THE
QUALITY AUDITOR
PRIMER

Ninth Edition - January, 2019

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CQA Primer Content Outline

WHEN YOU GET RIGHT DOWN TO THE MEANING OF THE WORD "SUCCEED," YOU FIND THAT IT SIMPLY MEANS TO FOLLOW THROUGH.

F. W. NICHOL

Audit Reporting & Follow-up

Audit Reporting & Follow-up will be reviewed in the following major topic areas:

- **Audit Reporting**
- **Audit Follow-up and Closure**

Audit Reporting

Audit Reporting is presented in the following major topic areas:

- **Report Development and Content**
- **Effective Reports**
- **Final Audit Report Steps**

Report Development and Content

The formal report is the product of the audit. This is a typed report which maintains the basic content of the draft report. The lead auditor (audit team leader) is responsible for the report content and accuracy, and for submitting the formal report in a timely fashion.

Audit Report Ethics

After arriving back at the "home" organization, the work on the formal audit report should begin immediately, while audit details are still fresh.

The auditor could also face pressure from client management to alter the audit report and reflect more poorly (or favorably) on the auditee. It would be unethical to alter the substance of the audit report.

Audit Report Timing

The formal report should be completed as soon as possible and mailed within one week.

Report Development and Content (Cont.)

Preparing the Report

Once the report has been prepared, it may be reviewed for content and accuracy by the audit team. Team members may sign the report, but the report must be signed by the lead auditor.

The report is usually submitted to the client. The client is typically responsible for signing and distributing the report.

The following information is suggested content:

- **Cover sheet with a distribution list**

  - **Consider an executive summary**
  - **Title and Date**
  - **Distribution list**

- **Main body of report**
- **Findings and objective evidence**
- **Request for corrective action (where applicable)**

Report Development and Content (Cont.)

The Main Audit Report

The main audit report body should begin with one or two brief introductory paragraphs including the name of the auditee, location, audit purpose and scope, dates the audit was performed, audit team members and lead auditor; and any background, history, or functional information necessary for comprehension.

The audit report should also contain a statement about the tone of the audit. Was the audit cooperative, antagonistic, unsupportive, etc.? This statement is important because it may be useful to the client, auditee and future auditors.

Each finding is listed, in order of importance, with the supporting evidence shown beneath it. Other audit evidence which do not support findings, may be included in a separate category. Any request(s) for corrective action may appear in the closing remarks, along with the date of expected response.

The signature of the lead auditor is a must. The signature of the client or audit authority is the report approval. Audit team signatures are optional.

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V.   AUDIT REPORTING & FOLLOW-UP
     AUDIT REPORTING/DEVELOPMENT AND CONTENT

II.C.1

Report Development and Content (Cont.)

Request for Corrective Action

A request for corrective action is often presented in a separate, standardized form. In most formats, the lead auditor will fill out the identifying header information, the finding or discrepant condition area, and the response due date. A corrective action request form is shown in the Primer.

The audit findings may be addressed singularly or collectively. Either way, there are advantages in having the finding and the corrective action listed on the same form. This consolidation aids in tracking the activities, and is helpful in the performance of follow-up verification of corrective action. All critical issues or corrective action requests should include some form of unique identification (such as an alphanumeric code).

Report Content Summary (Continued)

According to ISO 19011 (2008) the audit report should provide a complete, accurate concise and clear record of the audit, including:

- **The audit objective, scope and client**
- **The audit team leader and team members**
- **The dates and places of audit activities**
- **The audit criteria, findings and conclusions**

The audit report may include or refer to the following:

- **The audit plan**
- **Auditee representatives**
- **A summary of the audit process**
- **Confirmation that objectives were accomplished**
- **Any areas not covered (within the audit scope)**
- **Any unresolved diverging opinions**
- **Any improvement recommendations**
- **Agreed follow-up action plans**
- **A statement of confidentiality**
- **A report distribution list**

Report Content Summary

The *CQA Primer* lists a number of items which are included in the report. Some of the key items include:

- **The name of audited organization**
- **The audit locations and dates**
- **Audit report, file or reference number**
- **The contract, order, product, etc., of concern**
- **The audit objective and scope**
- **The audit standards or criteria**
- **Key personnel contacted during the audit**
- **The audit team leader and audit team members**
- **Any prior audits and related information**
- **An identification of key working papers used**
- **The results of the audit summarizing compliance and noncompliance with requirements**
- **Any corrective action requests and response dates**
- **Any major findings and supporting observations**
- **Any statement regarding system effectiveness**
- **Appropriate internal and external distribution lists**
- **The signature of the lead auditor**
- **The signatures of the client and/or audit manager**

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V.   AUDIT REPORTING & FOLLOW-UP
AUDIT REPORTING/DEVELOPMENT AND CONTENT

II.C.1

Audit Report Example

Audit Report

File Number_____

Audited organization _____

Location _____

Dates _____

Product, purchase order, project _____

Auditing organization _____

Prior audits _____

Audit objective/scope: _____

_____

Checklists or documents used:

_____

Principal contacts

_____   _____

_____   _____

Date of exit meeting _____

Audit team members (and credentials, if appropriate)

_____

_____

Results

_____

_____

Major findings (attached):

(ID numbers) _____

Corrective action (attached):

(ID numbers) _____

Audit position statement:

_____

_____

Distribution list:

Client

Auditee   _____
                                                              Lead auditor

Attachments

Audit Finding Form

Audit Finding

Audit# _____
Finding# _____
Date _____
Page ___of___

To: _____
From: _____

Nature of finding (auditor)

_____
_____
_____

Supporting documentation (auditor)

_____
_____
_____

Action required (auditee)

_____
_____
_____

Scheduled action completion date _____

Auditee signature _____ **Date** _____

Review (client/auditor)

Signature _____

Date _____   **Approved** ⬚   **Disapproved** ⬚

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V.   AUDIT REPORTING & FOLLOW-UP
     AUDIT REPORTING/DEVELOPMENT AND CONTENT

II.C.1

Corrective Action Request Form

Corrective Action Request

Audit# _____
CAR#_____
Date _____
Page ___of____

To: _____
From: _____

The following condition is brought to your attention for corrective action. Please indicate the cause and corrective action in the spaces below including scheduled completion dates. Please sign and date your response and return this form to the sender within __ working days.

Discrepant condition
_____
_____
_____

Auditee Portion

Root cause
_____
_____
_____

Action to correct observed discrepancy (and similar discrepancies)
_____
_____
_____

Action to prevent recurrence
_____
_____
_____

Scheduled completion date _____

Signature _____ Date _____

Review   Approved   [   ]   Disapproved   [   ]

Signature _____ Date _____

Items Not Included in the Audit Report

- **Any confidential or proprietary information**

- **Any subjective opinions**

- **Any recommendation, unless required by the client**

- **Minor deficiencies corrected during the audit**

- **Generally, more than six or seven major findings**

- **Names of individual employees associated with specific findings (the title or position is OK)**

- **Nit-pick items (the trivial many)**

- **Emotional or argumentative statements**

- **Any items not presented in the exit interview**

Noteworthy Accomplishments

Noteworthy accomplishments should be reported in the final audit report.

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V.   AUDIT REPORTING & FOLLOW-UP
     AUDIT REPORTING/EFFECTIVE REPORTS

II.C.2

Prioritization of Audit Results

During the audit analysis phase the auditor will need to organize and prioritize the audit results. Observations, findings and/or conclusions should be ranked by importance and arranged in some logical sequence.

A risk benefit or Pareto analysis may be helpful in prioritizing and compiling the audit results.

Criticality

There are several ways to consider the criticality of a nonconformance or noncompliance. In the case of product audits, the anticipated monetary loss may be known. In the case of process or systems audits, the use of a demerit system may be helpful in weighting the relative reporting priority.

Risk Benefit Ratio

The risk of reporting an area of concern should be compared to the benefit to be gained (or not lost) if the concern has merit.
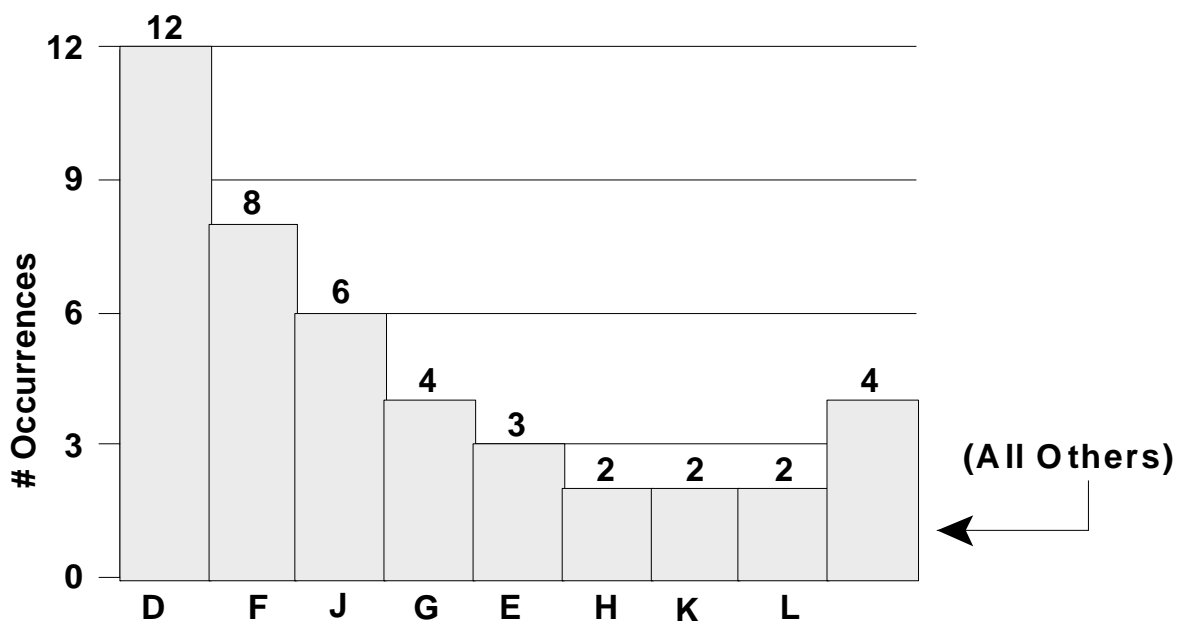
Pareto Analysis

The completion of Pareto analysis is very helpful in organizing the audit report and assisting management with the selection of the more serious problems to direct corrective action resources. The Pareto diagram may feature occurrences or a weighting of criticality.

Audit Occurrence Pareto Diagram

VIII.   APPENDIX
        CASE STUDY QUESTIONS

Case Study #3 (Continued)

8.11. When preparing for SPC application recommendations, you should refer to:

- a. Histograms and process mapping
- b. Attribute and variable charting techniques
- c. ANSI/ASQ Z1.4 and Z1.9
- d. The PDCA cycle

Answers: 8.8. c, 8.9. c, 8.10. a, 8.11. b