



February 11, 2019

TO: API Monogram Licensees
APIQR Registered Organizations
API Monogram and APIQR Applicants
API Auditors

FROM: API Monogram/APIQR Program

RE: Monogram Audit Frequency

Monogram Licensees have long been recognized as industry leaders in original equipment manufacturing for the Oil & Gas Industry. As the supply chain for original equipment in the oil and gas industry evolves, the need for continual improvement to maintain the value and integrity of the Monogram Program remains paramount to industry reliability, safety and sustainability.

In response to industry requests and a recent Monogram Program Board decision to enhance Program integrity, we are pleased to announce that Monogram-only program participants will be audited annually. This means that during a 3-year licensing cycle, each facility will undergo one renewal audit and two surveillance audits. The surveillance audits will be performed to ensure consistent manufacturing of product that meets the applicable API product specification. Typically, surveillance audits will be shorter in duration and will focus on the verification of conformance to product specification requirements under the established quality management system (QMS).

To assist Program participants during the transition to these new Program aspects, API will implement this change using a phased approach beginning in July 2019 and continuing to phase in participants through July 2022. This change will become effective at your facilities upon the next renewal date of your license.

The following frequently asked questions and answers provide additional detail on how this programmatic change will affect your facility over time.

When will the annual audit frequency go into effect?

The annual audit frequency will go into effect on July 1, 2019 based on the following schedule:

	2019	2020	2021	2022	2023	2024
If my license expires on or before June 30, 2019	Renewal			Renewal	Surveillance	Surveillance
If my license expires after June 30, 2019	Renewal	Surveillance	Surveillance	Renewal	Surveillance	Surveillance
If my license expires in 2020		Renewal	Surveillance	Surveillance	Renewal	Surveillance
If my license expires in 2021			Renewal	Surveillance	Surveillance	Renewal

Are there any changes to the current renewal audit? No. Your facility will continue to undergo one renewal audit every three (3) years.

How does this change improve the integrity of the Monogram program?

The annual surveillance audits will allow continuous verification of conformance to product requirements throughout the effective term of the license(s). Performing annual audits will help increase the industry's confidence in each Monogram licensee's ability to manufacture products in accordance with all applicable requirements.

What benefit will I receive from this change?

An annual surveillance program promotes a sustainable quality management system and conformity to product requirements. Monogram Program data indicates that clients audited every 3 years are twice as likely to be re-audited, suspended or cancelled than clients that have annual surveillance audits. This change provides clients a more frequent independent and objective evaluation of your management system, and thus, may help your organization continually improve its QMS and reduce the likelihood of negative audit results.

Does the annual audit frequency change the expiration date on my certificate? No. The continuity of your cycle will be retained with the 3-year expiration date on the certificate.

Will there be any additional costs? The annual license fee(s) will not be affected; however, the facility will be invoiced for the cost of each audit.

What is the focus of the annual audit? The primary focus of each surveillance audit will be the verification of conformance to product requirements under the established Quality Management System.

What is the duration of the surveillance audits? The surveillance audits may be shorter than the full-system renewal audit. However, the duration will vary based on factors including but not limited to the scope of the facility's license(s).

Does my facility need to take any additional actions at this time? No. Please refer to the table above to determine when surveillance audits will be included in your audit cycle.

Are facilities with both a Monogram license(s) and an APIQR registration(s) affected by this change? No, facilities with APIQR registrations (e.g. API Q1, ISO 9001) are already audited annually. This change affects those organizations that only have a Monogram License(s)

If you have additional questions, please contact us at certification@api.org.

Thank you for your continued dedication and support in maintaining the highest product quality throughout the oil and gas industry.

Sincerely,



Sharon Bowie
Manager, Monogram/APIQR