are filling in your response. Mandatory fields (as the name would suggest) must have the required content provided in order for the report to be complete.
- As you are filling in content, we recommend looking for the red outlined boxes (as shown below) to ensure that all required content is being provided.

*Organizations representative

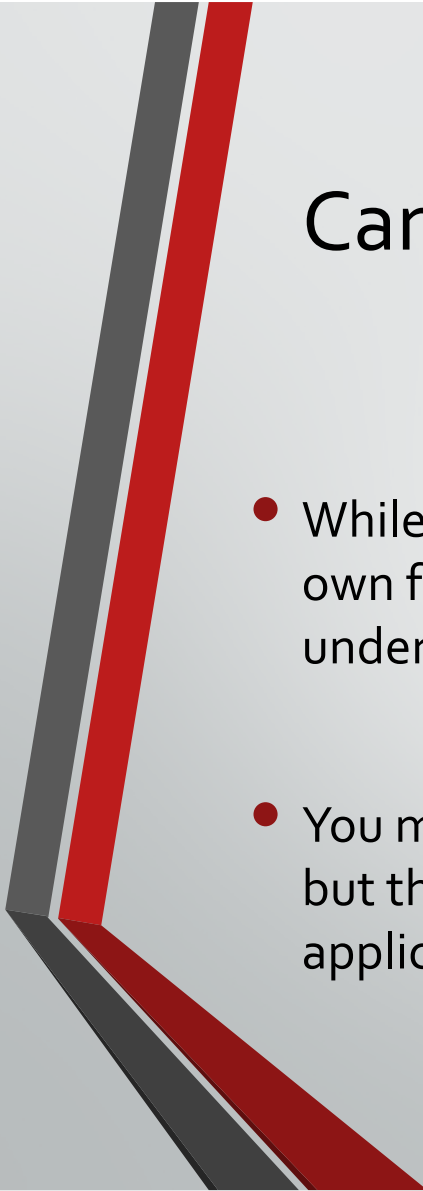
CARA issued nonconformances – step 8

- If the auditor or veto reviewer finds issue with one or more of the responses you've provided, those concerns will be outlined via the "Reviewer Comments" field as shown below. These comments will be shared via an updated JSON file shared through the same process prior discussed.

* Date reviewed	<input type="text" value="01.Dec.2020"/>
* Reviewer decision	<input type="checkbox"/> Accepted and closed <input checked="" type="checkbox"/> Rejected <input type="checkbox"/> Accepted, but 100% resolved
* Reviewer comments	<div style="border: 1px solid #add8e6; padding: 5px;"><p>Corrective Action – this strategy appears to be limited to the specific part number that was cited by the auditor in his original finding. By the client's admission this issue was caused by a modification to an inspection step that was necessitated by a customer complaint. There is no indication that any systemic measure has been taken to prevent a similar incident from occurring in the future. Further evidence will no doubt also be needed for any modified corrective action.]</p></div>
*Reviewer name	<input type="text" value="Joseph W. Krolikowski"/>

CARA issued nonconformances – step 9

- After the final approval by the reviewer, you should expect to receive a finalized JSON file showing the approval for your records.



Can we still use our own CA format to record responses?

- While some of our clients have been permitted in the past to utilize their own format for recording responses, this allowance will not be permitted under the CARA system.
- You may certainly still use your internal process for developing responses, but the official submittal of those responses must be done via the CARA application.

A resource for further information

- IATF has developed a “Wiki” information page for clients with further details and a helpful tutorial video. The Wiki page can be accessed at:
- <https://infosysc.atlassian.net/wiki/spaces/CARANC/overview>

Remote Auditing



Where are policies pertaining to IATF Remote Audits documented?

- Throughout the pandemic the IATF has maintained a document titled "IATF Global Waivers and Measures in Response To The Coronavirus Pandemic (COVID-19.)"
- Copies of this document can be obtained on the IATF website.
 - www.iatfglobaloversight.org
- We will be referring to this document extensively throughout this presentation as the "IATF COVID Memo."

Why did it take so long?



- When the COVID19 pandemic first was declared in early 2020, some industries were initially reluctant to embrace remote auditing techniques. The automotive industry has been perhaps the most stubborn of these holdouts.
- It was thought (by some) that remote auditing techniques could not constitute an effective audit and thus were to be treated with suspicion.
- Finally – under the increasing weight of pressure from various interested parties, the IATF changed its collective stance and announced in late October 2020 that remote audits would be accepted.

Can any IATF client qualify for a remote audit?

- Per the IATF COVID Memo, the only justification for an audit converting from an onsite completion to a remote completion is if:

"It is demonstrably evident that a regular onsite audit will not be possible for reasons that are directly linked to the COVID-19 pandemic."

- Examples of this justification include:
 - A government mandated "lockdown" in which persons are not permitted to work outside of the home or engage in non-essential travel.
 - An organization imposing a "no visitors" policy for concerns over COVID-19 exposure risks.

If we want to request a remote audit – what do we do?

- Your first step should be to contact your PJR scheduler and explain your reasoning for requesting a remote audit.
- You will be sent a form titled “F-108ict-iatf – IATF Remote Audit Questionnaire.”
- This form is intended to ensure PJR is meeting all requirements found in the IATF COVID memo in Annex A, section 1.2, as well as portion of the memo related to remote audit planning.
 - Section 1.2 addresses the need for a “documented agreement” between PJR and the client with regards to the Remote Audit.
 - Let’s explore the content of the F-108ict-iatf a bit more on the next few slides.

F-108ict-iatf – content part 1

- Questions 1a/b/c and 4 – software and hardware
 - The opening questions of the F-108ict cover the technical aspects of how the remote audit will be facilitated.
 - In terms of software, PJR has numerous licenses for Go-To-Meeting and offers this to any client who needs a remote audit.
 - Other software formats (MS Teams, Skype for Business, etc.) are certainly permitted but if you choose to utilize these alternatives you will be wholly responsible for ensuring their successful utilization.
 - The hardware should be sufficiently broad that it will encompass both the administrative (office) areas of your business as well as the production areas. You will be expected to think in terms not only of a conference room set-up, but also things like cell-phones, body cameras, etc. in order to facilitate the audit.
 - IATF's requirement that all production areas across all shifts be included in the audit process has not changed as a result of the adoption of the remote auditing option.
 - There must be sufficient Wi-Fi or cellular signal strength to permit real-time auditor review of all production areas.

F-108ict-iatf – content part 2

- Question 2 asks about your ability to support a remote audit.
 - Essentially are all (or most) of your records maintained in an electronic state such that it is seamless to review them in a remote setting?
 - PJR has certain flexibility in that records can be scanned as needed, but these must be as requested by the auditor. An auditee pre-selecting all or any evidence items is strictly forbidden.
- Question 3 asks if you will be actively manufacturing your product(s) during the audit.
 - As it is mandatory that production be included in the audit process a production shut-down is to be regarded with concern and will require additional consideration.

F-108ict-iatf – content part 3a

- Questions 5-10 all relate to gathering critical information such that PJR can make sure that the audit time to be used will be sufficient (will our audit team have enough time to effectively review these items (as applicable.))
Let's review these sections piece by piece.

F-108ict-iatf – content part 3b

- Questions 5-7 pertain situations where an organization experienced a shutdown due to COVID-19. If a shutdown was used, we need to know the following:
 - How long (and when) you were shut down; and
 - Any Start-Up Verification plans that were followed upon resuming operations, along with any risks that were identified in resuming operations.

F-108ict-iatf – content part 3c

- Question 8 asks about “extraordinary” measures that were taken (outsourcing of manufacturing, etc.)
 - The auditor may need to review arrangement made with external providers and related customer approvals.
- Question 9 asks about resources lost (temporarily or permanently.)
 - The auditor may need to review impact on customer scorecards, KPIs, etc.
- Question 10 asks about any changes that have been made to your day-to-day protocols (safety protocols, etc.)

F-108ict-iatf – content part 4

- Question 11 asks you to appoint an “Audit Coordinator.”
 - This is a specific designation given in the IATF COVID Memo that reads as follows:

“This coordinator manages connections, availability of auditees and manages technical issues throughout the entire audit. It may be necessary to have more than one coordinator, especially if there is more than one CB auditor with parallel audits being conducted simultaneously.”

- The IATF COVID Memo gives further clarification on this person’s role as follows:

“(The Certification Body shall) ensure that the audit team maintains full control of the audit steps and discussion to ensure the coordinator is not responding for the auditees.”

In general the “Audit Coordinator” can likely be whomever ordinarily is responsible for being the auditor’s guide during an onsite audit, and subject to the same bylaws applied to guides by both IATF and ISO 17021-1.

F-108ict-iatf – content part 5

- Question 12 asks if you are willing to support a “Technology Test Session.”
 - This is yet another item that is mandated by the IATF COVID Memo
 - *“A “technology test session” must be performed between the client and audit team prior to the audit for all technology types to be used in all environments, facilities and locations planned for the audit. This includes all areas on the manufacturing floor as applicable.”*
 - Note that the memo specifies the test session must be done between the client and the audit team, not the client and PJR.

F-108ict-iatf – content part 6

- The final portion of the F-108ict-iatf asks you to provide a listing of your automotive customers and give an indication if they are operational or not.
 - This is also geared towards appropriate audit planning.



F-108ict-iatf – key takeaways

- There are two elements mentioned on the F-108ict-iatf that we should spend a few extra minutes on.

Audit Coordinator



- This party should be reasonably versed in the technical aspects of the remote interface to help facilitate the audit process, but they cannot interject themselves into audit interviews or attempt to select audit samples/interviewees on the auditor's behalf.
- The auditor maintains control of the audit at all times.


Technology Test Session



- As mentioned prior the Test Session needs to include all areas associated with the audit.
 - All support locations;
 - All production areas;
 - All administrative areas;
 - All technology types;
 - Testing of backups, as appropriate.
- Essentially there needs to be reasonable assurance that the remote audit will be successful.
- It is important to also note that this Technology Test Session must occur outside of the actual audit process (days before in most cases.)


What happens if some part of the remote audit doesn't work? (lost connection, etc.)

- The IATF COVID Memo establishes that any part of the remote audit that cannot be successfully completed as planned must be added to a subsequent audit. Here's how PJR has deployed this requirement:
 - If the remote audit in question is a surveillance audit, we are going to add time to the next audit;
 - If the remote audit in question is a Stage 2 or Recertification audit, we are most likely going to perform a second (supplemental) assessment to make up the difference in lost audit time.



What if we're not comfortable with a remote audit or can't support it (hard copy records, etc.)?

- The prior version of the IATF COVID memo had provisions for delaying audits in excess of the permitted timeframes shown in Rules 5th clause 5.1.1.
- These extensions are no longer available in the current version of the memo. In essence you must perform your audit (onsite or virtually) per the required timeframe or risk losing your certification.
- Companies with hard copy records may have to work on transitioning at least some of those records to a virtual medium as part of their preparation for the audit.



PJR is a tenured provider of remote audits

- PJR deployed an effective strategy for remote auditing in early March 2020.
- We have since performed well in excess of 1000 remote audits for a variety of schemes.
- If you'd like to learn more about the remote audit process that PJR offers I would encourage you to check out our webinar titled "*Virtual Audits – Explaining PJR's Approach and Expectations.*"

Please tune in for one of our other webinars



"The Interaction of Processes and its importance to a successful audit" is shown on a semi-annual basis.

This webinar explores the crucial topic of processes and how to correctly understand them.



"Virtual Audits – Explaining PJR's Approach and Expectations" is presented on a semi-annual basis.

This webinar explores all of the aspects of a remote audit including a review of the technical steps involved in using Go-To-Meeting.



We offer a variety of webinars on other topics including Stage 1 Audits, ISO 9001:2015, AS9100, ISO 13485:2016, and ISO 14001:2015.

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