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	INTERNAL QUALITY AUDIT	Revision No.:	4
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1.0 OBJECTIVE

This document describes the procedure for the management and implementation of the Internal Quality Audit (IQA) activities in LRTA.

2.0 SCOPE

This procedure applies to the implementation sites identified in the scope of the LRTA-QMS. The scope of the internal quality as follows:

LRTA QMS Processes

1. Management Processes
    - Planning
    - Policy Formulation and Implementation
    - Performance Review
    - Internal Audit
    - Communication and feedback Management
    - Documentation Management
2. Core Processes
    - Traffic Operations Management
    - Train Operations Management
    - Station Operations Management
    - Engineering & Maintenance Management
3. Support Processes
    - Automated Fare Collection Management
    - Safety and Security Management
    - Human Resources Management
    - Knowledge Management
    - Procurement Management
    - Asset Management
    - Information Technology Management
    - Finance Management
    - Legal Services Management
    - Concession Agreement Monitoring
    - Business Development Management
    - Project Management
    - General Services Management
    - Medical Services Management

3.0 DEFINITION OF TERMS

Audit	A systematic independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which criteria are fulfilled. This includes both the internal and external audits that the organization undertakes. *Internal Audit – an audit conducted by the trained auditors of the organization* *External Audit – an audit conducted by the certifying body or customers of the organization*
Audit Criteria	A set of policies, procedures ,or requirements which are used as reference against which audit evidence is compared
Auditee	The office, division, section, unit or individual/staff being audited
Audit Evidence	Qualitative or quantitative record, statement of facts or other information which is verifiable and relevant to the audit criteria
Audit Findings	Results of the evaluation of the collected audit evidence against audit criteria. It can either the good/commendable practice, conformity, non-conformity, or opportunity for improvement. *Good Practice – exceeding the minimum requirement / standard* *Conformity – fulfillment of a requirement* *Non-conformity – non-fulfillment or deviation of a requirement or standard defined by the organization, ISO 9001:2015, customer and statutory requirements* *Observation – an observed situation not necessarily a deviation of a requirement or standard that if not addressed may lead to a nonconformity* *Opportunity for Improvement – An observed situation that if addressed will lead to improvement of the process*
Auditor	The person with demonstrated attributes and competence to conduct an audit
Audit Plan	Description of the activities and arrangements for an audit which details the auditee, audit team, purpose, scope, schedule, criteria and person responsible
Audit Programme	The annual plan of the LRTA IQA Team which consists of

	activities to be conducted. It details the schedules, person responsible and remarks.
Audit Report	A document summarizing the audit results, which presents the audit findings, related evidences and audit conclusions Basis for the preparation of Request for Actions (RFAs)
Correction	Action to address the identified nonconformity/problem. It is an immediate action/solution to the identified problem/gap. Stop gap measure
Corrective Action (CA)	Action to address root cause of the identified problem/gap to prevent the recurrence of a detected nonconformity or other undesirable situation
Exit Conference	Is a venue where the auditor and auditees discuss the summary of findings during the audit
Improvement Action Plan	Refers to both the identified correction and corrective action to address the nonconformity and causes/potential of the nonconformity
IQA Tool	A set of questions/items used as a guide by an auditor in the conduct of an audit
IQA Team	Refers to trained auditors at the LRTA to oversee the IQA implementation
Management Representative	The Head of the Core Team for LRTA QMS
Request for Action Plan (RFA)	A tool/form used to record the nonconformity and potential nonconformity, the corresponding root cause analysis, and appropriate actions taken to address such

4.0 RESPONSIBILITIES

Auditee	- Represent the office or process being audited, acts as a resource person during the audit. Undertakes root cause analysis, determines and implements correction and corrective actions - Organization / Department / Division / Personnel being audited
IQA Team	- Assigns audit teams to the office to audited - Oversees and monitors the conduct of IQA - Responsible for monitoring of issued RFAs in the RFA Registry to ensure verification of actions taken on nonconformities and opportunities for improvement

IQA Team Leader	- Assigns Auditors to particular unit/area to be audited in consultation with the audit team - Leads the Audit Team in the conduct of audit, and deliberation of findings and assigns specific tasks to Team Members - Ensures the availability and readiness of the team members to conduct the audit as scheduled - Review all audit reports and issues them to the Office QMR of the audited office and Overall IQA Team Committee
Office Audit Team Leader	- Leads the Office Audit Team in the conduct of audit, and deliberation of findings and assigns specific tasks to Office Team Members - Ensures that all RFAs issued to the office are acted upon and complemented - Monitors the status of the office RFAs and updates RFA Registry - Provide the Office QMR an update or report on the status of RFAs - Recommend to the supervisors and QMRs on the issuance of Non-audit related RFAs - Assigns specific tasks to Team Members
Immediate Supervisor of the Process Owner	- Verifies the implementation and effectiveness of the improvement action plans
IQA Team Member	- Conducts internal quality audit as part of the audit team - Prepares necessary reports such as but not limited to Audit Reports and RFAs - Acts as documenter during audit engagement - Performs tasks as may be assigned by the Audit Team Leader
Office Heads	- Ensures the availability readiness of auditee and conduct of audit as scheduled in their respective offices. Likewise, it ensures that all audit findings are acted upon without undue delay
Management Representative	- Responsible for the selection of competent auditors based on set criteria - Oversees the implementation of the IQA Plan and approves the selection of QMS auditors - Renders overall authority on the disposition of IQA findings / conclusion

5.0 PROCEDURE DETAILS

	Key Activities		Responsible	Reference Document/Record
5.1	Selecting and managing of Auditors	• Selection of Auditors • Formulation of Audit Teams • Enhancement of Auditor's competence	Management Representative/ IQA Team	Memos, Auditor Training Certificates, Approved list of Pool of Auditor's Profile
5.2	Planning for the IQA	• Preparation of the Audit Programme and Audit Plan • Dissemination of the Audit Programme and Audit Plan	IQA Team, Office Audit Team	Audit Programme, Audit Plan, List of Internal Quality Auditors
5.3	Preparing for the IQA	• Review of the applicable documents	Office Audit Team	
5.4	Conducting the IQA	• Conduct of opening meeting • Data gathering through interviews, review of documents and records, observation • Recording of facts and evidences • Conduct of closing meeting	Office Audit Team	Audit Checklist
5.5	Reporting the IQA	• Preparing the Audit Report • Presentation of the final audit report • Updating the Management Representative	Office Audit Team, IQA Team Leader	Minutes of Meeting, Audit Report, RFAs, RFA Registry
5.6	Verifying Actions Taken	• Verification of improvement action plans • Verification of implementation and effectiveness of improvement action plans • Updating the Management Representative • Closure to be verified by the next or succeeding audit	Auditee, Office Audit Team, IQA Team, Immediate Supervisor of the process owner	RFAs RFA Registry

		team		

5.1 Selection and Management of Auditors

5.1.1 An Auditor is selected in accordance to relevant education, training, skills and experience

5.1.2 An Auditor must have completed the IQA Training and processes the following:

a. Educational requirements: College Graduate
b. Experience: Attended an actual conduct of internal audit

5.1.3 The competence of Auditor is enhanced through continuous participation in audits and attendance to IQA Trainings

5.1.4 The list of pool of Auditors is maintained by the IQA Team for monitoring purposes

5.1.5 An IQA team is composed of Auditors from various LRTA offices, and is assigned to audit another office. This is done to ensure independence, impartiality and objectivity of the audit process and to avoid conflict of interest

5.2 Planning for the IQA

5.2.1 The Audit Programme for the 12-month period is prepared by the IQA Team before the start of a calendar year and shall be approved by the Management Representative. Copies of the Audit Programme shall be disseminated to all concerned offices within the 1st quarter of each year.

5.2.2 Conduct of IQA is facilitated at least once a year

5.2.3 Whenever necessary, unplanned IQA may be initiated by the Management Representative based on, but not limited to the following:

a. Unusual increase of quality-related problems
b. introduction of new services
c. major changes in QMS, personnel and processes
d. as per client's request

5.2.4 The Audit Plan for a particular office is prepared and disseminated by the concerned Office Audit Team Leader at least a week prior to the activity. The concerned Office Audit Team Leader facilitates then acknowledgement of the Audit Plan by the auditee, copy furnished the IQA Team for monitoring purposes

5.2.5 The Audit Plan includes, but not limited to the following:

a. Audience/Office to be audited

b. Purpose of the audit
c. Scope of the audit
d. Specific criteria to be audited
e. Assigned Audit Team
f. Date and time of the audit

5.3 Preparing for the IQA

5.3.1 The Office Audit Team reviews the LRTA QMS Documents, such as the Quality Manual (QM), Quality Procedures (QP), Guidelines, Work Instructions and other applicable documents.

5.3.2 The Office Audit Team may request for the hard copy of the QMS documents to the auditee or check the logical documents for the uploaded office documents and records. The auditor may also use online tools such as Google drive or Cloud and share this to the auditee for the uploading of documents for review.

5.4 Conducting the IQA

5.4.1 The Office Audit Team Leader starts with an opening meeting to reconfirm the audit plan, scope, objectives, purpose, and audit participants (Audit Team and Auditees/Process Owners)

5.4.2 The Office Audit Team gathers data through interviews, review of documents, observation of process, and verification of relevant documents and records.

5.4.3 The Office Audit Team will use the IQA tool during the audit. The auditee shall be rated by the auditor based on the observations and evidence during the actual audit.

5.4.4 The Office Audit Team records their findings, comparing evidences against criteria or set standards to determine conformities, and meets to consolidate the audit findings prior to the exit conference.

5.4.5 An exit conference is conducted to present the final audit findings to the auditee.

5.5 Reporting the IQA

5.5.1 The Office Audit Team prepares the Audit Report, ensuring all areas are appropriately filled:

a. Audit scope, Auditors and Auditees

- Identify the extent of audit, the auditors who conducted the audit, and the auditees that are audited during the time of audit.

b. Commendable Findings:
   - Recognize the good things and best practices during the audit

c. Summary of Findings:
   - Shall contain the details of findings and the corresponding evidence which criteria was based on the LRTA QMS Manual and the ISO 9001: 2015 Standard clauses that indicate particular standards as reference of the observation, and recommendations, if applicable.

5.5.2 The Audit Report is presented by the audit team to the auditees during the exit conference. Audit reports deemed acceptable by the auditee shall be considered as final

5.5.3 An appeal maybe filed by the auditee in case of disagreement to the presented findings. A written appeal may be forwarded to the IQA Team within five (5) working days after the exit conference. Resolution from the IQA Team shall be issued seven (7) working days after.

5.5.4 Unsettled appeals shall be escalated to the Management Representative by the IQA Team. Pending appeal shall be settled by the Management Representative through issuance of a final resolution not later than seven (7) working days upon receipt of advice from the IQA Team.

5.5.5 Final audit reports shall be issued by the auditor within five (5) working days after the exit conference or three (3) working days upon receipt of the resolution from the IQA Team or Management Representative. Final audit reports shall be issued together with its corresponding RFAs which shall be acknowledged by the Management Representative. Acknowledged copies of these reports shall also be endorsed to the IQA Team.

5.5.6 The Office IQA Team Leader shall assign reference numbers to the acknowledged RFA based on the procedures in Control of Non-Conformity and Corrective Action, 2017.PR.CQD.004. IQA Team Leaders are to record these forms in the RFA registry for monitoring and tracking purposes. Registered RFAs shall be forwarded to concerned process owners for appropriate action.

5.5.7 The auditee shall acknowledge the RFAs and generate actions to manage the NCs identified. Accomplished RFAs with evidence of implementation shall be reverted back to the concerned Auditors for checking and

approval. Please refer to Section 5.6.1 for the standard timeliness for accomplishing the RFA.

5.5.8 The IQA Team Leader shall lead the management of the office RFAs. This shall include monitoring of the status, timely processing, and endorsement of accomplished RFAs to the concerned auditor.

5.5.9 The IQA Team Leader provides the Management Representative a report of the summary/consolidated audit findings.

5.6 Verification of Improvement Action Plans

5.6.1 The auditee shall accomplish the RFA in accordance with the Control of Non-Conformity and Corrective Action, 2017.PR.CDQ.004 and return the accomplished RFAs to the concerned auditor, copy furnished the IQA Team Leader. The following timeliness shall be observed in managing the RFAs as received by the office

a. An accomplished RFA, complete with evidence that correction was implemented, shall be endorsed to the auditor for checking and acceptance within fifteen (15) working days.

b. Completely accomplished RFAs, with identified root cause analysis, corrective action and if possible evidence that corrective action was implemented, shall be endorsed to the auditor for checking and acceptance within sixty (60) working days.

5.6.2 The Auditor shall review and approve the submitted improvement action plans (correction and corrective action) of the auditee based on the identified causes of nonconformities by affixing his/her signature in the RFA form. The auditor shall send back the signed RFA to the auditee within five (5) working days upon receipt of RFA.

5.6.3 The immediate supervisor of the process owner shall ensure the effective implementation of the improvement action plans in accordance with the Control of Non-Conformity and Corrective Action, 2017.PR.CDQ.004 to prevent from recurring

5.6.4 During the subsequent audit, the concerned auditors shall verify the effective implementation of improvement actions and facilitate the Close Out of RFAs. The results of the verification are documented and monitored as per Control of Non-Conformity and Corrective Action.

5.6.5 The IQA Team monitors the status of verification of all issued RFAs and updates the Management Representative on the status.

6 .0 REFERENCE

6.1	2017.PR.CDQ.004	-	Control of Non-Conformity and Corrective Action
6.2	PNS ISO 9001:2015	-	QMS Requirements and Standards
6.3	PNS ISO 9004:2010	-	Managing for Sustained Success of an Organization – A Quality Management System Approach
6.4	PNS ISO 9000:2005	-	Quality Management Systems – Fundamental and Vocabulary
6.5	PNS ISO 19011:2018	-	Guidelines for Auditing Management Systems

7.0 QUALITY RECORDS

7.1	2022.FO.IQA.010	-	Audit Plan
7.2	2022.FO.IQA.009	-	IQA Tool
7.3	2022.FO.IQA.011	-	Audit Programme
7.4	2017.FO.IQA.005 Rev 4	-	Audit Report
7.5	2018.FO.CDQ.009 Rev 6	-	Request for Action (RFA)
7.6	2017.FO.IQA.007 Rev 4	-	RFA Registry

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