Santa Maria WATER DISTRICT	**Procedure 13** **INTERNAL AUDIT**	Date prepared : January 6, 2017 Date approved : January 10, 2017 Effectivity Date : January 11, 2017 Revision No. : 00 Revision Date : Control No. : ***PM13-01***
Reviewed by: Engr. Carlos N. Santos, Jr. - GM		Approved by: Dir. Miguela G. Pleyto – BOD Chairperson

1.0 OBJECTIVES

1.1 To determine whether the QMS is effectively implemented in compliance with planned arrangements and to the requirements of ISO 9001:**2015**.

2.0 SCOPE

This procedure defines the requirements for the selection of Internal Auditors, conducting and planning internal audit, reporting audit findings and conducting follow up audit if necessary.

3.0 REFERENCES

3.1 ISO 9001:**2015** Section 9.2
3.2 Procedure for Management Review
3.3 Procedure for Corrective Action
3.4 Procedure for Documented Information

4.0 RESPONSIBILITIES AND AUTHORITIES

Lead Auditor, Auditors, General Manager

5.0 PROCESS

5.1 Selection of Auditors

The General Manager shall appoint SMWD's Internal Auditors. The Lead Auditor shall be responsible for audit planning, follow up and reporting activities and shall recommend auditor with objectivity and impartiality and based on the following qualifications:

- An auditor must be a regular employee of SMWD
- An auditor must be an employee with a minimum of 2 years experience.
- An auditor shall be competent in the proper conduct of quality audit through training or experience

- An auditor must understand the QMS requirements of applied international standards, the ISO 9001:**2015**
- An auditor should have complete understanding of the company's QMS or the scope of area to be audited
- An auditor shall not audit their own work
- Must have attended the IQA training

5.2 Audit Planning

a) Using the Audit Plan and Notification Form the Lead Auditor shall ensure that internal QMS audit is planned and carried out annually and/or on the basis of the status and importance of the area to be audited. An Audit Plan & Notification for this purpose will be made which include at least the following information:

- Audit schedule and duration
- Audit criteria and scope
- Assigned auditor and the area to be audited or Auditee

b) The ISO COORDINATOR shall submit for approval the Notice of Internal Audit, Audit Plan & Notification (Form _____) before disseminating to parties concerned.

c) Upon receipt of notice, the auditor shall prepare Audit Checklist (Form _____) to be submitted for review and approval of the ISO COORDINATOR.

5.3 Conduct of Audit

5.3.1 Opening Meeting

a) The ISO COORDINATOR will conduct an opening meeting to be attended by the auditor and auditee ensuring record of Attendance Sheet is made available.

5.3.2 Audit Proper

a) The auditor shall conduct audit based on planned arrangement using the Audit Checklist. Any findings noted shall be supported with objective evidence when suitable.

5.3.3 Reporting of Findings

a) The auditor (originator) shall report noted deficiencies or findings requiring action using the Corrective Action Form. Audit findings can be raised as:

- Noteworthy Effort- if findings indicates a good performance on the division
- Opportunities for Improvement - if findings will help the company's QMS more efficient and effective.
- Minor nonconformity – a single observed lapse in following specified requirement

b) The auditor shall issue corrective action on all Non-conformities raised.

5.3.4 Closing Meeting

a) The ISO COORDINATOR will close the audit by meeting to be attended by the same persons who attended the opening meeting and summarize the findings of the concluded audit.

5.3.5 Audit Report

a) The ISO COORDINATOR will prepare Audit Report using Audit Report Form and submit for information/reference of the General Manager. The Audit Report will include at least the following:

- Audit date, purpose and scope
- Summary of findings
- Conclusion
- Recommendation

b) The result of audit including the status of corrective actions will be discussed during the management review meeting.

5.3.6 Correction of Findings/Reported Nonconformity

a) The auditee (recipient) shall take appropriate correction/corrective actions within the required response time. Please see Procedure for Corrective Action.

5.3.7 Follow Up Audit / Close Out

a. The auditor (originator) shall conduct follow up audit on agreed response time to verify completion of correction/corrective actions. Where found that actions taken are sufficient to prevent recurrence of reported nonconformity or deficiency, previously issued Non-conformity will be endorsed for close out by the Lead Auditor.
b. All closed out Corrective Action Report will be signed and stamped "CLOSED" by the ISO COORDINATOR ensuring a copy is forwarded to auditee (recipient) when practical.

6.0 DOCUMENTED INOFRMATION

6.1 Audit Plan & Notification
6.2 Audit Checklist
6.3 Attendance Sheet
6.4 Corrective Action
6.5 Audit Report
6.6 Notice of Audit