PURPOSE

This procedure describes the process for EA internal audits.
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1. **INTRODUCTION**

This procedure describes the process for systematic examination of the effective operations of EA and its Secretariat in accordance with the following reference documents:

- the EA Management System and related documents
- the EA Governance and Policy documents
- the EA Peer Evaluation procedures documents
- ILAC/IAF A1 Mutual Recognition Arrangement: Requirements for the Evaluation of a Regional group

2. **PURPOSE**

The purpose of this procedure is to further define the steps for planning, performing, reporting, recording and following up on internal audits. The internal audit will

- improve the understanding of how EA and its bodies including the EA Multilateral Agreement Council (EA MAC) operate;
- review the existence and effectiveness of written policies and procedures and ensure that these are properly implemented and maintained;
- provide a stimulus for ongoing improvement and streamlining;
- give the EA MLA Signatory’ Accreditation Bodies, EA Stakeholders, ILAC and IAF, assurance that processes are adequate and efficient and give confidence.

3. **IMPLEMENTATION OF AN INTERNAL AUDIT**

3.1 **Frequency**

The internal audit shall be conducted on a regular basis, preferably once a year. It is initiated and the process is managed by the Executive Committee. The internal audit shall be performed at the premises of the EA Secretariat. It may also cover EA bodies meetings or other activity involving the EA Secretariat and officers. As considered appropriate by the auditor the internal audit may be conducted either by email or by telephone.

3.2 **Auditor’s Qualifications**

The internal auditor(s) shall be appointed by the Executive Committee from the EA AB members’ staff preferably 6 – 9 months prior to the planned audit date.

They shall be highly qualified persons with experience in accreditation as managing director or deputy managing director of an accreditation body or in a similar position, and be familiar with the EA activities. A thorough knowledge of ISO/IEC 17011 is required as a pre-requisite.
Taking account of the areas to be audited, the internal auditors shall have experience in international activities (at EA, ILAC or IAF level particularly) and be knowledgeable in financial and IT management and in the audit process.

They shall not have close connections with the EA Secretariat, in order to ensure objective impartiality of the audit process.

The auditors shall not evaluate any activities they have been involved in, such as the peer evaluation into which they participated as a Team Leader or Team Member or the Treasurer for the internal audit of the finance management processes, for instance.

### 3.3 Audit Planning/Coordination and Preparation

#### 3.3.1 Planning/Coordination

The Executive Committee is responsible for
- appointing the internal audit team;
- defining the internal audit scope and programme;
- approving the corresponding budget and mandates.

The auditor(s) is responsible for defining the timeframe for the audit, in consultation with the audited persons.

#### 3.3.2 Preparation

The EA Secretariat provides the auditor(s) with a copy of the agreed internal audit programme. (ANNEX A provides a guide for the preparation of the audit programme of the MAC secretariat specifically).

Prior to the audit date, the auditor reviews the appropriate quality system documentation and records of implemented corrective actions from previous audit findings and adjusts the final audit programme as appropriate.

Questions to be raised during the audit are prepared by the auditor(s) in cooperation with the EA Quality Manager and any other EA officer(s), as required. They are sent to the audited persons not later than one week in advance of the audit.

### 3.4 Performance of Internal Audit

After having held an opening session detailing the audit process to the audited persons, the auditor completes the audit program by identifying the objective evidence for conformance with requirements against the relevant Policies and Procedures and associated documents. He/she also verifies the implementation of previous corrective actions.

At the completion of the audit, while still on site, a closing session is held with the audited persons to discuss the findings.

The same rules for opening and closing sessions apply for internal audits conducted through web meetings.
The auditor shall prepare a written draft summary of his/her findings. Non-conformities and concerns shall be stated with reference to the specific clauses of the relevant documents. A copy of the draft summary shall be given to the audited persons to comment on and discuss the auditor’s findings and clear up any misunderstandings that may have arisen.

### 3.5 Reporting

After the visit the auditor shall complete the internal audit report and forward it to the audited persons within 10 days (2 weeks). The report shall be established according to the format described in ANNEX B.

The audited persons shall check the report and forward it with comments and proposed corrective actions to the auditors and Executive Committee and, as required, the EA-MAC-MG within 30 days of receiving the report.

### 3.6 Follow up

The auditors and Executive Committee and, eventually, the EA-MAC-MG shall review the internal audit report and the proposed corrective action plan within 60 days. The approved corrective actions as well as the internal audit plan shall be discussed with the auditors and at the next Executive Committee and EA-MAC meetings.

### 3.7 Financial resources

Costs of internal auditors are normally reimbursed through the EA budget approved by the General Assembly. Costs may be covered by the operating grant of the EC/EFTA according to the agreed mandates established by the Treasurer and endorsed by the Executive Committee. EA-0/05 Procedure for the control of expenditures and preparation of budget and the EA Terms & Conditions apply.

### 3.8 Confidentiality

Internal auditors may be requested to sign a Confidentiality undertaking. They shall keep confidential any information concerning either an EA member or an EA member of staff.

### 3.9 Records

Internal audit reports are published on the intranet, sub-section Executive Committee.

### 3.10 Review of changes

This is the first edition of the procedure.
ANNEX A  GUIDELINES FOR SETTING UP THE INTERNAL AUDIT PROGRAM OF THE MAC SECRETARIAT

1st day
- Opening meeting
- Results of the document review
- Examination and collecting information on the basis of files about
  o application procedure
  o evaluation teams
  o process of the evaluations (quality of reporting etc.)
  o results of the evaluations
  o monitoring of activities of TFGs
  o monitoring of decision-making process
  o appropriateness of the frequency of evaluations
  o TLs and TMs (including Training)
- Verification of some evaluation files (vertical audit)
- Collecting information about the meetings of the EA-MAC-Management Group and the EA-MAC
- Examination of the complaints and appeals process (at the EA Secretariat)

2nd day
- summary and follow-up of the 1st day
- Verification of special findings and discussion
- Audit findings
- Preparation of the audit conclusion and proposals for improvement
- Closing meeting and discussion of the findings

Within 10 days
- Preparing the draft and final report and forward it to the EA Secretary and EA-MAC Secretary within 10 days.
ANNEX B CONTENTS OF THE EA INTERNAL AUDIT REPORT

1. Cover Page
   - Identifying auditor and date & place of internal audit

2. Summary Page
   - Being prepared and signed by auditor and signed by the audited persons on the last day of the 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 EA bodies or processes having undergone audit (for example EA Multilateral Agreements (MLA) program)

3. Checklist of the referenced policies, procedures and associated documents used (for example EA-2/02 against the relevant ILAC/IAF MLA requirements)

4. Administration of the EA body/process
   - Comments on the implementation of the requirements specified in the referenced policies, procedures and associated documents
   - Comments on the control of documentation and records related to the operation of the audited EA body or process

5. Appendixes
   - Internal audit plan

Reporting of non-conformities, concerns and comments