

Auditor Training Guide

Auditor Training to Cover

1. **Introduction to OrganicFarmNZ** – including organisation structure, certification diagram/process, and key differences between OrganicFarmNZ and other certification bodies
2. **Auditor Job Description** – purpose, role, skills, requirements (N.B. It has been suggested this needs to be developed, perhaps using the OFNZ Auditor Accreditation Checklist.)
3. **Auditor Contract** – generic (It has been suggested this needs to be developed)
4. **Property Management Plans** – ins and outs, guidelines for reading papers
The Pod Peer Review – how it works
The role of the Certification Manager (and relationship with Auditor)
The Certification Committee (and relationship with Auditor)
5. **Auditor Paperwork Explained** – Auditing an Individual, Auditing a Pod
6. **Powers and Limits** – the ethics of Auditing and code of conduct
7. **The Physical Audit** – advice, insights, do's & don'ts: General Advice, Specific Issues, Corrective Actions/Flags, Testing, Restricted Inputs

The Role of Auditor

The primary role and responsibility of Auditor is to ensure that the Grower/Producer is continuing to comply with the Production Standards and Regional Guidelines.

The chief role of the Auditor for the pods is simply to oversee the peer review process.

The auditor is to highlight any areas where this is not occurring and report this to the Regional Certification Committee.

The position the Auditor takes must be unbiased and neutral and be able to be backed by Organic farm NZ standards.

The Auditor must be able to express themselves well in English.

Experience in organic growing is very desirable, as is practicality.

A good grounding in biological and agricultural science coupled with knowledge of ecological principles an advantage but not a requirement if the person is practical in nature.

The Process

At the commencement of each new round of certification, the Certification Manager (CM) will issue documentation to Pod and Individual Members.

Pod leaders will see that all pod members complete their Management Plans and arrange and conduct pod peer reviews at the completion of which, the pod leader will collate and return all documentation to the CM.

Individual growers will complete and return their documentation directly to the CM.

Upon receipt of documents the CM will review them, insert them into the particular growers' file, complete the CM template and forward all the files of all the pod members to the Auditor.

Any particular areas of note or concern are highlighted via the CM template. The CM will often speak directly with the Auditor to pass on concerns or views (Flags) and may ask the Auditor to pay particular attention to any area for any grower.

The Paper Audit

Upon receipt of the files the Auditor will thoroughly review the current year's documentation (referring at times to the previous years contained in the file), making notes of any instances where the grower deviates from the Standards, where information given is not sufficiently clear, or where items are not fully explained.

The auditor may at this point contact firstly the CM for clarification, or the grower directly for explanation, or to request further documents, or to explore the grower's knowledge of and/or interpretation of any particular item, question or clause pertaining to the Standards.

A. Pods

The Auditor will complete the form – 'Auditors Checklist-Pods' for each pod member, noting any areas of non-compliance and making comments and recommendations as deemed necessary.

CARs may be ordered at this point.

The Auditor will recommend a certification level on the form.

B. Individual Growers

For individual growers the Audit is essentially split into two parts, the paper audit and the property inspection.

The Auditor will use the form – 'Auditors Checklist-Individual Audit', completing those sections of this checklist that apply to the actual documentation. The remainder of this checklist is completed at the actual property inspection.

The Property Inspection

The property inspection is essentially a direct test and observation to confirm that the grower is complying with the Standards. It is most useful in that the Auditor interacts directly with the grower. The Auditor will contact the grower (be it an individual audit or a designated pod member audit) to arrange a suitable date and time to conduct the inspection.

- It is important to identify inconsistencies between documentation supplied and observations on site.
- It is important to conduct the audit in a positive manner, using good communication skills. This does not go as far as giving advice. Examples can be given of other methods employed
- The producer should be able to demonstrate a thorough knowledge of the Standards.
- The producer should have good grounding in the philosophy of organics. However this can be observed over a period, especially as new members slowly develop that understanding.

A. Pods

The principal task is to audit the Peer Review process. This can be done by simultaneously going through the Management Plan and Peer Review Form of a property.

In any pod, 25% of members should be subject to a property inspection in each round. This selection rotates through the pod to ensure that each grower undergoes a property inspection prior to attaining Full Certification. The Auditor decides which property is to be inspected after doing the paperwork.

B. Individual Growers

By definition, an individual grower (i.e., a grower who is not a member of a pod) will be subject to a comprehensive property inspection each year by the Auditor.

C. The Inspection

When conducting a property inspection, the Auditor should decide the flow and direction of the inspection.

Growers, particularly new growers, are often understandably nervous, so a friendly manner will help to put them at their ease. A relaxed grower is apt to be more forthcoming and communicative.

Here the audit is the equivalent of the Peer Review process.

All receipts and declarations for inputs, and all tests should be sited at this point.

It is important that the Auditor not be side-tracked into giving advice, or by the grower going off on a tangent.

The visit must be professional. This includes arriving promptly and keeping the visit to a reasonable length.

Running through the paper audit will probably have brought up a few items for clarification. These items should be resolved during the course of the inspection.

The Auditor's Checklist is a useful guide through the process. Each question in each section must be marked, comments being made as necessary. If not fully satisfied with the response from the grower, the Auditor should keep probing until satisfied that the question is resolved. If resolution is not reached then this fact should be reflected in comments and the report to the Certification Committee.

Comments are of course of benefit to the grower, who will get a copy of the checklist at the end of the certification process.

Comments are most important to the members of the Certification Committee whose deliberations will ultimately decide on the growers' certification status. The inspection of the property is essentially the eyes and ears of this committee.

Thoroughness is essential.

Recommendations cannot be enforced, but CARs must be, and should be followed up by the Auditor or the CM.

Reporting

At the completion of the audit, all documentation and checklists should be reviewed to ensure that there are no discrepancies or omissions.

In conjunction with the checklists, a short report must be written to the Committee.

Such things as the thoroughness of the peer review, record keeping regimes, understanding of the Standards, whether previous year's CARs have been discharged should be commented on.

Any items that the Committee should note or, take into consideration, or discuss should be highlighted.

At the conclusion, all files, documents, checklists and reports must go back to the Certification Manager.

When the Certification Committee meets to go over the year's paperwork, the Auditor should be present or available by phone to answer any questions or to clarify any points.

Glossary

Audit: A thorough, detailed check of work carried out by during the peer review.

Inspection: A visit to a property during which, by an observant tour of the site with the grower and site manager/s are in attendance, it is ascertained how the various processes and precautions pertaining to organic agricultural production have been carried out.

Certification: The endorsement of a grower, their property and product as meeting the requirements of the organic standards. A certificate proving this.

Standards: The current organic production standards and operational procedures employed by the regional authority under Organic Farm NZ.

Grower: A grower/producer and or their respective partner. The names appearing on the certificate.

CAR: Corrective Action Request. These are actions required of the, producer, to remedy any violation of the Standards that are sited. A due by date is always given.

Recommendation: A suggestion that need not necessarily be enforced.

Flag: An item that the CM (and /or the peer reviewers) wish to highlight for attention by the Auditor in the producer's paperwork.

ORGANIC FARM NEW ZEALAND.

ACCREDITATION OF AUDITOR

Key competency	Component Assessed	Assessment Method	Assessment Standard	Comments
1.Knowledge	1.1 Displays technical knowledge	Academic Record	Tertiary qualification in related field (or 1.2)	
	1.2 Has experience	Outline of practical experience	Autobiography indicates experience	
	1.3 Knowledge of Standards	Questions in an assignment	Able to use the standards. - Appropriate use of standards during a test audit.	
2. Commitment to Organic philosophy	2.1 An understanding of and an intention to promote organic principles	Testimonials Interview by assessor	Testimonial from three recognised organic practitioners. - Satisfactory interview.	
	2.2 Understands the aims and objectives of Organic Farm New Zealand	An interview by the assessor	Demonstrates an understanding of Organic Farm New Zealand	
3. Decision making	3.1 Understands the balance between being pedantic and being pragmatic in	Identifies situations which require recommendations or corrective actions with the setting of appropriate time frames for action	Appropriate decision making demonstrated to assessor during test audit	
4. People skills	4.1 Conducts an audit in an encouraging manner	Observation by assessor during a test audit	The subject of the audit is comfortable and is encouraged.	

Key competency	Component Assessed	Assessment Method	Assessment Standard	
	4.2 Interpersonal communication	Maintaining communication when dealing with difficult situations. Using reference to Standards to explain points of dispute.	Observation by assessor. - Questioning by assessor in hypothetical situations	
5. Investigative skills	5.1 Able to identify inconsistencies between levels of documentation or with observations during an on-site audit	Inconsistencies are noted and investigated to a point of resolution.	Observation by assessor during test audit.	
6. Record keeping and recording.	6.1 Understand the necessity of maintaining up-to-date and accurate records	Records are maintained to an auditable standard	Records are audited by an assessor or auditor.	
	6.2 Communication	Timely communication between parties involved in an audit.	Record of performance as an auditor.	

An assessment checklist can be drawn from the last (assessment standard) column.

Peter Downard

OrganicFarmNZ

Auditor & Certification Manager Training Workshop

9.45am – 3.30pm Saturday 22 November 2014

In this Workshop, we will take a top down approach to auditing to CM work – from general impressions down to the detail.

The purpose of the audit and certification committee meeting is to assess compliance with the standards.

Part 1

General impressions:

The people:

- trust, integrity, openness and friendliness
- knowledge of organics and Biogro standards
- commitment - to learning, to organics, to environmental wellbeing
- participation in organics
- openness to different organics paradigms: permaculture, Te Waka Kai Ora, biodynamics, food forests, biological farming

The property:

- overall health of the farm – soil, water, animals, plants and trees
- biodiversity
- apparent resources
- is tidiness an issue?

The Practicalities of the Audit

- explain the audit process.
- allocation of time
- keeping the discussion going
- keep your eyes open
- gather information for the Certification Committee

The paper work

Ascertaining from the PMP's:

- the level of knowledge of the standards
- are CAR's being dealt with from year to year
- accuracy and commitment to record keeping
- making an assessment of the POD's overall ability from the PMP's

Part 2 – Completing a Farm Audit

The auditor needs to know and understand the standards, or at least how to quickly look up the relevant standard. Obviously an auditor's knowledge will increase over time. It is OK to say 'I am not sure about that, I will consult with another auditor to consider that, and get back to you'.

To assist with assessment, an auditor should start their learning with understanding the main parts of the Biogro standards, as follows:

The soil:

- soil type
- soil tests, both from laboratory testing and direct inspection methods
- compost into compost teas
- mulches
- erosion and pugging
- nutrients
- effluent disposal

Water:

- water sources
- purity & mineralisation
- contamination
- irrigation
- water for animals
- water for plants and trees

Biodiversity

- Increasing biodiversity
- integration

Weeds, pests and diseases

Are these being dealt with in an holistic way as part of healthy system or is an effects based approach being taken (ie. the industrial approach to control).

Inputs and Practices

- the Inputs Schedule.
- record keeping – planning, farm management, practices
- remitted
- restricted- prescribing conditions when giving consent to restricted inputs
- prohibited
- quarantine
- cleaning

Outputs

Quality – from paddock to plate:

- harvesting
- processing
- packaging
- transport
- storage
- display

Animals

- what is the animal management system
- stocking rates and stocking densities
- stock rotation
- providing for animal behaviours
- fodder/feed quality
- shelter and housing
- fencing and containment
- impacts on the environment – dealing with effluent
- methods for dealing with sickness

Vegetables & Crops

- seeds and seedlings
- weeds
- pests and diseases

Orchards

- propagation
- pruning
- pollination
- shelter
- leys/swards

Miscellaneous

- equipment
- buildings
- fencing & support structures
- boundaries, neighbours and buffer zones
- legal compliance

Part 3 – Certification Manager & Certification Committee work

Their learning should be the same as with an auditor – a commitment to learning about the standards. While they do not have the advantage of the ‘eyes, ears and nose’ of a farm audit visit, they do have the advantage of detachment – another ‘check and balance’ in the certification process.

The understanding of the standards is also relevant to the CM granting permissions and on what conditions. However the CM may consult with an auditor before doing this.

Tony Banks
October 2014

Auditor Training Day

22 November 2014

Types of audit:

- Pod paper audit - relying solely on the completeness and accuracy of the paperwork
- Pod site audit - a check of the peer review process
- Individual property audit
- Non-primary producer audit - processors
 - packhouses
 - wholesalers
 - retailers

Preparation

- Property Management Plan and attachments (input schedule, soil tests, declarations)
- Pod Peer Review - Check that it is signed by all present, including the property owner
- Certification Manager Checklist
- Previous audit

Auditor' Checklist

- To ensure the grower is complying with the production standards
- To identify any corrective actions required by the property owner
- To recommend a level of certification to the Certification Committee

Main Points to check with a grower site audit

- Can you find the property?
- OFNZ Standards & BioGo Modules
- Buffer Zones - spray drift
- Soil tests
- Compost making
- Livestock quarantine area
- Property Management Plan Checklist
- Fertiliser and spray diaries
- Off -Farm Inputs Schedule - product status, declarations and verifications
- Inconsistencies between the PMP and the Pod Peer Review and /or site observations
- Previous year's CAR's addressed
- Partially Certified Properties

Certification Committee Meeting

- Discuss findings and recommendations on each property
- Comment on the performance of the Pod Reviews

John Palmer - OFNZ Auditor BOP

The Physical Audit

- At the start of the audit, clearly explain what the licensee can expect from the audit process. Explain corrective action requests and grading, your role, and that you will explain/discuss the outcome of the audit at the end.
- As a general guide, spend 2/3 time on documentation/discussion, 1/3 on property walk. Usual on-site audit time 3-4hrs. You decide structure, but usually best to look around the property after brief opening discussion if this is your first visit to the property: you will get a good sense of the property management and any likely issues.
- Usually best to wait until the end to discuss findings – don't get bogged in discussion over specific points during the audit.
- Ask open questions (what, where, when, how, why), not yes/no or "leading" questions. Encourage the licensee to explain/show their management practices.
- You are not there to demonstrate your knowledge! Your job is to encourage the licensee to explain their management. You do not need to be an expert in the licensee's production, but you should know enough to ask the appropriate questions.
- Be alert. Notice anything out of the ordinary. Most audits have a key defining issue(s) – you should spend adequate time on these, and make clear notes.
- Seek evidence of compliance. For example for inputs, licensees should retain invoices as proof of purchase, or you should see labelled containers.
- The checklist is a prompt to help you cover all the key areas. Do not be limited by the checklist format. Make notes if necessary. Think of the Manager/Committee making certification decisions: the more information you can provide, the easier it is for them.
- Restricted inputs: check on amount of use, and necessity. (*Do auditors have the authority to approve restricted inputs?*)
- Soil residue tests must be taken by an independent sampler, who has experience in testing for soil residues.

Auditing a Pod

- Paper review of all documentation for each licensee. Check for completeness, and consistency of pod audit notes and findings.
- Select (one or two?) pod members for an on-site audit. Usually select one which had more CARS / flags raised, or a difficult cert decision. If two on-site audits are required, 2nd one should be completely random.

Powers and limits of the Auditor

- You do not make certification decisions, only recommendations. The Certification Manager/Committee will review your recommendations.
- You are not there to catch the licensee out! You are there to confirm they understand the requirements of the Standards, and that their management complies. "It is easier to seek compliance than non-compliance".

Ethics

- Declare conflicts of interest.
- You are not an adviser/consultant. You can discuss what is permissible under the Standards, but should not offer advice that could be considered consultancy.

MARK LEVICK
ORGANIC CHANGE MANAGEMENT
1443 SH2
RD2 Whirinaki
Napier 4182
New Zealand
Phone / Fax: 64 6 8367678
Cell: 027 302 3340

Outline for Training Auditors
Packhouse

- 1.**
Is the person responsible for the day-to-day management of the operation present?
Do not proceed without them being present – reschedule the audit if necessary.
- 2.**
Is the property and operation as described on the pre-audited paperwork? You must pre-read the OMP and know about this operation and / or if necessary research the operation type beforehand.
- 3.**
From observation is the site map (walk the perimeters), and floor plan of the facility accurate? Any issues with adjacent operations (*what could these be*)? Sight and note all the pest management sites.
- 4.**
Chat with the Applicant to ascertain if s/he (and supervision staff) are au fait with the BGNZ Standards – make sure there is a copy on hand (sight these later).
- 5.**
Make sure what you have read regarding the claimed activities outlined in the OMP accurately describes what you observe regarding the actual on-premises activities.
- 6.** Has the place been audited before – if so ask to sight the audit report – it will provide good indications of what to look for.
- 7.**
Are all appropriate licences that are required for the enterprise displayed and current? These need to be sighted. For example a Local Authority Kitchen License; Honey Extraction & the Food Hygiene Regulations 1974; Food Safety Programme (FSP), OSH, Building WOF, Packhouse Authority License.

Now you should be ready to sit down and audit required paper work prior to seeing the facility in operation.

- 8.**
Do all the listed cleaning / sanitising products conform to the BGNZ Standards?
- 9.**
Are the premises used for packing non-organic products?

MARK LEVICK
ORGANIC CHANGE MANAGEMENT
1443 SH2
RD2 Whirinaki
Napier 4182
New Zealand
Phone / Fax: 64 6 8367678
Cell: 027 302 3340

Is there any parallel packing? (Parallel = ?).
If so this will significantly affect the clean down requirements.

10.

Does the Applicant's clean down and any flushing procedures meet the requirements of the BGNZ Standards? All possible product contact surfaces to be considered. (Examples of items needing thorough cleaning are?)

11.

Is there an adequate training and learning programme(s) in evidence for all persons working at the plant / production site? This may include training facilitated or conducted by the Applicant and include the basics to ensure the integrity of the Organic product and to minimise the chance of it being compromised.

12.

Check out the formalised pest management programme? How often is it maintained? Is it up to date? Is it likely to compromise the integrity of the Organic product? (Procedures likely to contaminate Organic product could be?)

13.

Is water used anywhere in the line - or for cleaning?
If so, is it recycled water? If yes

14.

At the end of the line is the product packed on-site? (Into boxes, plastic sleeves etc.)
If so, do the types of packing and containers used comply with the BGNZ Standards?
Has the labelling been approved by the Certification Committee?

15.

Storage – does the storage of the Organic product conform to the BGNZ Standards?
What facility is used for storage and does it conform to the BGNZ Standards?
(What would not conform?)

16.

If the bulk product is transported from the packhouse to storage or for packing elsewhere is there an adequate transportation protocol? (what is required by the BGNZ Standards?).

Now observe some fruit or product going through packhouse.

Subsequently, audit at least one product run.

MARK LEVICK
ORGANIC CHANGE MANAGEMENT
1443 SH2
RD2 Whirinaki
Napier 4182
New Zealand
Phone / Fax: 64 6 8367678
Cell: 027 302 3340

You must check the balance between prod accepted and product packed.
Record all of the details for at least this product run. Any discrepancy between in / out has to be accounted for in the by-product / waste. If this is not the case – where is it?

When writing up the narrative report to accompany the Auditor’s checklist please use the following Response Code:

Meets BGNZ standards – recommend Certification.
= fully meets the BGNZ Organic Standards.

Minor noncompliance (MN)

= a breach of the Standards:

Minor – does not directly compromise the integrity of the product but needs correcting.

Major noncompliance (MJ)

= a breach of the Standards:

Major – may compromise the integrity of the product if not corrected, or may result from not correcting a previous minor non-compliance.

Critical noncompliance (CR)

= a breach of the Standards:

Critical – directly affects the integrity of the product, or may result from not correcting a previous major non-compliance. A critical non-compliance will normally result in us withdrawing certification from the product(s) or enterprise(s) affected or the whole license.

Manifest infringement (MI)

Such a significant breach of the Standards that integrity in the organic system has been lost. It may also result from not correcting a previous critical noncompliance. We will terminate part of the license or the entire license.

More information (IN)

No breach of Standards found but unable to confirm compliance with requirements until information is supplied. This will be detailed in the compliance form sent to the operator.

Certification Committee query (CC)

Where an issue has arisen that doesn’t seem to be covered by the Standards, or an issue that may not affect product integrity it can be referred to our internal certification committee to make a decision.

Comment (CO)

Any comments that you wish to make to the licensee.