Federal Aviation Administration

Memorandum

Date:	September 30, 2015
To:	See Distribution
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Subject:	Guidance on Recognition and Use of Applicant Showings in Organization Designation Authorization (ODA) Projects
Memo No.	AIR100-15-140-PM17

Overview

The purpose of this memo is to provide supplemental guidance to Order 8100.15, *Organization Designation Authorization Procedures* allowing for the recognition and use of applicant showings for activities determined to be "low" risk in ODA certification projects. The memo describes how Organization Management Teams (OMT) may authorize ODA holders to rely on a showing of compliance, in lieu of a specific approval by the ODA unit. The memo is applicable for a new or amended type certificate (TC), a new or amended supplemental type certificate (STC), or parts manufacturer approval (PMA) supplement. ODA holders may include these provisions in their ODA procedures manual as authorized by their OMTs, or may continue to operate in accordance with their current procedures.

Background

Recognition of applicant showings in ODA projects is being allowed in conjunction with similar allowances for FAA-managed projects by Memo AIR-100-15-150-PM16, *Guidance on Recognition and Use of Applicant Showings in FAA Projects.* While the guidelines provided for in memo AIR-100-15-150-PM16 rely on utilizing a risk-based decision tool at the time of project application, such a process cannot be efficiently integrated into the ODA certification planning process. The ODA process is designed to minimize FAA involvement and in many cases allows the ODA holder to proceed with certification activities without FAA review.

Additionally, unlike FAA-managed projects, assumptions about the FAA's level of ODA project involvement are established in each ODA holder's authorization via their procedures manual. The procedures manual defines the types of projects the organization can manage based on the ODA holder's capability as demonstrated on past projects. The expectation is that the ODA

holder can make all required FAA inspections, tests, and FAA findings of compliance within the limitations stated in the ODA procedures manual. ODA policy assumes full delegation to an ODA holder except where aspects of the project meet one of the few administrative, regulatory, or performance related criteria that trigger the need for FAA involvement as identified in paragraphs 8-6.d., 11-7.d., and 13-7.b.(3) of FAA Order 8100.15B, *Organization Designation Authorization Procedures*. Thus, the risk based tool used on FAA managed projects is not needed to make project involvement decisions for ODA projects.

Rather than making applicant showing decisions on a project-by-project basis, the approach for ODA holders is to establish the specific applicant showing activity as recognized by the OMT before any specific project begins. This allows the ODA holder to rely on those recognized applicant showings without submittal of a program notification letter (PNL), or as agreed to by their OMT for projects with a PNL. For ODA projects where the ODA holder is not the applicant, any use of applicant showing is limited to show-compliance activities performed by the ODA holder on behalf of the applicant and agreed to by the OMT.

Recognition of Applicant Showings

The ODA holder must obtain OMT recognition of any applicant showing activity prior to its use. An ODA holder may propose an applicant showing activity for recognition or the OMT may propose it to the holder. When recognition is proposed the OMT will inform the ODA holder of those regulations for which an approved risk based decision making (RBDM) tool determines the level of risk is "low" and eligible for recognition of applicant showings. The ODA holder may be authorized to rely on applicant showings for only "low" risk activities according to the following guidelines:

OMTs can determine ODA unit involvement is not necessary and may authorize the ODA holder to rely on a showing of compliance when the RBDM tool output is "Low" and the following criteria are met:

1. The ODA holder has evidence of successfully obtaining FAA approval for that type of specific compliance data on past projects, including projects of comparable complexity;

2. The ODA holder's compliance methodology is the same as on past FAA projects; and

3. The ODA holder uses the same person(s) in making the showing, or an auditable documented company process for the compliance methodology is used to develop the specific substantiating data.

An acceptable, but not the only, means to meet the above criteria is by referencing past design approvals where the complexity of the activity is similar and the compliance method and personnel used are the same.

Alternatively, the OMT may authorize the ODA holder to rely on a showing of compliance when the RBDM tool output is "medium" if the OMT's office manager disagrees with the RBDM tool assessment and considers the activity "low" risk. The office manager must document the rationale for why the RBDM tool assessment is not appropriate.

Any RBDM tool results, including rationale for disagreement with the tool output, upon which applicant showings are recognized, must be retained in the OMT's records. Additionally OMTs should periodically assess the quality of applicant showing activity to the extent necessary to continue recognition. Although this might be done by OMT member sampling and reviewing applicant data, it could also be assessed through ODA Unit Member reviews or feedback, or through an ODA holder's self-audit system. Recognition of applicant showing should be suspended or terminated if the applicant's showings of compliance are deemed inadequate.

ODA Procedures Manual
In order for the OMT to allow an ODA holder to rely on applicant showings for an ODA project, the ODA procedures manual must address the following:

1. **Applicant Showing Recognition Procedures**. – These procedures must describe:

   a. How applicant showing activities are established as recognized by the OMT. Although the OMT must agree to the establishment of applicant showing activities, the OMT is not required to review or approve the specific processes.

   b. A description of how recognized applicant showing activities are documented and controlled by the ODA holder. Documented applicant showing procedures should not be included in the ODA procedures manual.

   c. A process to obtain ODA unit concurrence that any person or applicant showing activity proposed by the ODA holder has been successful at showing compliance on past projects without significant rework.

2. **Project Procedures**. – The certification project procedures must describe how recognized applicant showings will be relied upon, completed, and accounted for as part of the issuance of the certificate or approval. These procedures must describe:

   a. How recognized applicant showings are identified on each project's certification plan/compliance checklist.

   b. A process to obtain ODA unit concurrence that the compliance methodology is the same as past projects and that the use of applicant showing is within the scope of the OMT recognized applicant showing processes.

   c. How OMT agreement is obtained for the use of applicant showings when a PNL is required to be submitted for a project.

   d. A process to ensure that each applicant showing deliverable identified in the compliance checklist be accompanied by a signed statement by an applicant representative that identifies the rule(s) the deliverable shows compliance to and attests that the activity is complete.

e. A process to ensure that all recognized applicant showing activities and needed ODA unit approvals are complete and accounted for prior to issuance of the certificate or approval.

Implementation

Aircraft Certification Service (AIR) continues to develop and implement a Safety Management System (SMS). One of the key elements of SMS is appropriately allocating our resources based on safety risk. The use of this policy allows us to meet the requirements of Title 14 of the Code of Federal Regulations (14 CFR) part 21.21(b) and 14 CFR 21.117(b)(1) in our discretionary decision making related to where we choose to be involved, either directly or through delegation. Recognition of applicant showings is intended to enable the FAA to focus our limited resources on the issues that have the largest effect on safety.

While the policy in this memo addresses specific requirements associated with OMT recognition of applicant showings, field office managers and OMT leads should be cautious to verify that such recognition would be beneficial to both the FAA and the ODA holder from a long term resource perspective. Consideration should be given that some recognition of applicant showings will also allow the FAA and industry to gain experience that will become increasingly important as the FAA continues to consider allowing reliance on applicant showings for higher risk activities and develops process-based certification systems beyond ODA.

Familiarization briefings will be provided to AIR employees to assist in the implementation of applicant showing activity.

The currently approved RBDM tool referenced in the body of this memo is the RBRTo (Excel Spreadsheet).

The provisions of this policy will be incorporated into a future revision of Order 8100.15.

AIR will continue to monitor the efficacy of this policy and modify any criteria as necessary.

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