REPUBLIC OF THE PHILIPPINES
METROPOLITAN NAGA WATER DISTRICT
40 J. MIRANDA AVENUE, NAGA CITY

OFFICE OF THE GENERAL MANAGER

PROCEDURES AND WORK INSTRUCTIONS MANUAL (PAWIM)

(QMP03) INTERNAL QUALITY AUDIT

Revision Status

This list identifies the revisions made in this section. The date refers to the date this section was made effective and implemented and not to the date the document was signed or printed.

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1. PURPOSE

The procedure outlined the method for Internal Quality Audit (IQA) to determine whether the QMS conforms to planned arrangements and requirements of ISO 9001:2015 and of the company and is effectively implemented and maintained.

2. SCOPE

Covers audit planning and preparation, conduct and reporting of audit.

3. RESPONSIBILITIES

Internal Audit auditors are responsible in ensuring that internal quality audits are implemented affectively and on-time.

4. CRITERIA

4.1.PLANNING AND PREPARATIONS

Audit Plan / Program

The Annual Audit Plan / Program is the general internal audit schedule for the year prepared by the ISO Head or Lead auditor. Audits are conducted 2 times a year at 6 months intervals before Management Review. Critical activities or areas are audited 2 times a year, while the rest of the procedures are audited once a year. It is possible that only half of the procedures are covered during the first audit, with the remaining procedures covered during the second audit.

The planning takes into consideration the following aspects:

- Status and importance of the processes and areas to be audited;
- Results of Previous Internal Audits;
- Risk Assessment; and
- Other items as determined by the ISO Head.

The Audit Plan should define the following:

- Scope e.g. Department, Division or Section to be Audited;
- Methods e.g. Audit through Random Sampling;
- Frequency e.g. Once or Twice a Year;
- Audit Schedule e.g. Date of Audit; and
- Auditor Assignment;
- Audit Criteria e.g. ISO 9001:2015 Requirements.

The Audit Plan is issued to the following personnel:

- Concerned Division Head/s; and
- Internal Auditors.

Internal Auditors

Lead Auditor shall appoint the members of the audit team from the pool of internal quality auditors that successfully complete an auditor training course on standard to be audited.

Internal Auditors are appointed and assigned to conduct the audit. The manner in which the auditors are assigned can be thru print and sign documentation. Selection and assignment of auditors should ensure objectivity, impartiality and independence. Whenever possible the Auditors should be in the same or higher position than the Auditee.

The basic competency requirements for Internal Auditors are the following:

a.) Training and / or related experience on Internal Auditing:
b.) Training and / or related experience on standard to be audited e.g. ISO 9001:2015; and
c.) Preferred Skills and Qualities:
  - Inter-Personal Skills e.g. Rapport, Tactfulness, Diplomatic;
  - Communication and Writing Skills with Attention to Detail; and
  - Judgment: Ability to Identify Significance and Priorities.

Detailed Audit Plan and Schedule

Upon determination of audit assignments, the respective Internal Auditors prepares a detailed audit plan for their assignment. In general, the detailed audit plan should include the following areas:

- Previous Internal Audits and their respective Corrective / Preventive Actions;
- Compliance to ISO 9001:2015;
- Critical activities / areas; and
- Procedures scheduled to be audited according to Audit Plan.

Procedures applicable to different sites should be audited at each site. It is possible that certain procedures will not be audited since no activities or operation have been made for the specific division.

The Internal Audit Checklist is used to document the guide questions the auditor will use during audit. Upon the conduct of audit, the evidence and findings are also written in the Internal Audit Checklist.

An Audit Itinerary is prepared by the auditor and issued to the Division or Section to be audited at least 1 week before the audit.

4.2. Conduct and Reporting of Audit

Opening Meeting

A brief Opening Meeting should be made, particularly to "first time" Auditees, to ensure that they know the following:

- Purpose of the Audit
- Categories of Findings; and
- Role of the Guide or Division Representative.

Audit Proper

Internal audits are executed through following approaches:

- Interviews;
- Examination of documents and records; and
- Observation of activities and conditions.

Audit Reporting

Use of Internal Audit Checklist

- Under the "Finding" Column, indicate whether the evidence found would result to a 'Compliance", Observation, or Non-conformity" based on the following:
    - "Conformity" (or letter "C") – would refer to conformance or compliance to requirements of QMS and with no recommended area for improvement.
    - "Observation" (or "O") – are suggestions for improvement and may not require corrective action.
    - "Non-conformity" – failure to conform to a requirement QMS, total breakdown of QMS or absence of a QMS requirement.
- Under the "Audit Evidence" Column, document the specific evidence found. This may include particulars such as document name, date, person responsible, etc.

- Auditors should sign the Audit Report before submission. The auditee must then acknowledge the report and/or feedback for any erroneous findings or clarifications.

Use of Corrective Action (CA) Form

The internal audit findings are summarized into the CA Form. Since the findings in the Internal Audit Checklist are the same ones to be written in the CA Form, it is a matter of transferring (Copy & Paste) the item to the CA Form. The Auditor should sign the CA Form and have it acknowledged by the Auditee before submission to the Lead Auditor. This may be done during the closing Meeting or a few days after the Audit. Both Signature and Date should be placed by the Auditee. The Date will serve as a reference to the timeliness of the Corrective Action as applicable.

Closing Meeting

Similar with the Opening Meeting, the Closing Meeting is performed for new auditees or in more formal audits. Attendees to the meeting are the Division Representative and the Division Manager, to formally agree on the results of the audit. If the Audit Report has been finished by the Auditor at the time of the Closing Meeting, then the Auditee can already acknowledge the findings. The audit will only be complete if the findings are acknowledged and signed by the Auditee. A copy of the Audit Report will be given to the Auditee.

Corrective Action

Upon completion of the audit, the Auditee shall determine Corrective Actions (CA's) to address the findings raised during the audit. CA's may cover revisions of procedures, actual practices, or recording of activities. They should address the system to prevent the recurrence of the problem, as such, solutions should not be limited to stop gap measures, but more of "systematic" in nature. For CA monitoring & verification, refer to procedure on Corrective Action, Control of Non-conforming Product and Management Review for details.