**Q: What is your recommendation for meeting FACT requirement of annual auditing of documentation that external facilities have met written agreements?**

**A:** E. Alvarez – We are all battling with how to do that. It's a multi-faceted answer because FACT has not been prescriptive about exactly what documentation you can use. So you can define in your SOPs what documentation you will accept for demonstration of compliance. If you go back to the idea of getting information such as - certifications, is the place registered by FDA as an establishment?, are they CAP or ISO 9000 certified?, do they have certification of quality that can be verified by a certificate? - Some of those types of information could be approaches that FACT could take into account. It can be difficult to get certain types of information at times, but I think it is about the way you ask and approach the vendor and what kind of relationship you have developed with that particular supplier.

**Q: What contributed to the increase in the [vendor qualification] response rate from 25% to 85%?**

**A:** E. Alvarez – Virtually the [vendor qualification] tool was so radically changed to basic information. We started finding that there were companies out there, if it was a big enough company or supplier, that already had a brochure with a number of our questions already answered. Those materials were being used in a promotional aspect of their operation but they realized that a lot of the questions we were asking could be answered by providing those documents. It was non-intrusive to them and it was not perceived as intrusive. So 10 pages worth of questionnaire vs. one page and a few attachments was much better received and that was part of the success of this. Companies have let us know that this is a nice, innovative way of doing this, not making companies search for information that they already have somewhere else. Basically, we made it easier for them to comply while complying with the requirements that we have.

**Q: How do you assess the response in terms of pass/fail? What weighting do you give to each response?**

**A:** F. Rabe – If we have a certain established result, e.g., QC results, that we expect to see when we thaw the cord blood unit - whether it be CFUs, viability, etc. and if they did not meet the stated criteria/requirements then it is an automatic failure, they would not pass. As it relates to the survey, we have established for each survey what would be an acceptable response. For example, for donor infectious disease testing, if one or more of the tests that are required by the FDA are not being performed on all the donors then that would be an automatic failure. If any of the [survey] components failed, then its an automatic fail for the cord blood bank.

E. Alvarez – If there are things that are part of the quality systems that we have in the checklist and they are responding in the negative then we probe a little bit more, go further and ask a few more questions and try to get an explanation. We try to establish more of a communication with that vendor - if they send us a vendor qualification tool back that is missing information or that does not cover the information that we really need then we prod a little more. It does not end at the initial communication. Most of the time it is just a misunderstanding or you may discover that the supplier is truly not all that they appear to be on the surface after probing further. Dig and get to the important information, but always in a very nice, diplomatic way. In the past we were focused on the quality part of things and we felt a little too self-righteous about the information that we needed to get that we pushed people into a corner. They didn't respond because we went about it the wrong way. I think it's also our part to come up with the information and ask the right questions we will become partners at the end of the day. The goal is if you pick a good supplier or a good vendor you will not need to pick another vendor for this

particular service every two to three years. We have some vendors that have been with us fifteen years. That is the kind of relationship that we want to establish.

**Q: Do you have a process to re-qualify CBB (e.g., every two years), Do you do this for all vendors every year?**

**A:** F. Rabe – We do not requalify banks and ask them for cord blood units but it is an ongoing qualification process. For every cord blood unit that we receive from any cord blood bank we always look at the quality indices related to that thaw - e.g., viability, did the patient engraft, were there any adverse events, and other parameters. For example, we disqualified one of our cord blood banks because of issues we encountered. We received some units that were really marginal and we did not want to continue to get cord blood units from them unless absolutely necessary. Also on an ongoing process, we disqualify based on FDA findings. Our QA department looks at all warning letters related to cell therapy. We had a recent example of a cord blood bank that received a warning letter from the FDA so we disqualified them. If we later find out that this has been resolved and everything is good then they could be requalified again in which case we would not request another survey from them and they would become a requalified facility.

E. Alvarez – We do our qualifications every two years, but it is an ongoing monitoring particularly when you are talking about services and supplies because as you are using those supplies and service providers things do come up and there may be suppliers that you will need to disqualify between those two years. Pay attention to the FDA recalls which will alert you to a supplier that is having a lot of problems with their supply. It may not necessarily be the supply that you use, but it is in general that they are having issues with manufacturing. Pay attention to suppliers in a geographical area outside of the US or inside the US that experienced a natural disaster, and they are not able to producing things that they did before, etc. Another important one is the lack of compliance with accreditation requirements. If they were initially FACT accredited and now are not, probe the reason for this- was it a business decision, a scientific decision, etc.? The most important one to consider is poor service or poor responses to inquiry - If you start accumulating a record of poor service, e.g., an external laboratory making continual mistakes in the testing, needing to retest, controls are not passing, or when you make a responsible inquiry to them, e.g., asking did you deviate with a particular test and they respond questioning your judgment vs. attempting to answer your concerns, that will break down your trust for that particular supplier and affect the monitoring that you are doing. You may disqualify people that you qualified initially.

**Q: When usually do you prefer an onsite inspection?**

**A:** E. Alvarez – Onsite audits absolutely have a place. We have a cryogenic facility that we use for the majority of our products because of lack of space and a laboratory for the number of products that we are cryopreserving and their qualification is done onsite. We go onsite annually to qualify them. We run through a full list of questions that a FACT inspector would be asking them about their SOPs, quality management, cleanliness, policies, etc. For services being provided by someone else that are so critical to your operations, as in this case with our cryogenic facility, we feel that that has to be done in person.

**Q: Is your Purchasing department involved in your vendor qualifications? If so, are the qualifications that Purchasing obtains not applicable in this process?**

**A:** F. Rabe – I can speak for UMN MCT's materials department. The purchasing department is not involved in the vendor approval process; the QA unit is involved with this. Certainly our purchasing and

materials departments that get materials in that are used in the manufacturing process provide quality input to our QA area such as if there are materials they notice are damaged or subpar on a regular basis. Sometimes the Materials department has trouble receiving the certificates of analysis for materials in which case that can impact how we qualify or disqualify a vendor.

E. Alvarez – Great question and an opportunity to give you a completely different perspective. MD Anderson Center Center is part of the University of Texas system, and therefore considered a state entity required to follow state regulations. For a vendor to do business with the state, they need to go through a thorough vetting process that requires them to voluntarily provide proof of their financial history, customer complaints, ability to meet our specifications, hiring practices, registration and tax information, ability to service a large facility in a constant and reliable basis, etc., which creates a sort of "litmus paper" test that usually eliminates suppliers with dubious reputations. When we need to establish a relationship with a new vendor, we have them contact our procurement/purchasing department and apply for the institutional vendor qualification process. Once they have been vetted, we then proceed with our more focused audit to confirm their ability to provide the supplies or services we need.

Additional Questions not answered on the live web seminar:

**Q: What do you do if a disqualified CBB is the only source of a product for a patient?**

**A:** F. Rabe – If either a disqualified CBB or a CBB that has never been qualified has the only CBU that would be acceptable for the patient, we will order the CBU from that CBB. In that case, we would generate an internal deviation report documenting the event and circumstances.

**Q: Do the Standards empower the laboratory team in Vendor selection so that it is not biased by Admin and finance teams?**

**A:** E. Alvarez – If referring to the FACT or AABB standards, those organizations usually understand the individualities of every cell therapy entity and try not to be too prescriptive (read too picky) when establishing accreditation requirements for supplier or vendor qualification. The "rules" are usually very common sense oriented, focused on safety and quality concerns shared by all and understand that if they are too intrusive, compliance will be in question. In plain language, the reality is that we all have our Masters to serve (read Administration, Legal Office and Finance) and some limitations are implied.

**Q: What are the most common reasons for a vendor to fail qualification?**

**A:** F. Rabe – The most common problem would be that they do not return the vendor qualification to us at all. For a general raw materials vendor qualification (not CBB), it would be if they did not have a staff training program.

E. Alvarez – If you are really careful during your initial choice of vendors to contact for qualification, the number of disqualifications can be reduced greatly. In our case, the few disqualifications that we have issued have been due to conditions discovered during our continuous monitoring or re-qualification processes. The major items have been lack of compliance with accreditation requirements; number of FDA recalls, receipt of warning letters or other regulatory issues; and reports of poor service (complaints) or lack of diligence when responding to our inquiries.