



CITY OF SAN FERNANDO
WATER DISTRICT

CITY OF SAN FERNANDO WATER DISTRICT

Quality Management System

Title : Internal Audit	Effective: December 31, 2016	Revision No. 0
------------------------	------------------------------	----------------

INTERNAL AUDIT

The internal audit mechanism of the CSFWD is driven in order to perform verification and operational check up of the processes embodied in the ISO 9001. The internal audit procedures are undertaken through the group created by the General Manager with competent knowledge and qualifications in such a way that enhances the credibility of all the processes involved.

CSFWD shall conduct internal audits at least biannually to provide information on whether the quality management system:

- a) conforms to
 - 1) the organization's own requirements for its quality management system;
 - 2) the requirements of ISO 9001;
- b) is effectively implemented and maintained.

Execution of internal audit shall include;

- a) plan, establish, implement and maintain an audit programme(s) including the frequency, methods, responsibilities, planning requirements and reporting, which shall take into consideration the importance of the processes concerned, changes affecting the organization, and the results of previous audits;
- b) define the audit criteria and scope for each audit;
- c) select auditors and conduct audits to ensure objectivity and the impartiality of the audit process;
- d) ensure that the results of the audits are reported to relevant management;
- e) take appropriate correction and corrective actions without undue delay
- f) retain documented information as evidence of the implementation of the audit programme and the audit results.

The Internal Audit shall be conducted at least once a year. However, the audit process may be undertaken more than the established frequency depending on the needs of reporting and the cycles of non-conformities observed in the Quality Management System such as deviation from the standard procedures and involvement of risks.



CITY OF SAN FERNANDO
WATER DISTRICT

CITY OF SAN FERNANDO WATER DISTRICT Quality Management System

Title : Internal Audit

Effective: December 31, 2016

Revision No. 0

The QMR shall serve as counter checker of the processes in close coordination with the Internal Audit Team. There shall be a Team Leader who shall act as primary head over direct coordination with the QMR.

A documented procedure shall be established, implemented and maintained to ensure a consistent and systematic manner of conducting the audit. Its scope shall cover planning, the Internal Audit proper, reporting, and monitoring of results. Audit findings, whether these are non-conformities or observations, shall be duly recorded and reported.

There shall also be an orientation for all CSFWD employees in order to establish awareness on the need for Internal Audit to the QMS.

Internal Audit Plan

The Internal Audit Schedule and Plan shall be prepared by the QMR and the Internal Audit Team, and shall be approved by the General Manager. It shall be ensure that all relevant processes under the QMS are covered in the audit plan vis compliance to the ISO 9001 standard. Core and support activities on the CSFWD Business Process shall be covered, particularly the implementation of control measures and their results.

Planning and preparation activities shall entail the groundwork for defining the following requirements:

- Audit Plan (date and time)
- Scope of the Audit (all requirements of the International Standard must be covered by the audit)
- Notification/Announcement on the Schedule of the Internal Audit
- Review of Pertinent Documents, whenever necessary – Quality Manual, procedures, work instructions, and other support documents
- Review of Previous Nonconformities, Corrective/Preventive Action Requests, Customer Complaints, etc., if any
- Pre-audit Briefing with the Internal Auditor(s)



CITY OF SAN FERNANDO
WATER DISTRICT

CITY OF SAN FERNANDO WATER DISTRICT

Quality Management System

Title : Internal Audit	Effective: December 31, 2016	Revision No. 0
------------------------	------------------------------	----------------

When preparing the plan, the QMR and the Internal Audit Team Leader shall assign each auditor on areas independent from their actual functions and responsibility. They shall ensure objectivity and impartiality in the audit activity.

Internal Audit Proper

The QMR shall monitor the audit activities set under the Internal Audit Schedule and shall issue an announcement at least two (2) weeks prior to the actual audit date.

The Internal Audit Team shall ensure that the entire scope of audit shall be implemented as planned, i.e. the schedule of activities followed, and the responsibilities performed during internal audit.

There shall be three major activities during the audit proper:

a. Opening Meeting

- Basic introduction on the internal audit proceedings
- Schedule per audit area/group
- Clarifications on the schedule or scope of the audit, if any

b. Audit Proper

- Audit activity following the framework of CSFWD's Business Process
- Verification and validation of QMS results through interviews, observations, checking of documents and records
- Audit by random sampling

c. Closing Meeting

- Audit Conclusion : summary of audit findings
- Clarifications on the audit findings, if any
- Proposed corrective actions and the agreed completion time
- Monitoring requirements

A non-conformity, as per ISO 9000:2005 definition, is "a non-fulfillment of a requirement". It shall be classified according to the degree or level of non-compliance to the requirement of this International Standard:



CITY OF SAN FERNANDO
WATER DISTRICT

CITY OF SAN FERNANDO WATER DISTRICT Quality Management System

Title : Internal Audit	Effective: December 31, 2016	Revision No. 0
------------------------	------------------------------	----------------

- a. Major Non-conformity – absence or total breakdown of the system to meet the requirements of a cause of ISO 9001:2008 or other reference documents; a number of non-conformances listed against one clause.
- b. Minor Non-conformity – either a failure to meet one requirement of a clause of ISO 9001:2008 or other reference documents; a single observed lapse in following one item of the documented quality management system
- c. Observation – a potential nonconformity or area of improvement.

The Internal Audit Team shall make their findings clear with the auditees, particularly when raising a non - conformity against a requirement of the QMS or ISO 9001:2008 standard. This shall be to ensure that the most appropriate corrective action be identified and implemented by the auditee-division.

Audit Reports

The audit reports shall be documented in the form of non-conformity reports. These shall be summarized by the Team Leader and reported by the team during the Closing Meeting of the audit activity. The findings shall not be confined to non-conformities but shall also include the strengths/good points observed in the implementation of the QMS.

Each Internal Auditor shall be responsible for the complete documentation of his audit findings. He shall ensure that the following information are provided in his report:

- Location/division or auditee
- Brief/factual presentation of the finding, i.e. non-conformity statement or observation
- Specific element of the ISO 9001:2008 where non-conformance is identified
- Proposed corrective action and the agreed completion date
- Proper identification of each internal audit report for traceability purposes
- Acknowledgement of each party (auditor and auditee)

Non-conformity reports shall be completed and submitted to the auditee-division during the Post Meeting. Extension shall be allowed to the audit team for refinement of findings but shall be submitted not later than one (1) day after the date of audit.



CITY OF SAN FERNANDO
WATER DISTRICT

CITY OF SAN FERNANDO WATER DISTRICT Quality Management System

Title : Internal Audit	Effective: December 31, 2016	Revision No. 0
------------------------	------------------------------	----------------

Corrective action on the non-conformities raised shall be determined by the concerned personnel, with guidance from their Division/Department Manager. Observations raised during the audits shall reveal equal importance to avoid any adverse effect on the Quality Management System. The unit concerned shall come up with an action plan to prevent potential problems or non-conformities

Monitoring of Results

Monitoring of corrective action results shall be conducted by the Internal Audit Team Leader to each assigned member of the audit team. Verification shall be undertaken to check whether the corrective action has been completed according to schedule, or if non-conformity has actually been eliminated and the desired improvement has been achieved. Otherwise, an alternative corrective action shall again be determined by the concerned division. Verification results shall be likewise documented.

If deemed necessary, a follow-up audit shall be proposed by the Team Leader to ensure through assessment and conformity to planned arrangements of the QMS and to the requirements of ISO 9001. A critical situation shall be when systems results show consistent customer complaints, poor product (water) quality, systems and process failure, and other deviations against the system's requirements.

Results of the internal audit shall be integrated and analyzed by the QMR. Be shall report to the General Manager and the Division Managers for purposes of the Management Review. If integrated results need immediate attention and action, a special STAFF meeting shall be convened.