

Internal Audit and Management Review

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**AUTHORSHIP**

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1. PURPOSE

The implementation of procedures established in this document provide an opportunity to continuously improve the APAC management system and ensure its continuing suitability and effectiveness.

1. INTERNAL AUDIT
   1. Scope

The audit shall check compliance with the relevant clauses of the following documents:

* IAF/ILAC A1 – IAF/ILAC Multi-Lateral Mutual Recognition Arrangements (Arrangements): Requirements and Procedures for Evaluation of a Regional Group
* IAF/ILAC A2 – IAF/ILAC Multi-Lateral Mutual Recognition Arrangements (Arrangements): Requirements and Procedures for Evaluation of a Single Accreditation Body
* APAC MRA-001 – Procedures for Establishing and Maintaining Mutual Recognition amongst APAC Accreditation Bodies

as well as compliance with APAC’s Management System Manual and other relevant APAC procedures.

* 1. Responsibilities

The Quality Manager, with the approval of the Executive Committee, manages the implementation of the internal audit.

The Quality Manager shall update and report to the Executive Committee as necessary.

* 1. Internal Audit Team

The Quality Manager shall establish an Internal Audit Team that collectively has the expertise and knowledge to address the scope of the audit including any additional requirements set by the Executive Committee.

The pre-requisite for the internal auditor(s) is knowledge of IAF/ILAC-A1 and A2, IAF, ILAC, and APAC controlled documents.

A team leader is appointed by the Quality Manager with the approval of the Executive Committee.

In consultation with the team leader, if necessary, one or two team members may also be selected by the Quality Manager.

Neither the team leader nor any team member shall evaluate activities for which the internal auditor was responsible for implementing and/or conducting, for instance, sampling records during internal audits of peer evaluation(s) conducted by the internal auditor.

* 1. Implementation of Internal Audit
     1. **Frequency**

The internal audit is conducted at intervals of not more than 24 months unless revised by the Executive Committee based on the results of the last internal audit and/or a recent IAF or ILAC peer evaluation of APAC.

* + 1. **Preparation**

The team leader determines the dates in consultation with the team member for the internal audit with the agreement of the Quality Manager and APAC Secretary.

The team leader ensures that the team is supplied with copies of the current APAC management system documentation at least 60 days in advance of the internal audit.

The team leader then prepares, in conjunction with the APAC Secretary, a detailed internal audit plan. The team leader may draw up checklists to assist with the conduct of the audit.

The audit duration shall be determined by the team leader assigned for conducting the internal audit.

* + 1. **Conduct**

The internal audit team evaluates the implementation of the APAC management system by reviewing document control and relevant records, including peer evaluation reports, peer evaluator competency records, committee meeting minutes and actions, etc. to establish compliance and effectiveness of operation.

The APAC Secretary authorised by the Executive Committee is the representative acting on behalf of the Executive Committee when relating with the internal audit team.

Findings of the audit shall be classified as either:

* Nonconformity
* Concern, or
* Comment

*Note: Definitions of these terms can be found in Annex 3, Section B of IAF/ILAC A1.*

For each non-conformity or concern raised, a corrective action request (CPAR) shall be raised (see form APAC FMS-005 Corrective and Preventive Action Request Form).

APAC shall reimburse the costs of team travel to the APAC Secretariat office and incidental costs as follows:

* An amount equivalent to the cost of Fully Flexible Economy class fares on a reputable airline;
* Costs of hotel accommodation, meals and incidentals (taxis etc.); and
* Costs of telephone conference calls.

The cost of personal time is borne by the APAC Member(s) contributing the team leader and the team member.

* + 1. **Report**

After the audit, the team leader conducts a closing meeting where the findings of the audit are discussed. The team leader provides the APAC Secretary with an opportunity to comment on and discuss the team’s findings and/or appeal any findings raised in the report to the Executive Committee.

At the closing meeting, the team leader provides a copy of the findings to the APAC Secretary. The APAC Secretary shall, as soon as possible, forward the draft internal audit report to the Executive Committee.

After the audit, the team leader submits the draft internal audit report to the APAC Secretary within 30 days. The draft report should be in the format described in Annex A.

The team leader gives the APAC Secretary 30 days to comment on the draft report and where required, to provide any clarifications and/or objections. After receiving any comments from the APAC Secretary, the team leader completes the final internal audit report and submits it to the APAC Secretary, Quality Manager and the Executive Committee.

* + 1. **Review and Follow Up**

The Quality Manager shall review the audit report and CPARs raised and assign the CPARs to the appropriate person for resolution.

The proposed corrective and/or preventive actions and corrective action plan is to be submitted by the APAC Secretary to the team leader within 60 days of receiving the final report.

The team leader responds within 30 days of receiving the proposed corrective actions and corrective action plan.

The Quality Manager ensures completion of the proposed corrective actions and acceptance of the result(s) by the team leader.

The implementation of the corrective and preventive action(s) and their effectiveness shall be reviewed by the Executive Committee at its next meeting.

1. MANAGEMENT REVIEW

The APAC Executive Committee with the Quality Manager are responsible for ensuring that a review of APAC’s management system is undertaken at least annually.

Matters to be considered as part of the management review shall include, but not be restricted to, the following:

* APAC’s continued adherence to the objectives of APAC as set out in the APAC Constitution
* Review of the APAC Strategic Plan
* Internal audit schedule, results of internal audits, and associated corrective actions
* Outcome of IAF/ILAC evaluations of APAC (when applicable)
* Complaints
* Appeals
* Reports from the Chairs of the APAC Committees including review of committee activities, and the need for new or revised documents
* Report from the Chair of the MRA Council, including feedback on evaluator performance
* Progress on implementing the “actions” and “resolutions” from the last APAC General Assembly
* The need to revise the APAC Management System Manual, APAC Constitution and other APAC documents
* Opportunities for improvement to APAC policies and procedures.
* APAC website management and updates

The Executive Committee includes management review as a permanent agenda item for Executive Committee meetings. Hence, in practice, these items are considered routinely as part of each Executive Committee meeting, so a dedicated management review meeting may not need to be conducted.

As a minimum, a specific agenda item will be included in one Executive Committee meeting annually to ensure that all aspects of management review have been adequately addressed and to consider the overall performance of APAC’s management system.

The review of these items, including actions arising, shall be recorded as part of the Minutes of the Executive Committee meeting. Progress on closure of these action items will be tracked at each Executive Committee meeting.

The APAC Chair presents the results of the management review at the General Assembly meeting.

1. CORRECTIVE AND PREVENTIVE ACTION

Corrective and preventive action requests can arise from many sources including but not limited to internal audits, management reviews, complaints, Executive Committee, committees, members etc. Corrective and preventive action requests resulting from management reviews and meetings shall be recorded in the minutes of those meetings as action items and specific corrective or preventive action requests (CPARs) are not raised.

All other requests for corrective or preventive action shall be recorded on the Corrective and Preventive Action Request form, APAC FMS-005.

The form shall be sent initially to the APAC Secretariat to assign a unique identification number (year plus a sequential number, e.g. 2019/01). The Secretariat shall then forward the CPAR form to the APAC Quality Manager for review.

The Quality Manager shall assign the CPAR to the most appropriate person to investigate the issue and take initial action, and shall set the date by which the action shall be completed.

The person to whom the CPAR is assigned shall carry out the investigation and take action as necessary, including identifying underlying issues, when applicable. This person shall complete section 2a of the form and sign and date the entry, and return the form to the Quality Manager who shall determine if the action taken is satisfactory.

If necessary, the Quality Manager shall assign the CPAR to the appropriate person to undertake action on the underlying issue.

The Executive Committee shall review the effectiveness of the corrective action and sign off the report.

1. AMENDMENT TABLE

This table provides a summary of the changes to the document with this issue.

|  |  |
| --- | --- |
| **Section(s)** | **Amendment(s)** |
| All | New issue on establishment of APAC. Document based on APLAC MS-000 Management System Manual and PAC-EXEC-007 PAC Procedure for Internal Audit and Management Review Process (Issue 4.0). |
| End |  |

ANNEX A - CONTENTS OF THE INTERNAL AUDIT REPORT

**Cover Page**

Identifying team leader, team members (if any) and date and place of internal audit.

**Summary Page**

Prepared and signed by the team and signed by the APAC Secretary on the last day of audit;

Containing the purpose of the audit, participants, criteria against which the audit is performed, activities undertaken during the audit and main conclusions on the operation of the APAC Management System and APAC MRA.

**Administration of all Committees and Program under the APAC MRA**

Comments on the implementation of each requirement specified in the MRA Policies and Procedures and associated documents;

Comments on the control of documentation and records related to the operation of the MRA.

Comments on the control of documentation and records related to the operation of all other committees including the Executive Committee.

Comments on the control of documentation and records related to the management of the APAC evaluators.

**Appendices**

Internal Audit Plan;

Non-conformities, Concerns and Comments (to be in the same format as for a peer evaluation report).