



U.S. Department  
of Transportation  
**Federal Aviation  
Administration**

Office of the Administrator

800 Independence Ave., S.W.  
Washington, DC 20591

April 4, 2023

The Honorable Maria Cantwell  
Chair, Committee on Commerce, Science,  
and Transportation  
United States Senate  
Washington, DC 20510

Dear Chair Cantwell:

Thank you for your January 26 letter requesting that the Federal Aviation Administration (FAA) initiate a new Special Technical Audit (STA) of Boeing. More specifically, you asked that the FAA conduct an STA that covers 11 issues or areas related to Boeing production system processes, including supplier controls, FAA oversight of compliance processes and artifacts, and flow down of requirements related to Safety Management System (SMS) implementation.

The topics highlighted in your letter are important, and since the 1999 STA, the agency has implemented tools to complete audits for the bulk of this information at regular intervals. FAA oversight includes two comprehensive programs that together holistically address system elements that are intended to capture the type of issues noted in your letter. These programs include the Quality System Audit (QSA) program, which evaluates the production system, and the Delegation Organization Inspection Program (DOIP), which evaluates the holder of an Organization Designation Authorization (ODA). The FAA designed these audit programs to complement one another and may conduct them consecutively or concurrently. In addition, based on risk, we also conduct routine Supplier Control Audits (SCA) in accordance with existing orders and policies to evaluate Boeing's suppliers.

Performed at least every 24 months, consistent with policy for an organization such as Boeing, the QSA assesses whether Boeing, as a production approval holder, meets its regulatory and procedural quality system obligations, captures performance data, and identifies trends to inform continuous improvements. Among the 16 system elements evaluated by the FAA are supplier control, design data control (including changes to approved designs), and quality escapes. Upcoming QSAs for Boeing's primary production sites are scheduled for April, May, and June of this year. Principal Inspector (PI) audits occur more frequently based on risk and focus areas identified during QSAs.

A DOIP audit is performed at least every 24 months, to evaluate Boeing's performance of its regulatory and procedural obligations as an ODA holder. Among the ten system elements evaluated during a DOIP audit are conformity inspection and production approval. The last

DOIP audit was completed last year, and we will conduct another one in fiscal year 2024. In addition to DOIP audits, the FAA conducts scheduled and unscheduled ODA supervision inspections throughout the course of each fiscal year. Both the DOIP and annual supervision activities address all aspects of certification, including the certification of on-board systems.

The FAA also conducts additional oversight based on our audit findings and disclosures from Boeing. When conducting oversight, the FAA uses an integrated approach which spans from design and build functions, to aligning production, engineering, and delegation oversight. We also evaluate the company's efforts to implement a voluntary SMS and that program's impact on system-wide safety improvements. As applied, the FAA's integrated approach enhances oversight of Boeing's overall systems and processes, particularly the interface between engineering and production, focusing on process adherence, configuration control, conformance verification, and certification readiness.

Together, I believe this collective system of audits capture the information that you are seeking, including the FAA's assessment of Boeing's engineering, compliance, certification, production elements, and supplier parts and processes.

In addition, as noted in your letter, we are still retaining delegation for the issuance of airworthiness certificates for the 737 MAX and the 787 airplanes. Before considering redelegating this function to Boeing, we will ensure Boeing's production system is stable. To assess stability, we established a set of key performance indicators, including stability in the production system, minimization of traveled work, SMS evaluations for rate readiness, and implementation of additional controls for change or configuration management. Further, we continue to verify that the ODA unit members, acting on behalf of the FAA, have a work environment that enables them to perform all their delegated functions without interference.

We agree that the previous STA process was valuable, and ultimately it helped to inform the need for more routine audits that capture this type of information more frequently. The agency has instituted such audits not just for Boeing, but for all of our Production Certificate and ODA holders. The QSA and DOIP system-level reviews capture the majority of items you proposed for inclusion in a new STA audit and are supported by the additional PI and SCA audits.

The last item from your letter regarding the success of Boeing's SMS is being reviewed by the Section 103 Expert Panel formed in response to the Aircraft Certification Safety and Accountability Act. We look forward to the results of that ongoing work and will certainly share that with you.

I hope the description above is helpful. My team would be happy to work with yours to discuss these audits in more depth to ensure that we are fundamentally capturing the data articulated in your letter.

If I can be of further assistance, please contact me or Lauren R. Dudley, Assistant Administrator for Government and Industry Affairs, at (202) 267-3277.

Sincerely,

A handwritten signature in black ink that reads "Billy Nolen". The signature is written in a cursive style with a long, sweeping underline.

Billy Nolen  
Acting Administrator