

1                                   **LETTER OF UNDERSTANDING NO. 38**

2                                   **SUBJECT: SI&A / MSE INFRASTRUCTURE, ROLES**  
3                                   **AND RESPONSIBILITIES**

4       Self-Inspection and Acceptance (SI&A) / Manufacturing Self Examination  
5       (MSE) is the process of having the employee who made the product, or  
6       performed the task, also check the product or task data, and indicate that the  
7       product/task conforms to requirements. This is indicated by having the same  
8       employee stamp off his or her work as conforming to requirements.

9       In February, 2001, a joint IAM/Company committee was formed in an effort  
10      to facilitate resolution of issues and concerns regarding implementation and  
11      maintenance of SI&A programs. The committee's charter was and is to  
12      work together to improve the SI&A implementation and maintenance  
13      process. As further described below, the committee will remain available as  
14      a resource to provide guidance and direction for the Site Representatives as  
15      necessary. This committee shall be referred to as the SI&A Leadership  
16      Committee.

17      The committee recommended changes to improve SI&A / MSE  
18      implementation and maintenance processes. It reviewed currently  
19      implemented areas and met with affected employees to establish some of the  
20      existing best practices and areas of concerns. This provided the insight to  
21      make improvements in several areas. The committee also developed and  
22      implemented improvements to our procedures and infrastructure for SI&A /  
23      MSE, and identified and documented the type of environment required to  
24      foster successful implementation. To accomplish those changes, the  
25      committee modified the procedures to provide criteria for implementation  
26      readiness evaluation, for monitoring progress to ensure sustainability of the  
27      program, and identification of the environmental factors that will lead to  
28      successful implementation of SI&A / MSE programs.

29      The primary purpose of this Letter is to define the roles, responsibilities and  
30      interaction within the SI&A / MSE infrastructure.

31      **Site Representatives**

32      Each site having implemented or that is in the process of implementing  
33      SI&A / MSE will have two (2) Site Representatives, one (1) from the  
34      Company and one (1) from the Union, to be appointed by their respective  
35      leadership. Additional Site Representatives may be added upon mutual  
36      agreement between the Company and the Union. These individuals should  
37      be (or be interested in becoming) an SI&A / MSE subject matter expert. It  
38      is expected that they will have completed all SI&A / MSE prerequisite

courses and have had exposure to SI&A / MSE. They should have excellent conflict resolution and communication skills.

The Site Representatives' primary responsibilities are to act as a resource to the employees, management, and area committees; to provide information and perform monitoring activities; to attend meetings and participate as required; and to resolve issues and concerns elevated to them by area committees. They will also help coordinate and participate in area SI&A / MSE overview presentations. They will need to stay informed of SI&A / MSE implementation progress and issues across BCAG & IDS as a network, to identify and spread "best practices" tools, and to encourage communication.

The Company will provide a reasonable amount of time for the Site Representatives to perform their required duties. As determined by the SI&A Leadership Committee, training and education requirements will be provided to the Site Representatives.

### **Area Management**

Area management will provide active support for the implementation and maintenance of SI&A / MSE by fostering an environment that encourages engagement and supports the desired culture and values identified as keys for success.

### **Area Committees**

The area committees have the primary responsibility for implementation and ongoing maintenance of SI&A / MSE in a specific shop or work area. The area committees should decide the meeting frequency and include at least the following functional representation: Quality & Manufacturing IAM members and management. Additional participants, such as Quality Engineering and Manufacturing Engineering, will be asked to participate as needed and determined by the Area Committee. The area manager and the Site Representative will work together to select area committee members. The active involvement of each of these team members is critical to success, and adequate time should be allowed to ensure this involvement takes place. The number of committee members should be appropriate to the size and complexity of the implementation work statement. Their responsibility is to work with Quality Engineering in assessment of the suitability of SI&A / MSE for the work area statement.

This assessment should include consideration of work content as well as current process capability and control. The area committee must ensure adequate employee involvement and understanding of the SI&A / MSE process. This includes addressing any concerns or issues and elevation of unresolved issues to the Site Representatives for assistance. The area

committee will provide input and oversee the initial and ongoing employee training and assessment processes to ensure each individual's skill and knowledge is adequate to perform the SI&A / MSE function and that any knowledge gaps are constructively addressed through additional training. Additionally, they may be involved in the development of training as required. After implementation of SI&A / MSE, the responsibility of the committee will change from active engagement in the development process to that of monitoring success and resolving concerns. In this role they can suggest improvements and handle questions or concerns by resolving locally or elevating to the Site Representatives for assistance. The area committee will also keep the Site Representatives informed on general implementation progress and ongoing maintenance so that they will be able to identify "best practices" and communicate to the Site Representative network.

### **Training Programs**

IAM/Boeing Joint Programs, may assist in the development of and implementation of education, training and retraining needs to support those organizations implementing SI&A / MSE.

This Letter, together with PRO-1125, Self-Inspection and Acceptance Requirements and BPI-298 Self Inspection and Acceptance, and/or the D950-10306-1 IDS site specific MSE command media, is intended to provide the framework necessary for successful implementation. It is the expectation of this committee that all parties involved in the implementation and maintenance of SI&A / MSE will adhere to the guidelines and principles described in PRO-1125 and BPI-298, and/or the D950-10306-1 IDS site specific MSE command media.

Any concerns regarding LOU 38 SI&A/MSE Infrastructure, Roles and Responsibilities may be addressed by the Union in LOU #TBD Quality and Safety, inclusive of the BCA QMS Advisory Board and the Inspection Management Board.

Dated: ~~November 2, 2008~~September 13, 2024