

IAS ACCREDITED INSPECTION AGENCIES: GUIDELINES FOR CONDUCTING INTERNAL AUDITS AND MANAGEMENT REVIEWS

Revised January, 2016

IAS has found that inspection agency personnel are often confused by the requirements in ISO/IEC Standard 17020 (*Conformity assessment – Requirements for the operation of various types of bodies performing inspection*) that they conduct “audits” and “management reviews” of their operations and quality system (see Sections 8.5 and 8.6 of ISO/IEC Standard 17020). Frequently, inspection agency personnel assume that if someone in authority is checking regularly on the work the inspection agency performs, then they are doing “audits,” and if someone in management is periodically reviewing the inspection agency’s overall performance, then they are doing “management review.” Unfortunately, such informal checks on work and performance will not satisfy accreditation requirements of IAS or any other legitimate accreditation body. Presented below are guidelines to help you meet the requirements for audits and management reviews.

AUDITS (OFTEN CALLED “INTERNAL AUDITS”)

An “internal audit” is a formal activity that must be performed in accordance with a documented procedure and on a regular schedule. One inspection agency may choose to conduct an audit of its entire management system once a year, while a different inspection agency may choose to conduct a complete audit every six months. Yet a third inspection agency may choose to audit small parts of its system every month, with the intention that every part will be covered at least once a year. Generally, as a minimal requirement, you must audit every part of your management system at least once every twelve months. In addition to these guidelines, ISO 19011 provides guidelines for conducting internal audits.

During a management system audit you look at the way your inspection agency actually operates, and you compare this to the inspection agency operations as described in your management system or other relevant management system documentation. The system described in the documents, and the system as it operates in the real world, must be in accordance. For example: Suppose your management system says that all instructions, standards or written procedures, worksheets, checklists and reference data relevant to the work of the inspection agency are to be maintained up-to-date and are to be readily available to the inspection agency’s staff. (This is required by Section 7.1.4 of Standard 17020.) During the internal audit, you would check to see that such documents are actually being maintained up-to-date and that they are available to the appropriate staff. If they are not, then the audit has detected a problem that must be remedied.

Another example would be if, according to your management system, records of academic or other qualifications and records of training and experience of each member of your inspection agency are to be maintained. (This is required by Section 6.1.10 of Standard 17020.) During the audit, you would check to see that such records are actually being maintained. If they are not, then your audit has detected another problem that requires correction.

Guidelines for Conducting Internal Audits and Management Reviews

It is possible you will need just one person to audit your inspection agency, although it could take several people to audit a large agency. Whoever performs the audits, he or she must be fully qualified to do so, and it is preferable that the auditor receive some special training on how to conduct an audit. Also, if it is possible, each inspection activity must be audited by a staff member who is not personally involved in carrying out that activity. (This is to prevent any conflict of interest. You would not want the person responsible for equipment maintenance to audit the maintenance of equipment.)

It is *absolutely essential* that your internal auditors keep written records of internal audits. In the event your audit findings detect problems in your management system or problems with the performance of inspections, it is *absolutely essential* that you have written procedures for taking corrective action. (This is required by Section 8.6.5 and 8.7.1 of Standard 17020.) You may also need to conduct follow up audits to verify the effectiveness of corrective actions. When IAS representatives come to your inspection agency to conduct assessments, they will certainly make a point of reviewing the records of internal audits.

Finally, you might want to refer to Attachment A for a sample procedure on internal audits. Section 8.6.1 of Standard 17020 says that the inspection agency “shall establish procedures for internal audits to verify that it fulfills the requirements of this International Standard and that the management system is effectively implemented and maintained.” Attachment A may give you some ideas on what to include in your own procedure.

MANAGEMENT REVIEWS

Like internal audits, management reviews are regularly scheduled, formal activities that shall be conducted in accordance with a documented procedure. As a rule, a “management review” is a special meeting of the inspection agency’s top management, called to discuss the agency’s management system, its effectiveness, and any changes that may be needed. Usually, management reviews are timed to follow closely after each internal audit, so that the results of the audit may be discussed during the management meeting.

Attachment B presents a sample procedure for management reviews, and might give you some ideas on how your inspection agency management should carry out reviews of the management system. (You will need to establish a schedule for management reviews, since



Section 8.5.1.1 of Standard 17020 says every accredited inspection agency “shall establish procedures to review its management system at planned intervals, in order to ensure its continuing suitability, adequacy and effectiveness, including the stated policies and objectives related to the fulfillment of this International Standard.”)

Keep in mind that, to meet requirements for accreditation, you must record the results of management review meetings. (This is also required by Section 8.5.1.3 of Standard 17020.) The easiest way to document each meeting is to have someone keep minutes, which will be reviewed by IAS assessors when they visit your inspection agency. The written records should also cover *actions taken* as a result of management meetings.

Attachment A Sample Procedure for Internal Audits

Expert Inspections, Inc.

Standard Operating Procedures

Procedure No.: 12

Effective Date: March 10, 2015

Revision: 1

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Approval _____

TITLE/SUBJECT: *Internal Audits*

Purpose: This procedure provides for regularly scheduled audits of the management system, to confirm the system's implementation and check on its effectiveness.

Scope: This procedure applies to all internal audits.

Procedure:

1. Every activity comprising part of the management system shall be audited at least once every twelve months.
2. The quality manager is chiefly responsible for planning internal audits and overseeing their execution.
3. Persons performing audits shall be adequately trained and qualified.
4. Persons performing audits must be independent of the functions they are auditing.
5. Auditors shall note problems on Corrective Action Request (CAR) forms, and send the forms to the most appropriate management person to have the problem corrected. Auditors shall then follow up to confirm that corrective actions have been carried out.
6. The quality manager shall retain records of internal audits for at least three years. Records shall include audit checklists, CARs, and related documentation.



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7. Results of internal audits shall be a standing item on the agenda for management reviews of the quality system.

Attachment B
Sample Procedure for Management Reviews

Expert Inspections, Inc.

Standard Operating Procedures

Approval: _____

Procedure No.: 13

Effective Date: March 10, 2015

Revision: 1

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TITLE/SUBJECT: *Management Review Procedure*

Purpose: This procedure provides for regular management reviews of the entire management system, to ensure its continuing suitability and effectiveness.

Scope: This procedure applies to all participants in the periodic management reviews.

Procedure:

1. Management review meetings take place at least every twelve months, and are scheduled by the quality manager.
2. Participants normally include the president, vice president, manager, senior engineer, quality manager and other persons as appropriate.
3. The quality manager shall prepare the agenda and keep the minutes of the meeting. The agenda shall include discussion of the following:
 - The suitability of policies and procedures
 - Reports from managerial and supervisory personnel
 - The outcome of recent internal and external audits
 - Status of corrective and preventive actions
 - Fulfilment of objectives
 - Changes in the volume and type of work
 - Inspection records
 - Feedback from clients and interested parties

- Appeals and complaints
 - Follow-up actions from previous management reviews
 - Changes that could affect the management system
 - Other relevant factors (quality control activities, resources, staff training)
4. Action items will be assigned to specific personnel, and target dates will be set for completion.
 5. After the meeting, the quality manager will distribute, to all participants, copies of the minutes and a memorandum on conclusions reached and actions planned or initiated. The quality manager will also follow up on action items, to ensure completion.
 6. The quality manager shall retain records of each meeting for at least three years. Records shall include minutes of the meeting, memorandum on results.