PHILIPPINE COCONUT AUTHORITY

Quality Management System Manual

Revision 0

Issued on October 1, 2017

Conforms to ISO 9001:2015

ADOPTED AND APPROVED by the PCA Governing Board under Resolution No, 151-2017 issued on 27 September 2017.

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0.0. REVISION HISTORY AND APPROVAL

Rev.	Nature of Changes	Reviewed By	Approved By	Date

1.0. Agency Profile

1.1. PCA History

The Philippine Coconut Authority (PCA) is the sole government agency mandated to promote the development of the coconut and palm oil industry to full potential.

PCA was created on June 30, 1973 pursuant to Presidential Decree 232, absorbing and assuming the powers and functions of the then Coconut Coordinating Council (CCC), the Philippine Coconut Administration (PHILCOA) and the Philippine Coconut Research Institute (PHILCORIN). By virtue of P.D. No. 961, PCA, on July 14, 1976 became an independent public corporation, directly reporting to and supervised by the Office of the President. The Decree was the codification of the laws dealing with the development of the coconut industry. The code was later revised on July 11, 1978 by P.D. 1468 ("Revised Coconut Industry Code") which eventually became the charter of PCA as a public corporation. In 1987, then President Corazon C. Aquino issued Executive Order No. 146, reorganizing the membership of the PCA Governing Board and deleted the provision of sectoral representation mentioned in P.D. 1468.

The official declaration of PCA as an attached Agency of the Department of Agriculture (DA) was on January 30, 1987, pursuant to Executive Order No. 116. The attachment was confirmed under the 1987 Administrative Code. The objective of the transfer to DA was to provide overall coordination and monitoring of policies and programs of various sectors in agriculture.

PCA was reassigned back to the Office of the President under the Office of the Presidential Assistant for Food Security and Agricultural Modernization (OPAFSAM) as Supervising Agency of PCA on May 5, 2014 by virtue of Executive Order No. 165.

PCA continues to be under the Office of the President, reporting directly to the Cabinet Secretary.by virtue of Executive Order No. 1 issued on July4, 2016 by President Rodrigo Roa Duterte.

1.2. Mandate

PCA is mandated to promote the rapid integrated development and growth of the coconut and other oil palm industry in all its aspects, and to ensure that the coconut farmers become direct participants in and beneficiaries of such development and growth.

1.3. Vision and Mission

The Vision and Mission of PCA are embodied in Board Resolution No. 148-2015.

1.3.1. Vision

The Philippine Coconut Authority (PCA) visualizes by 2020 a developed and globally competitive coconut and other palm oil industry that contributes to food security, improved income and enhanced participation of all stakeholders.

1.3.2. Mission

PCA shall ensure the development and implementation of high value programs for the coconut and other palm oil industry carried out in transparent, responsible and accountable manner and with utmost degree of professionalism and effectiveness.

1.4 Core Values

PCA shall uphold, at all times, the core values of Professionalism, Integrity, Transparency and Excellence.

2.0. About the PCA Quality Manual

This manual is prepared for the purpose of defining the Authority's interpretations of the ISO 9001:2015 international standard, and demonstrating how the Authority complies with that standard.

This manual, together with associated documents mentioned hereto, aims to:

- Describe the basic elements of the QMS of the PCA and serve as reference in its implementation and continual improvement;
- Inform the internal and external stakeholders and enable them to observe and implement the QMS that is being maintained at the PCA; and
- Serve as reference and guide for appreciation of the PCA's QMS.

This Manual is intended to be used by all the units of PCA in the Central Office and in the PCA Regions I-IVB Regional Office.

Where subordinate or supporting documentation is referenced in this manual, this is indicated by bold italics. When referring to procedures, these are described in the Procedures Manual.

3.0. Terms and Definitions

PCA adopts the following terms and definitions in its Quality Management System. Where no definition is provided, the Authority typically adopts the definitions provided in ***ISO 9000: Quality Management-Fundamentals and Vocabulary.*** In some cases, specific procedures of documentation may provide a different definition to be used in the context of that document; in such cases, the definition will supersede those provided for in this Quality Manual or ISO 9000.

PCA	-	shall refer to the Philippine Coconut Authority
Document-		shall refer to written information used to describe how an activity is done
Record	-	shall refer to captured evidence of an activity having been done
Client	-	shall refer to stakeholder of the coconut industry and other entities that requires services from PCA either for regulatory services or export trade services
Stakeholders	-	shall refer to interested parties and coconut industry players (Coconut Farmers, oil millers, refiners, processors, desiccators, traders, exporters, and foreign importers
Top Management	-	shall refer to the Management Committee composed of the Administrator and three (3) Deputy Administrators
Regulatory Services	-	shall refer to services carried out by the Authority through the following, viz; registration of companies engaged in coconut business, lumber processors and traders, and chainsaws; assessment and collection of PCA Fee, issuance of Permit-to-Cut coconut trees, transport permit, and certificate for land inspection and verification for land use conversion
Export Trade Services	-	shall refer to the issuance of commodity clearances, export clearance and result of laboratory analysis. These are non-mandatory and requested by exporters, foreign importers and other interested parties.

Risk	-	shall refer to negative effect of uncertainty
Opportunity		shall refer to positive effect of uncertainty
Uncertainty	-	shall refer to deficiency of information related to the understanding or knowledge of an event, its consequence or likelihood and not to be confused with measurement uncertainty
Nonconformity	-	shall refer to nonfulfillment of a requirement

4.0. The Scope and Context of the PCA QMS

4.1. Determining PCA Strategic Direction

- PCA has reviewed and analyzed key aspects of itself ***(Please refer to Internal and External Issues Matrix)*** and its stakeholders ***(Please refer to Relevant Interested Parties Matrix)*** to determine the strategic direction of the Authority. This involves:

- Understanding the regulatory services and scope of management system (see 4.2 below);

- Identifying clients who receive regulatory services;

- Identifying stakeholders who may be impacted by these services or those parties who may have a significant interest;

- Understanding internal and external issues that are of concern to PCA and its interested parties. Many such issues are identified through analysis of risks facing either PCA or the interested parties. Such issues are monitored and updated as appropriate and discussed as part of management reviews.

- Use of the information by top management during corporate and strategic planning to determine the Authority's strategic direction. This is defined in records of management review and periodically updated as conditions and situations change.

4.2. Scope of the Management System

4.2.1. Scope Statement

The scope covers management, operations and support processes of the PCA as indicated in the PCA Process Map and at the following locations:

Based on an analysis of the above issues of concern, interests of stakeholders and in consideration of its mandate, the PCA QMS Core Processes covers the regulatory services (Issuance of Permit to Cut, Transport Permits and Registration Certificates)and export trade services when requested (Issuance of Export and Commodity Clearance, and Laboratory Analysis)

PCA Central Office	Elliptical Road, Diliman, Quezon City
PCA Regions I-IVB	PCA Compound, Elliptical Road, Diliman, Quezon City

4.2.2. Non-Applicable Requirements

The design and development of products and services (Clause 8) is determined as not applicable to the Philippine Coconut Authority because PCA's regulatory services are based on existing laws, rules and regulations (PDs, MCs, COs, EOs and AOs);

5.0. Quality Policy

PCA has developed the following Quality Policy that governs day-to-day operations to ensure quality.

The Philippine Coconut Authority commits:

- to promote the development of the coconut and other palm oil industry;
- to ensure that programs and services are carried out in a transparent, responsible and accountable manner with utmost degree of professionalism and effectiveness;
- to conform with ISO 9001:2015 and applicable requirements; and
- to continually improve the quality management system and quality of services.

The Quality Policy is released as a stand-alone document as well, and is communicated and implemented throughout the organization.

6.0. Quality Management System Processes

6.1. Process Identification

PCA has adopted a process approach for its quality management system. The PCA's high level process map is divided into three groups of processes namely;

- Management Processes – those that are needed for oversight and governance of PCA's quality management system.
- Operations Processes – those that are needed to realize planned activities in performing regulatory services and export trade services, allowing PCA to deliver the intent of the output of the operations.
- Support Processes – those that are needed to manage the resources necessary to ensure satisfactory performance of the Operations Processes.

The processes are described in the ***Manual of Operations.***

Conceptually, these three groups of processes are working together to transform the client's requirements into client satisfaction. The Management Processes set directions, policies, and plans for the operations to be performed and delivered as to the desired outputs and organizational outcomes. During the corporate and strategic planning and industry consultative meeting, the management identifies internal and external issues through SWOT (Strengths, Weaknesses, Opportunities and Threats) Analysis.

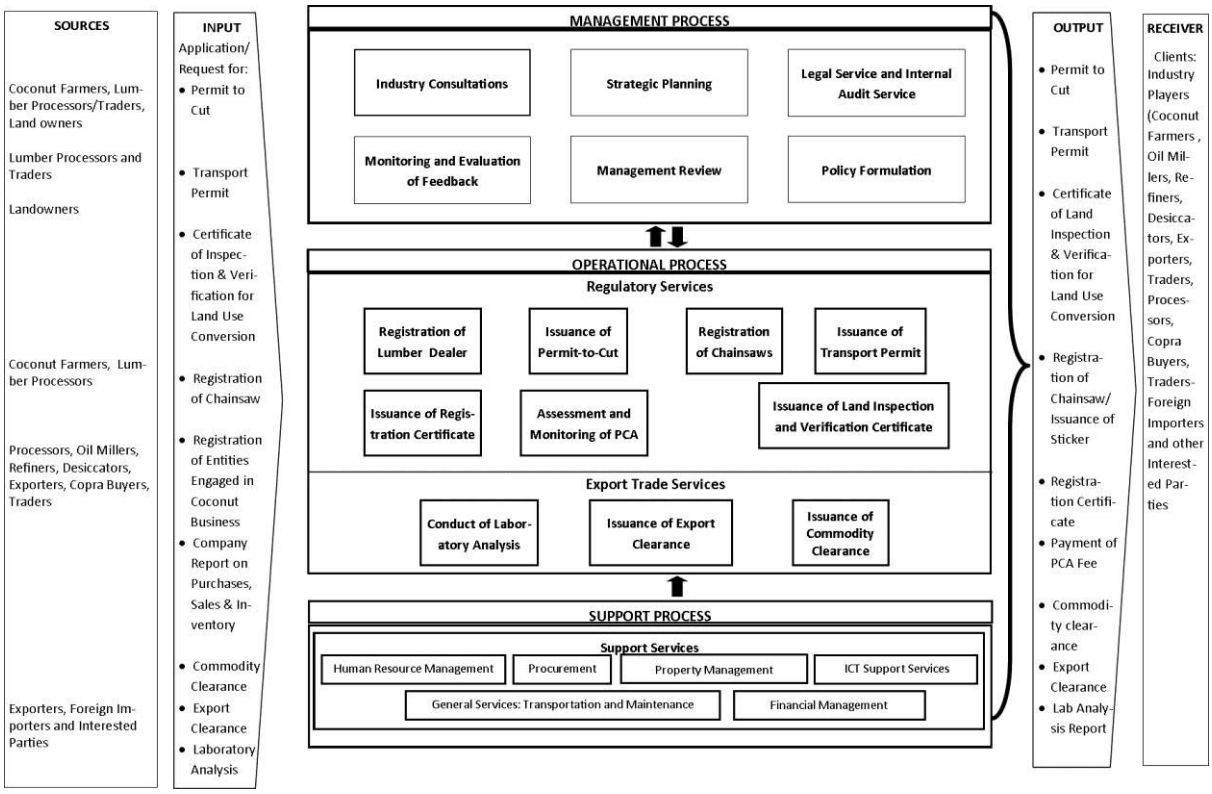
The box under Operations is the regulatory services which are performed by the different offices of PCA for the issuance of Permit-to-Cut, Transport Permits, Registration Certificates and issuance of stickers, Land Inspection and Verification Certificates, and issuance of Export and Commodity Clearance and Laboratory Test Results when requested. The quality plan of these regulatory services is described in the ***Citizen's Charter.***

The support processes provide the necessary administrative and logistical support to the operations for the effective delivery of regulatory services**.** Both the operations and support processes communicate feedback and reports to the management for proper monitoring and implementation of appropriate corrective action.

The clients, together with other interested parties, are crucial factors in implementing the PCA's QMS. Their requirements and concerns are taken into consideration in the planning activities of the organization. Their feedback and satisfaction are also being monitored and measured as inputs to the management's review of the Authority's performance. These data are also used for continual improvement of the system, processes and products and services.

PCA PROCESS MAP

(Include Processors in Registration of Lumber Processors



6.2. Process Controls and Objectives

Each process has at least one objective established for it; this is a statement of the intent of the process. Each objective is then supported by at least one "metric" or key performance indicator (KPI) which is then measured to determine the process' ability to meet the quality objective.

Throughout the year, metrics data is measured and gathered by process owners or other assigned department managers in order to present the data to Top Management during management review. The data is then analyzed by the corporate planning and endorsed to top management for the Authority to set goals and make adjustments for the purposes of long-term continual improvement.

The specific quality objectives for each process are defined in the PCA Scorecard and Office Performance Commitment and Review (OPCR) Form. Metrics, along with current standings and goals for each objective, are recorded in the records management review.

When a process does not meet a goal or an unexpected problem is encountered with a process, the corrective and preventive action process is implemented to research and resolve the problem. In addition, opportunities for improvement are sought and implemented for the identified processes.

6.3. Outsourced Processes

Any process performed by a third party is considered an "outsourced process" and must be controlled**.** The Authority's outsourced processes, and the control methods implemented for each, are defined below:

Purchase of Goods and Services

Products and Services	Controls
Office Supplies and Equipment	Supplier eligibility requirements Quality inspection and acceptance
Consulting Services	Contract/TOR Accomplishment Reports
Janitorial and Security	Contract Performance Evaluation Regular Monitoring by GSD
Catering Services	Contract Client Feedback
Maintenance Equipment	Contract Performance Evaluation Inspection of services by GSD

Rental of Facilities and Equipment

Facilities and Equipment	Controls
Photocopying Machine	Lease Contract Maintenance Performance Evaluation

The type and extent of control to be applied to the outsourced process take into consideration the following:

a) the potential impact of the outsourced process on the Authority's capability to provide product that conforms to requirements;

b) the degree to which the control for the process is shared;

c) the capability of achieving the necessary control through the procurement contract requirements

7.0. Documented Information

7.1. General

The extent of the management system documentation has been developed based on the following:

a) The Size of PCA

b) Complexity and Interaction of the Processes

c) Risks and Opportunities

d) Competence of Personnel

7.2. Control of Documented Information

Documents required for the management system are controlled in accordance with the procedure: ***Control of Documented Information Procedure.*** The purpose of document control is to ensure that the staff has access to the latest, approved information and restrict the use of obsolete information.

All documented procedures are established, documented, implemented and maintained.

The ***Control of Documented Information Procedure*** also defines the controls needed for the identification, storage, retrieval, protection, retention time and disposition of quality records. This procedure also defines the methods for controlling records that are created by and/or retained by suppliers.

These controls are applicable to those records which provide evidence of conformance to requirements which may be evidence of regulatory services' requirements, procedural requirements or statutory / regulatory compliance. In addition, records include any records which provide evidence of the effective operation of the management system.

8.0. Management and Leadership

8.1. Management Leadership and Commitment

The Governing Board and the Administrator provide evidence of leadership and commitment to the development and implementation of the management system and the continual improvement of its effectiveness by:

a) taking accountability of the effectiveness of the management system;

b) ensuring that the *Quality Policy* and quality objectives are established for the management system and anchored with the strategic direction and the context of the organization;

c) ensuring the integration of the management system requirements into the organization's other processes, as deemed appropriate;

d) promoting awareness of the process approach;

e) ensuring that the resources needed for the management system are available;

f) communicating the importance of effective quality management and of conforming to the management system requirements;

g) ensuring that the management system achieves its intended results;

h) engaging, directing and supporting persons to contribute to the effectiveness of the management system;

i) promoting continual improvement;

j) supporting other relevant management roles to demonstrate their leadership as it applies to their areas of responsibility.

8.2. Client Focus

The PCA adopts a client-first approach, which ensures that client needs and expectations are determined, converted into requirements and are met with the aim of enhancing client satisfaction.

This is accomplished by assuring that:

a) client and applicable statutory and regulatory requirements are determined, understood and consistently met;

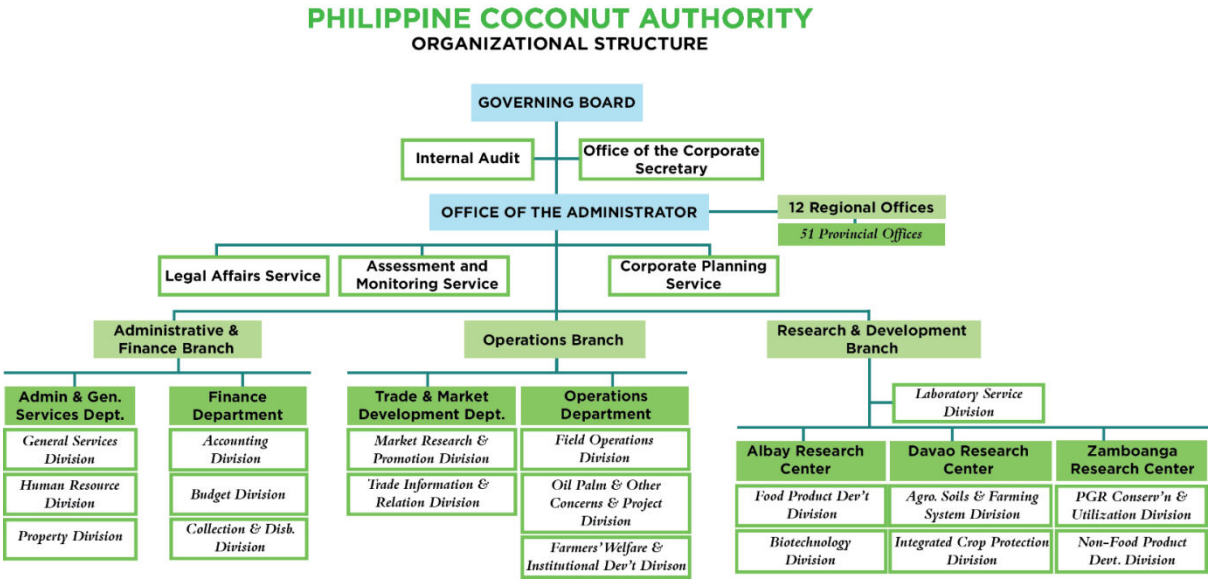
b)risks and opportunities that can affect conformity of products and services and the ability to enhance client satisfaction are determined and addressed;

c)focus on enhancing client satisfaction is maintained.

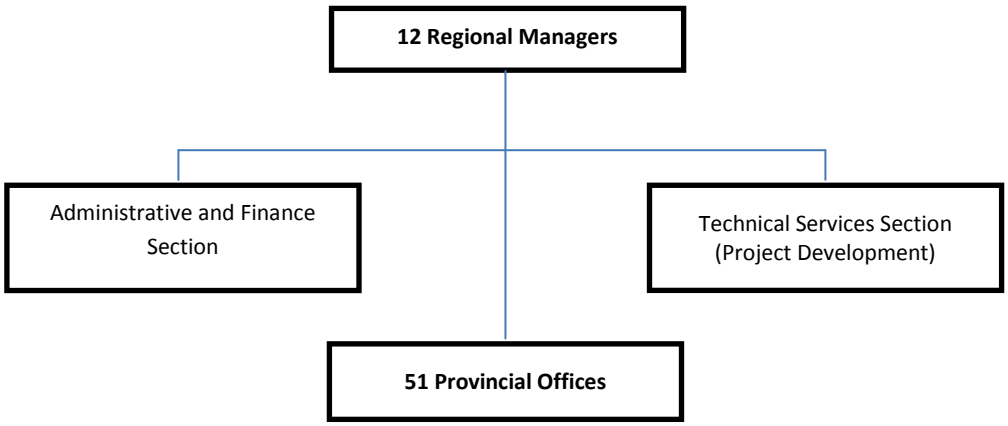
8.3. Organizational Roles, Responsibilities and Authorities

The Governing Board delegates responsibilities and authorities to Management for all relevant roles in the Authority per ***Corporate Order on Delegation of Authority***. These are communicated through the combination of the PCA Organizational Structure indicated below and the Functional Descriptions. (***Please refer to the PCA Corporate Governance Manual and the Approved PCA Rationalization Plan.***

a) PCA Organizational Structure



b) Regional Offices



The list of Regional and Provincial Offices as well as the Functional Descriptions are enumerated in the PCA Corporate Governance Manual, Article VII and the Approved PCA Rationalization Plan.

In addition, the Deputy Administrators assume responsibility and authority for:

a) ensuring that the management system conforms to applicable standards;

b) ensuring that the processes are delivering their intended outputs;

c) reporting on the performance of the management system;

d) providing opportunities for improvement for the management system;

e) ensuring the promotion of client focus throughout the organization;

f) ensuring that the integrity of the management system is maintained when changes are planned and implemented.

8.4. Internal Communication

The Deputy Administrators ensures that internal communication takes place regarding the effectiveness of the management system. Internal communication methods include;

a) use of corrective and preventive action processes to report nonconformities or suggestions for improvement;

b) use of the results of analysis of data;

c) conduct of meetings (periodic, scheduled and/or unscheduled) to discuss aspects of the QMS;

d) use of the results of the internal audit process;

e) conduct of regular company meetings and general assembly with all employees;

f**)** use of internal emails;

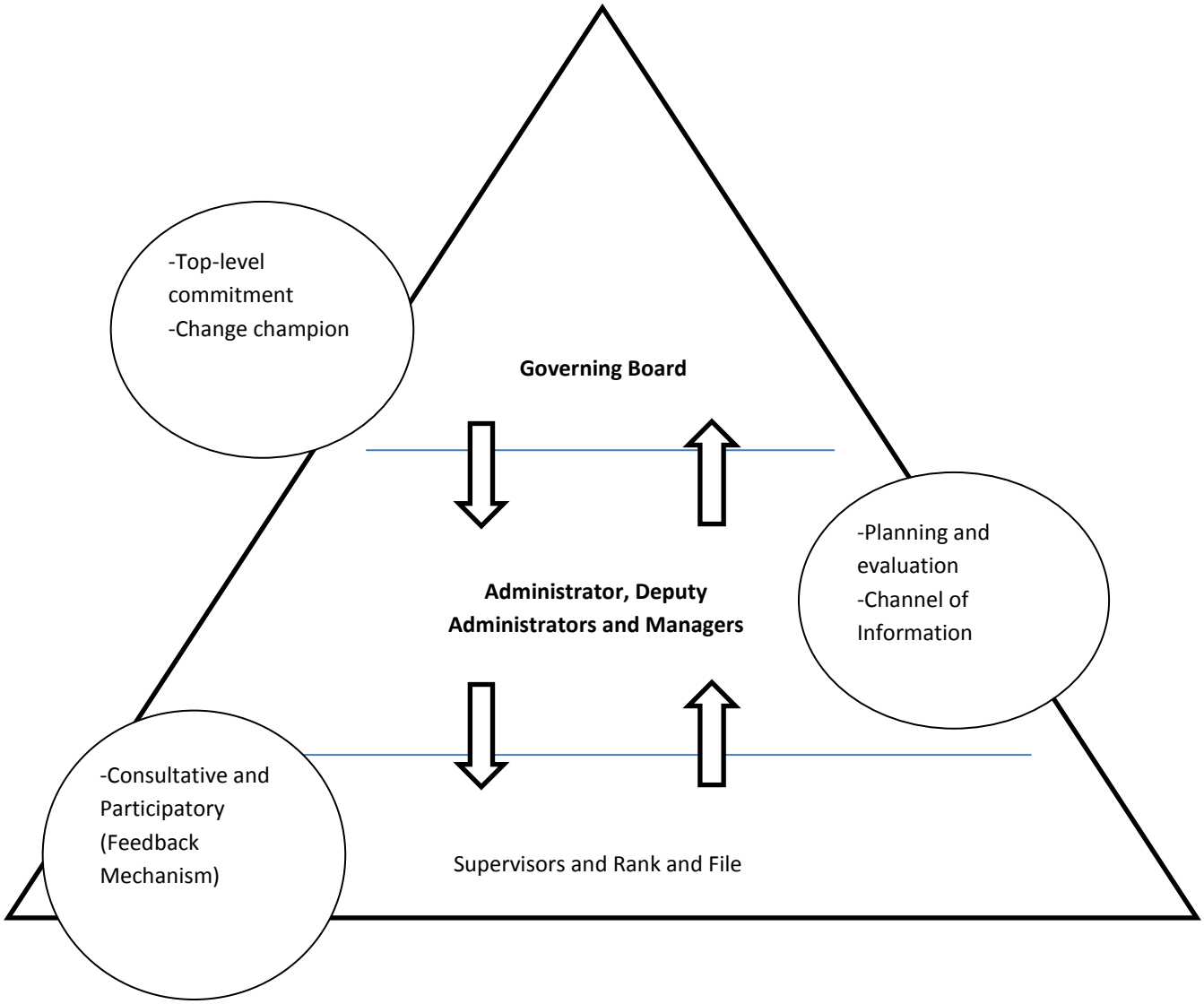
g) issuance and dissemination of memorandum circulars;

h) use of bulletin boards;

i) use of "open door" policy which allows any employee access to the Deputy Administrators for discussions on improving the quality system.

8.5. Change Management

When PCA determines the need for changes to the management system or its processes, these changes are planned, implemented and verified for effectiveness. The Change Management Framework provides an overview of how changes are managed in the Authority.



8.6. Risks and Opportunities

PCA considers risks and opportunities when taking actions within the management system and when implementing or improving the management system. These are also considered relative to products and services. Risks and opportunities are identified as part of the corporate and strategic planning and throughout all other activities of the QMS.

Risks and opportunities are managed in accordance with the document ***Risk Management Matrix (Please refer to Risk Management Matrix).*** This procedure defines how risks are managed in order to minimize their likelihood and impact and how opportunities ***(Please refer to Opportunities for Improvement Matrix***) are managed to improve their likelihood and benefit,

8.7. Management Review

Top Management reviews the management system at planned intervals to ensure its continuing suitability, adequacy and effectiveness. The review includes assessing opportunities for improvement and the need for changes to the management system, including the Quality Policy and quality objectives.

Management review frequency, agenda (inputs), outputs, required members, actions taken and other review requirements are defined in the documented procedure ***Management Review Procedure.***

Records from management review are maintained by the QMS Secretariat.

9.0. Resources

9.1. Provisions of Resources

PCA determines and provides the resources needed **to:**

a) implement and maintain the management system and continually improve its effectiveness;

b) enhance client satisfaction by meeting client requirements.

Resources allocation is done with consideration of the capability and constraints on existing internal resources as well as needs related to supplier expectations.

Resources and resources allocation are assessed during management reviews.

9.2. Procurement of Goods and Services

PCA adheres to the provisions of Republic Act No. 9184, otherwise known as the Government Procurement Reform Act.

Items contained in the Purchase Request (PR) must be verified **if it is** consistent with the approved Annual Procurement Plan. The amount of the PR determines the mode of procurement to be used per ***Corporate Order on Delegation of Authority.***

9.3. Human Resources

Top management ensures that it provides sufficient staffing for the effective operation of the management system and the identified processes.

Employees performing work affecting product quality are competent on the basis of appropriate education, training, skills and experience as prescribed by the Civil Service Commission and the required competencies of each position.

Trainings shall be used to review, evaluate and develop the organization and its people to be effective in their respective roles and to establish how these roles relate to the organizational goals and commitments.

Training and subsequent communication shall ensure that the staff is aware of:

a) the quality policy;

b) relevant quality objectives;

c) contribution to the effectiveness of management system, including the benefits of improved performance;

d) implications of nonconformities with the management system requirements.

9.4. Infrastructure

PCA determines, provides and maintains the infrastructure needed to achieve conformity to product requirements. Infrastructure includes, as applicable:

a) buildings, workspace and associated facilities;

b) process equipment, hardware and software;

c) supporting services such as transport;

d) information and communication technology.

9.5. Work Environment

PCA provides a clean, safe and well-lit working environment. The General Services Division manages the work environment needed to achieve conformity to product requirements. Specific environmental requirements for products are determined during

planning and are documented in subordinate procedures, work instructions, or job documentation. Where special work environments are implemented, these shall also be maintained per 6.3 above.

Social, psychological and safety aspects of the work environment are managed through activities outside of the scope of the management system. Only work environment aspects which can directly affect process efficiency or product and service quality are managed through the management system.

9.6. Monitoring and Evaluation of Resources

Monitoring and evaluation of resources is a process that helps improve performance and achieve results. Its goal is to improve current and future management of outputs, outcomes and impact. The process is aimed at providing better means for learning from past experiences, improving service delivery, planning and allocating resources.

Indicators are specific, observable and measurable characteristics or change that represents achievement or non-realization of goals.

9.7. Organizational Knowledge

PCA also determines the knowledge necessary in the operation of its processes and in achieving conformity of products and services. This may include knowledge and information obtained from:

a) internal sources, such as lessons learned, feedback from subject matter experts, and/or intellectual property;

b) external sources such as standards, academia, conferences, and/or information gathered from clients or suppliers.

PCA shall conduct training based on training needs of the employee and the PCA Calendar of Training Activities. This knowledge shall be maintained, and made available to the extent necessary.

When addressing changing needs and trends, PCA shall consider its current knowledge and shall determine how to acquire or access the necessary additional knowledge.

10.0. Operation

10.1. Operational Planning and Control

PCA plans and develops the processes needed for the realization of regulatory services. Planning of regulatory services is consistent with the requirements of the other processes of the management system. Such planning considers the information related to the context of the organization (see Section 4.0. above), current resources and capabilities, and implementing rules and regulations requirements.

Changes to operational processes are done in accordance with the **Change Management Framework.**

10.2. Client-Related Activities

These activities are defined in the ***Regulatory Services and Export Trade Services Procedures.***

10.2.1. Provisions of Regulatory Services relating to Administrative Order (AO) No. 003, series of 1981 and Administrative Order No. 02, series of 2010

10.2.1.1. Registration of Those Engaged in the Business of Coconut

PCA is authorized under Administrative Order No. 003, series of 1981 and AO No. 02, series of 2010 to impose registration of persons and entities engaged in business involving coconut and other palm oil, products and by-products. Change in plant capacity or product line and location requires a new registration. Renewal of Registration requires that the applicant complies with the required payment of PCA Fee.

10.2.1.1.1. Control of Provisions

PCA considers as applicable, the following:

a) availability of pre-numbered registration certificates and related documents;

b) availability and use of suitable monitoring and measuring resources, product standards and protocols for the conduct of plant inspection and product sampling;

c) appointment of competent personnel;

d) implementation of controls to prevent human errors through the provision of guidelines, standards, orientation and provision of necessary trainings;

e) implementation of actions that promotes collaboration with other government regulatory units through active participation in inter-agency TWG meetings and DA Sanitary and Phytosanitary (SPS) Focal Group.

10.2.1.2. Assessment and Collection of PCA Fee

P.D. 1854 mandates PCA to assess and collect PCA Fee of Three Centavos for every kilo of copra or husked nuts or their equivalent in copra terms of other coconut products delivered to and/or purchased by copra exporters, oil millers, desiccators and other end-users of coconut products. Executive Order 292, the Administrative Code of 1987, confirmed the authority and authorized the upgrading and increase in rates of fees and charges equivalent to the full cost of service. Executive Order 159, series of 1994 reiterated this authority which prompted the PCA Governing Board to issue Resolution No. 035-95 authorizing a revised rates of Six Centavos per kilogram effective January 1, 1996; Nine Centavos per kilogram effective January 1,1997; and Twelve Centavos effective January 1,1998. Administrative Order No. 1, series of 2011, amending Administrative Order No. 01, series of 1996 and Administrative Order No. 01, series of 2010, was issued on March 11, 2011 implementing the upgraded PCA Fee.

10.2.1.3. Issuance of Commodity Clearance

When exporters, foreign Importers or other Interested party request Commodity Clearance (laboratory certification for quality of product) for their requirements, the PCA is authorized to issue Export and Commodity Clearances pursuant to Section 5 of the IRR of Executive Order 1016. Issuance to the Exporter of Export Clearance is a requirement, among others, in the issuance of Commodity Clearance.

10.2.2.Provisions of Regulatory Services relating to Republic Act (R.A.)8048 as Amended by R.A. 10593

PCA implements the provisions of Republic Act 8048 as amended by R.A. 10593, which provides for the preservation of coconut trees. Under this law, PCA requires for compliance the following, viz: (1) Permit-to-Cut coconut trees; (2) Registration of Coconut Lumber Processors/Traders/Retailers; (3) Registration of Chainsaws; (4) Permit to Transport Lumber; and (5) Certificates of Inspection and Verification for Land Use Conversion.

10.2.2.1. Control of Provisions of Regulatory Services relating to Republic Act 8048

PCA considers as applicable, the following:

a) availability of documents or records that define the characteristics of the regulatory services related to RA 8048 and the results to be achieved;

b) availability and use of suitable monitoring and measuring resources;

c) implementation of monitoring and measurement activities by PCA Central Office through field monitoring and audit of PCA Regional/Provincial Offices, and submission of monthly monitoring reports.

d) the use of suitable infrastructure and environment;

e) the appointment of competent persons, including required qualifications;

f) implementation of actions to prevent human error through the provision of guidelines, standards and orientation of employees related to the implementation of RA 8048 and their attendance to RDC, provincial/municipal/barangay meetings for information dissemination.

g) implementation of release, delivery and post-delivery activities.

10.3. Identification and Traceability

For the regulatory services, application forms and permits are pre-numbered. Permits are traced and identified using serial numbers. The Central Office provides pre-numbered registration certificates to the Regional Offices. The registration certificates are identified and traced through their serial numbers.

For the laboratory samples, the samples submitted to the Laboratory Services Division (LSD) are identified and traced from two different sources. The samples can either be submitted by the Regional Offices or walk-in clients. The Regional Office assigns application number to the applicant. The LSD assigns a Test Request number to the Customer's Contract and Test Request forms, ADM-SF01 and ADM-SF02a respectively. The LSD reviews the forms to verify the identification of the samples as provided by the client. An individual Laboratory Code and Test Report Number shall be assigned to the sample.

The Application Number, Test Report number and Laboratory Code assigned at the Test Request form serve as the control numbers to track the specific location/ source and manufacturer of the sample. Also indicated in the Test Request form are the Production Code (Lot/Batch No.) and Quantity/ Volume/ Package Size of the specific sample.

10.4. Property Belonging to Third Parties

PCA exercises care with Client or supplier's property while it is under the organization's control **or** while being used by the organization**.** Upon receipt, such property is identified, verified, protected and safeguarded. If any such property is lost, damaged or otherwise found to be unsuitable for use, this is reported to the Client or supplier and record is maintained.

Client shall identify data which are furnished to PCA to be used in the processing of permits and certificates. These are preserved and maintained to prevent accidental loss, damage or inappropriate use.

10.5. Preservation

To ensure authenticity, permits are stamped with the dry seal of the Regional and Provincial Office. Prior to release, the permits' contents are recorded in the logbook.

For laboratory samples, the PCA Regional Office preserves the samples gathered during the inspection and sampling supervision through:

1. sealed and unaltered packaging
2. immediate delivery to the laboratory

10.6. Post-Delivery Activities

As applicable, PCA conducts the following activities which are considered "post-delivery activities":

- Conduct by the Agriculturist of necessary spot-checking of the actual cutting and number of trees vis a vis validity of Permit-to-Cut and the number of trees allowed for cutting;

- Provision of the list of registered companies/business entities to the Bureau of Customs to serve as basis of allowing export/import of coconut products, or withholding the shipment or export of these.

10.7. Process Change Control

PCA reviews and controls both planned and unplanned changes to processes to the extent necessary to ensure continuing conformity with all requirements.

10.8. Measurement and Release of Permits and Certificates

Prior to release, the permits and certificates go through a series of review to ensure validity and accuracy.

10.9. Control of Non-conforming Outputs

PCA ensures that Regulatory Services or other process outputs that do not conform to requirements are identified and controlled to prevent their unintended use or delivery.

The controls for such non-conformance are defined in ***Control of Nonconformity Procedure.***

11.0. Performance Evaluation

11.1. Monitoring, measurement, analysis and evaluation

PCA applies suitable methods determining which aspects of the quality management system and its processes are to be monitored, measured and evaluated. The frequency and methods by which our processes are monitored, measured and evaluated is determined by:

1. Statutory and regulatory requirements;
2. Client feedback;
3. Process and QMS requirements;
4. Process performance and audit results.

All monitoring, measuring and evaluation outputs are documented and analyzed to determine process effectiveness, to ensure their effectiveness in achieving best results and to identify opportunities for improvement. Where applicable, records are retained as documented information.

11.1.1. Analysis and evaluation

PCA uses the management system to improve its processes, products and services. Such improvements aim to address the needs and expectations of Clients as well as other interested parties, to the extent possible. Analysis and evaluation shall be driven by data related to:

1. Conformity of regulatory services;
2. Degree of client satisfaction;
3. Performance and effectiveness of the management system;
4. Effectiveness of planning;
5. Effectiveness of action taken to address risk and opportunities;
6. Performance of external providers;
7. Other improvements to the management system.

11.1.2. Customer satisfaction

As one of the measurements of the performance of the management system, PCA monitors information relating to Client perception as to whether the Authority has met Client requirements. The methods for obtaining and using this information include:

1. Recording of client feedback;
2. Submission of client satisfaction surveys.

The corrective and preventive action system shall be used to develop and implement plans for Client satisfaction improvement that address deficiencies identified by these evaluations, and to assess the effectiveness of the results.

11.2. Internal Quality Audit

PCA conducts internal audits at planned intervals to determine whether the management system conforms to contractual and regulatory requirements, requirements of ISO 9001, and management system requirements. Audits also seek to ensure that the management system is effectively implemented and maintained.

These activities are defined in the document ***Internal Quality Audit Procedure.***

11.3. Corrective Action

PCA takes corrective action to eliminate the cause of nonconformity in order to prevent recurrence.

These activities are done through the use of the formal Corrective Action Procedure, and are defined in the document ***Corrective Action Procedure.***

PHILIPPINE COCONUT AUTHORITY

Quality Management System

PROCEDURES MANUAL

Revision: 0
Issued on October 1, 2017

ADOPTED AND APPROVED on 27 September 2017 by the PCA Governing Board under Resolution No. 151-2017

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Rev.	Date	Nature of Changes	Approved By
0	Oct. 1,2017	Original issue.	Governing Board

I. Control of Documented Information

Revision and Approval

This procedure is released and approved as follows.

Rev.	Date	Nature of Changes	Approved By
0	Oct. 1,2017	Original issue.	Governing Board

Summary

This procedure defines the requirements for the creation, review, approval, distribution, use and revision of PCA quality management system documents and records.

This procedure applies to documents which instruct PCA staff on how to carry out activities and tasks and records of implementation. This includes manuals, procedures, forms and instructional sheets or posters. Documents outside of this scope do not require control.

The following definitions are important for a clear understanding of this procedure:

Document	Information and its supporting medium. The medium can be paper, electronic or optical computer disc, photograph or a combination thereof.
Record	A document stating results or providing evidence of activities performed Records can be used to document traceability and to provide evidence of verification, preventive action, and corrective action. Generally records need not be under revision control. Records may use different media, including paper, electronic or optical computer disc, photograph or a combination thereof.
Internal Document	A document generated by the PCA

External Document	A document received by the PCA from external sources
Uncontrolled Copy	A document copy not subject to further document control after it is issued
Document Master list	A list that identifies the documents required by the quality management system
Originator	Unit/ Section/ Division Head who creates/revises a document
Process Owner	Unit where the records are generated or individual who generates the records
Records Disposition Schedule	A listing of records series by organization showing, for each record series, the period of time that it remained in the office area, in the storage (inactive) area, and its preservation or destruction
Retention Period	Refers to the specific period of time established and approved by the National Archives of the Philippines as the life span of records, after which they are deemed ready for permanent storage or destruction.

1.0. Procedure

1.1. Creation of Documents

Documents are created by an appropriate subject matter expert.

All internal documents are created as soft files (MS Word®, etc.); it is recommended that files of a similar type follow the format of other documents in that type.

Draft versions must then be sent to the appropriate approver(s) for review and approval. A Document Tracking Sheet (DTS) is attached to the document to trace the review and approval of the created/ revised document.

Original releases of documents are given a revision indicator of “0”.

1.2. Review and Approval

The PCA QMS documents may only be approved by the Board. Other documents are to be approved In accordance with Corporate Order on Delegation of Authority and issuances of Supervising Agencies,

Where a document has been revised, the document originator indicates the nature of revision in the DTS. The revised text in the document is identified by italics.

New documents as well as revisions to existing documents are registered in a document master list by the Document Controller to ensure proper control.

The Document Controller will maintain a binder of most current hardcopy versions of documents. Any previous hardcopies in this binder are to be discarded or filed in an obsolete document file.

The Document Controller will maintain a computer folder for the latest soft copy versions of document. This file set must be on a server subject to data backup.

The Document Controller will cause the posting of new or revised documents into the PCA website converting the released versions to a non-editable file format.

Any previous soft versions are then moved to a separate folder identified for obsolete documents which are kept for historical purposes.

2. Distribution of Documents

Controlled documents will be available via the PCA website for all employees. This document is UNCONTROLLED when downloaded and printed.

The Document Controller will maintain a list of where controlled hardcopy documents are to be distributed. The Document Controller will be responsible for distributing updated copies of such controlled hardcopies to proper locations. Controlled hardcopies shall be stamped CONTROLLED in blue ink on the first page, to distinguish them from uncontrolled documents or photocopies.

Controlled hardcopies may not be altered or modified by users, and must remain legible and readily identifiable. This includes hand mark-ups by unauthorized personnel. The only exception to this rule is for Forms.

Controlled hardcopies may not be photocopied, unless for the purposes of sending to a recipient who is authorized to receive uncontrolled versions of PCA documents. The only exception to this rule is for Forms.

3. Re-Evaluation

Documents must be reviewed by the original author or another subject matter expert or top management every three years.

The Document Controller will ensure that re-evaluation is conducted and that documents are updated if required. The Document Controller will maintain a record of document re-evaluations, to identify when documents are due for re-evaluation.

If a document is determined to require updating, the changes shall be made and a new version issued per the rules below.

If a document is determined not to require updating, no action on the document is necessary.

4. Revising Documents

Changes to documents go through the same steps as original issue, except that their revision level is advanced upon approval.

Only authorized personnel may change documents, although any employee can request a change to their department head. Forms do not require a revision history table.

Any changes to documents that require customer or regulatory authority review and approval shall be submitted accordingly, and not implemented until such approval is obtained.

5. Controlling Documents of External Origin

External documents are registered in a logbook by the Records Officer.

External documents received electronically (e.g. via e-mail) is printed to facilitate registration (and subsequent review and distribution). Documents received by fax and printed initially on fax thermal paper is photocopied (thermal paper printouts fade in time).

External documents for non-critical use, such as user manuals, reference books, marketing materials, and supplier directories are not controlled.

6. Forms

Forms are a special kind of document that may be photocopied as needed.

A softcopy of each approved form must be sent to the Document Controller for inclusion in the document master list.

7. Records

Records are identifiable through any or combination of the following information, as appropriate:

a. Title of Record

b. Date(s)

c. Barcode

d. Document Number

e. Name of signatory/ies

In case of erasure or correction, the corrected data are countersigned by the employee who corrected it.

Records are kept in appropriate locations to minimize physical deterioration, damage, and loss. For protection purposes, the following practices are observed:

a. Use of expanded folders/envelopes and/or ring binders;
b. Placed in magazine files and stored in shelves or steel cabinets to prevent wear and tear;
c. Regular back-up of permanent and archival records including databases; and
d. Access restriction, through password (this pertains only to soft copy and other security measures) to prevent unauthorized use.

Maintenance and disposal of records are done in accordance with the Records Retention and Disposition Schedule.

Prepared by:	Approved by:
NAME	**NAME**
Position	Position

II. Management Review Procedure

Revision and Approval

Rev.	Date	Nature of Changes	Approved By
0	Oct. 1, 2017	Original issue.	Governing Board

Summary

This procedure defines the process and methods for conducting both formal and informal management reviews of the quality management system.

The PCA Quality Management Leaders are responsible for implementation of this procedure.

Top management is responsible for attending formal management review meetings.

The following definitions are important for a clear understanding of this procedure:

PCA	Refers to the Philippine Coconut Authority
Governing Board	refer to the collegial body that exercises the corporate powers of PCA as specified in its Charter, P.D. 1468 and s prescribed in the Code of Corporate Governance issued by the Government Commission for GOCCs.
QMS Special Board Meeting	refer to the procedure held at a minimum of once a year for the conduct of Management Review
Management Review	shall refer to the procedure held periodically in reviewing the suitability, adequacy and effectiveness of the Quality Management System by Top Management and members of the PCA Governing Board

1. Procedure: Conducting Management Reviews

1.1. Top Management reviews the suitability, adequacy and effectiveness of the Quality Management System through two primary methods: a ***QMS Special Board Meeting*** **for** ***"Management Review"*** held periodically, and ongoing management activities conducted throughout the rest of the year.

1.2. The *QMS Special Board Meeting* is held at a minimum of once a year.

1.3. The minimum attendance for Management Review Meeting shall be at least four (4) members of the Governing Board and must include the Administrator. All Deputy Administrators and other employees shall attend as needed to meet the requirements of the agenda indicated below.

1.4. If any attendee is absent, draft minutes will be sent to him/her, for review and so that the person may amend the minutes with any additional inputs, notes, opinions or opportunities for improvement they may wish to add.

1.5. This review shall include assessing opportunities for improvement and the need for changes to the quality management system, including the quality policy and quality objectives.

1.6. Minutes of the meetings are taken and maintained by the Corporate Secretary. The form *QMS Special Board Meeting Minutes* can be used as a template for the record, or may be completed and filed as the finished record. The Corporate Secretary shall furnish copies thereof to the attendees of the meeting.

1.7. The Corporate Secretary shall provide a copy of final copy of the minutes of meeting to the Administrator and Corporate Planning Service for safekeeping of documents.

1.8. The QMS Special Board Meeting shall include analysis of the following inputs:

- review and updating of the risk registry;
- review and updating of the Strategic Plan;
- review and updating of process objectives, metrics and KPIs;
- review of customer feedback;
- review of the CAR system and related trends;
- review of internal and external audit results;
- review of the performance of external providers;
- review of the adequacy of resources;
- review of the effectiveness of actions taken to address risks and opportunities;
- review of opportunities for improvement;
- review of the Quality Policy for adequacy and to ensure it remains consistent with the needs of customers and the industry;
- recommendations for improvement of the quality management system;
- follow-up activities from previous Management Reviews;
- and other relevant inputs.

1.9. The *QMS Special Board Meeti*ng shall generate corrective action reports (see Corrective Action Report), or take other recorded action, as a result of review topics in an effort to improve the management system, products, processes and services, and to address resource needs.

1.10. This includes any decisions and actions related to the improvement of the effectiveness of the quality management system and its processes, improvement of product and services related to customer requirements, and resource needs.

1.11. Additional informal management review activities are also be conducted, and include:

Board meetings to monitor and evaluate the implementation of corporate strategies and policies, business plans, and operating budgets, as well as PCA's overall performance to ensure optimum results

Updating of some objectives data and trending in real time, and making such data available on the document controller for constant review. This includes service nonconformity data, CAR data, internal audit data, and customer complaints.

Meetings are held with the top management to discuss issues and problems encountered, and to ensure on-going compliance with established quality objectives.

Daily, informal meetings between the top management team and relevant employees to ensure on-going compliance with established quality objectives, as well as to manage daily processing of orders and services.

Prepared by:	Approved by:
NAME	**NAME**
Position	Position

III. Regulatory Services and Export Trade Services Procedures

Revision and Approval

Rev.	Date	Nature of Changes	Approved By
0	Oct. 1, 2017	Original issue.	Governing Board

Summary

This procedure defines the process and methods for registration of clients and application for services rendered.

The Regional Office, Assessment & Monitoring Services and the Laboratory Services are responsible for implementation of procedures.

1. Procedures

1. 1. Registration of Processors, Exporters and Exporters/Traders of Coconut Products and By-Products

This registration is required for all those engaged in and doing business using the coconut and its by-products such as among others copra buyer/dealer, whole nut buyer, coco lumber dealer/processor, coco charcoal dealer, coco coir processor.

Applicants are required to submit a duly notarized application form.

1.1.1. For New Registrants

Under the category of Processor, the following are the requirements for Corporation, aside from the notarized application form, viz: Registration Certificate issued by the Securities & Exchange Commission (SEC); Articles of Incorporation and By-Laws; Municipal Permit/License; License to Operate from the Food & Drugs Administration (FDA) for all coconut food-based products; Building plan and permit; and Feasibility Study.

For Single Proprietorship or Partnership, the following are the requirements: Properly notarized application form; Registration with DTI; Articles or Contract of Partnership; Municipal Permit/License; Building Plan and Permit; and Feasibility Study.

For Exporters/Traders of Coconut-based Products under Corporation, the following are the requirements: Properly notarized application form; Registration Certificate issued by SEC; Articles of Incorporation and By-Laws; Municipal Permit/License; and License to Operate from the Food & Drugs Administration (FDA) for all coconut food-based products.

For Single Proprietorship/Partnership under this category, the following are the requirements: Properly notarized application form; Registration with DTI; Municipal Permit/License.

For Trade Intermediaries, the following are the requirements: Properly notarized application form; Broker's License; Registration with DTI; Registration with SEC.

The whole transaction takes one to three days.

Flow of Registration

Applicant submits notarized application form together with required documents to the Regional Office. Application form and required documents are reviewed by the Agriculturist or CPRO for completeness. If application is compliant, Order of Payment is given for payment of required fee. After payment of required fee, the plant or office is inspected before issuance of Registration Certificate.

1.1.2. For Renewal of Registration

Applications are referred by the Regional Office to the Central Office - Assessment & Monitoring Services (AMS) for verification on payment by applicant of PCA fee and submission of reportorial documents. The Trade Control Examiner verifies status of company's compliance on the payment of PCA Fee and submission of reportorial requirements and if there is no obligation, makes appropriate formal communication with the Regional Office. If there are obligations of the applicant, the Trade Control Examiner prepares the Certification for signature of the AMS Manager for perusal of the Regional Offices.

The applicant pays obligation on the PCA Fee and submits to the CPRO in the Provincial Office required documents per AMS Certification. The CPRO receives and reviews documents and prepares the Order of Payment and Certificate of Registration. After payment of required registration fee, the Certificate of Registration if issued.

1.2. Registration of Coco Lumber Traders/Processors/Dealers

Applicant secures from the CPRO or Agriculturist application form and accomplishes this. The applicant submits the accomplished form, together with required documents to the CPRO/Agriculturist. The CPRO/Agriculturist reviews submission for its completeness and assesses the registration fees to be collected based on the schedule prescribed in the IRR of RA 8048.

Requirements for Single Proprietor – Domestic are the following: 1) Trade Name (DTI); 2) Mayor's Municipal License/Permit; 3) Notarized application form (Form No. AF-007) and valid ID.

For corporation – domestic the following are required: 1) Articles of Incorporation and By-Laws; 2) Registration from the Securities and Exchange Commission (SEC); 3) Municipal/Mayor's Permit; 4) PTR (BIR – Optional); 5) Notarized Application For (Form No. AF-007). Applicant pays the assessed fees.

The CPRO/Agriculturist prepares the Certificate of Registration for signature of the Regional Manager or the PCDM/Division Chief I and issued to the applicant.

1.3. Registration of Chainsaws

All chainsaw owners are required to register their chainsaws for issuance of sticker. Requirements are: DENR chainsaw registration, presentation of Chainsaw unit, and proof of ownership.

Flow of Registration

Applicant submits together with required documents letter requesting the registration of unit. PCA reviews the request and its completeness and gives Order of Payment of fee. Upon payment of required fee, Sticker and Certificate of registration are issued.

1.4. Assessment and Collection of PCA Fee

The applicant (Exporters, Pure Oil Millers, Oil Millers/Refiners, Pure Refiners, Desiccators, Oleo/Coco-chemical Producers, other manufacturers of coconut product) files and submits every Friday the following documents to the PCA Regional Office: a) Purchases; b) Domestic Sales (DS); c) Export Sales (ES); and d) Production.

Applicant pays the PCA Fee at the Regional Office. The Regional Cashier submits to Cashier in the Central Office collection of PCA Fee in IRF Form (Invoice Receipt for Fund), copy furnished the AMS.

The Central Office Cashier furnishes AMS with Daily Collection Summary of the PCA Fee.

The Regional Offices submit monthly Data Monitoring and PCA Fee Collection Summary Reports to the Assessment & Monitoring Service (AMS) covering companies' coconut products transactions in their respective area of responsibility.

The Trade Control Examiner assesses and computes the PCA due based on Purchases, DS or ES received from companies report per AO. No. 001, series of 2011 . The Examiner also analyzes PCA Fee performance based on reports submitted and reconciles Cashier's report with PCA Fee amount due, If there are found deficiencies, the AMS notifies/bills/ prepares/sends letter and Order of Payment to end-user informing deficiency re unpaid PCA Fee.

If the end-user does not respond to the letter of PCA and continue to default in payment, the AMS reviews documents and endorses to Legal Affairs Services (LAS) for appropriate legal action.

1.5. Application for Permit-to-Cut

Applicants include land owner or authorized representative with notarized written consent, controlling majority of the co-owners, duly authorized representative of a corporation, and Barangay Captain or owner of land in adjacent land that is endangered by the coconut trees.

Applicants accomplish required forms for submission to the Agriculturist. Requirements are the following; Prescribed application form, Valid identification of applicant, Proof of ownership, affidavit of non-encumbrance, and additional requirements: SPA if representative of applicant, duly approved Board Resolution for corporation, notarized consent of co-owners, *Sangguniang* Barangay Resolution/certification for endangerment for those hazardous to life and property, final conversion order issued by DAR, certification of conversion to other crops by the Department of Agriculture, affidavit of marking and identification of trees to be cut, and certificate of field planting by Barangay Chairman indicating the number of trees planted and location of planted area.

The Agriculturist examines and scrutinizes the accomplished forms and the PCDM/Division Chief I concerned signs the application.

Payment of Permit-to-Cut is made by the applicant, Official Receipt of which is issued.

The Agriculturist (CDO) inspects the site and coconut trees to be cut and verifies the authenticity of submitted documents. Posting at the barangay hall and at the site of the cutting requires seven days, one day for consultation with the concerned person or group on said cutting of coconut trees, and another day for the inspection of the site.

The Agriculturist prepares the Permit-to-Cut for signature of the PCDM. The Division Chief I/Regional Manager or the Administrator signs the PTC and this is issued to the applicant.

For 100 to 1,000 trees, the Division Chief I signs the PTC. For 1,001 to 2,500 trees, the Regional Manager is required to sign the PTC. For more than 2.500 trees, the Administrator or in the absence of the Administrator, the Chairman of the Task Force signs the PTC.

1.6. Application for Permit for Transport Coco Lumber

All those who would want to ship or transport their processed coco lumber to another site within or outside of the province where the cutting was located who are in possession of the Permit-to-Cut are required to apply for Transport Permit.

Requirements for this are the approved Permit-to-Cut, registration of the trader and vehicle driver. Fee for this is based on the type of vehicle used in transporting lumber.

Flow of the Process

The applicant is required to submit an accomplished application form with required documents. The Agriculturist reviews and evaluates submission and if there are no more questions or clarification of data, the applicant pays the required fee.

The Agriculturist prepares the Transport Permit for signature of the Division Chief. The Division Chief issues the Transport Permit.

1.7. Application for Land Inspection and Verification (CLIV) for Land Use Conversion

Land owners or their authorized representatives provided there is notarized consent can apply for this requirement. Requirements are the following; Valid ID issued by the government, proof of ownership or legal possession of affected land, notarized written consent or Special Power of Attorney (SPA) if applicant is representative, and such additional requirements that may be required by PCA.

The Agriculturist provides the set of required forms to the applicant for accomplishment and examines these for completeness. The Agriculturist issues the Order of Payment and the applicant pays the filing and inspection fee to the Division Chief I or Cashier who issues the Official Receipt.

The Agriculturist or CCDO inspects the site and verifies the authenticity of submitted documents. Consultation with concerned parties is conducted. Agriculturist prepares the Certification for Land Inspection and Verification (CLIV) for signature and endorsement by the PCDM to the Regional Manager.

The Regional Technical Staff reviews the Certification for the approval of the Regional Manager. The Certificate is returned to the provincial office which issues the same to the applicant.

1.8. Application for Export Trade Services

1.8.1. Commodity Clearances

Exporters of coconut-based products or foreign importers or other interested parties may avail of this service when requested which requirements are as follows: Export Clearance has been previously issued to the applicant, inspection and sampling of the product by a PCA inspector, laboratory analysis of samples of the product and the same has been found to be of standard quality, and payment of all the fees incidental to the inspection, sampling and laboratory analysis of the product.

1.8.2. Application of Export Clearances

Requirements for the issuance of Export Clearance are the following: Packing List, Pro-forma invoice, Export Declaration.

Flow of Issuance of Export Clearances

Client submits properly accomplished application for export clearance together with requirements.

The CPRO accepts and verifies export application and its supporting documents, computes required regulatory fees, and prepares Order of Payment. Export Clearance is issued upon payment of required fees.

1.8.3. Chemical and Microbiological Analysis of Coconut Products and By-Products

Coconut product and by-products are subjected to varied chemical and microbiological analyses, these analyses are for the following products: 1) Virgin Coconut Oil; 2) Copra; 3) Copra Cake/meal/Pellets; 4) Coconut Oil(Crude/RBD, Cochin, Hydrogenated Coconut Oil, Paring Oil, Shortening); 5) Acid Oil/Fatty Acid Distillate (FAD); 6) Desiccated Coconut; 7) Coconut Flour; 8) Coconut Sap Sugar; 9) Coconut Sap Syrup; 10) Canned Coco Milk (Gata), Coconut Juice/Coco Water in Cans or Tetrapak; 11) Coco Cream Powder, Creamed Coconut, Macapuno or Young Fruit Preserved, Frozen Coco Milk & Shredded Coconut; 12) Coconut Vinegar; 13) Cooked Acidified Nata de Coco; 14) Processed Nata de Coco (Low acid); 15) Raw Nata de Coco; 16) Coconut Shell Charcoal; 17) Coconut Peat; 18) Coconut Pith; 19) Coconut Coir; 20) Special Analysis.

Quality Management System

Management Process Matrix

Rev.	Date	Nature of Changes	Approved By
0	Oct. 1, 2017	Original issue.	Governing Board

Process	Sub-Process	Output	Responsible Offices
1. Industry Consultative Meeting	a. Making arrangements for the meeting b. Sending invitations to stakeholders c. Conduct of meeting	a. List of invitees, talking points b. Letters of invitation c. identified concerns and resolutions thereof	OFAD, CPS and OB CPS OFAD, CPS, LAS and OB
2. Management Review	a. Results of Audit and feedback from clients are prepared as inputs to the Management Review b. Conduct of Management Review	a. Audit Reports b. Recommendation to the strategic planning or to the Governing Board for policy formulation	Process Owners, IQA QMS Leaders Top Management Governing Board Team Leaders
3. Corporate & Strategic Planning	a. PCA makes arrangements for the strategic planning b. Conduct of the Planning Session	a. Inputs from the different PCA units and output of the consultative meeting b. Corporate Plan, systems that will address identified concerns of stakeholders	Concerned Units and Corporate Planning Service Corporate Planning Service/Operations Branch

4. Policy Formulation	a. Preparation of submission to the Governing Board of the draft Corporate Plan with systems to address concerns of stakeholders	a. Draft Corporate Plan	Corporate Planning Office
	b. Review by Legal Affairs Services (LAS) and Internal Audit of the draft Corporate Plan	b. Finalized Corporate Plan	LAS and IAS
	c. Submission to the Governing Board for approval	c. Recommended Corporate Plan	Office of the Administrator
	d. Approval by the Governing Board	d. Approved Corporate Plan	OCS, OFAD

Prepared by:	Approved by:
NAME	**NAME**
Position	Position

IV. Control of Non-conforming Outputs

Revision and Approval

Rev.	Date	Nature of Changes	Approved By
0	Oct. 1, 2017	Original issue.	Governing Board

Summary

The purpose of this procedure is to ensure that products and services that do not conform to the requirements are controlled to prevent their unintended use or delivery, or if delivered, to ensure that appropriate remedies are effectively taken.

The following definitions are important for a clear understanding of this procedure:

Nonconforming outputs	Outputs that do not fulfill requirements. Outputs may mean products or services. Products refer to physical items, such as reports and other documents prepared and released in conjunction with service delivery. Examples of physical products are documents like certificates issued, reports, etc. While coordination and advocacy activities are examples of services provided by the PCA. Examples of nonconforming products are inaccurate statistical data, wrong information in civil registry documents, missing documents, etc. Delayed issuance of civil registry documents, late release of statistical data and the like are nonconforming services.
Initial Disposition	Action taken to contain the nonconforming product/service and minimize its immediate effect. This may include putting the nonconforming product on hold and setting it aside, or temporarily discontinuing service delivery.

Correction	Action taken to correct the nonconforming product/service, to make it conform to requirements or otherwise prevent its unintended use or delivery. This may include reworking, regarding or scrapping of nonconforming products, or redoing the service.
Concession	Permission to use or release a product or deliver a service that does not conform to specified requirements. A concession is generally limited to the delivery of a product that has nonconforming characteristics within the specified limits for an agreed time or quantity of that product.
Corrective Action	Action to eliminate the cause of a detected nonconformity (nonconforming product/service) or other undesirable situation, and prevent recurrence.
Process Owner	Individual/office whom/where the process being performed is where the NC is detected Employee/ office responsible for the performance of a process and ensuring that objectives are realized, and that appropriate actions are carefully reviewed and approved and are taken without undue delay to eliminate nonconformities and their causes.

Nonconforming outputs can be discovered at any time, by any person or organization, including employees, the customer, regulatory authorities, etc.

1. Procedure Details

1.1 Identifying Nonconforming Product/Service

Nonconforming products/services may be detected internally by employees as they perform their functions, through observation, monitoring, inspection, verification and review.

Nonconforming products/services may also be detected externally by the client/citizen through feedback or complaints as detailed in the Guidelines for Monitoring and Measuring Customer Satisfaction.

When nonconforming products/services are detected, they shall be evaluated against requirements defined in applicable operating procedures, process guidelines, product/service guidelines, or quality plans.

1.2 Determining and Applying Initial Disposition

1.2.1. Initial disposition is meant to contain the problem so that no additional nonconforming products/services are produced or delivered, and/or prevent already nonconforming product/service from worsening.

1.2.2 The Control of Nonconformity Matrix outlines the initial specific actions which need to be taken and by who. Actions may include the following:

i. Retrieving or withdrawing the nonconforming product from the client
ii. Issuance of another pre-numbered form for replacement of the non-conforming product

1.2.3. When the nonconforming product/service is detected just prior to issuance, the client shall be informed immediately of the defect and the intent of PCA to replace the non-conforming product.

1.3 Determining and Applying Correction

Initial disposition is meant to contain the problem so that no additional nonconforming products/services are produced or delivered, and/or prevent already nonconforming product/service from worsening.

The Control of Nonconformity Matrix outlines the initial specific actions which need to be taken.

1.4. Applying Corrective Action

1.4.1 Further action shall be undertaken to prevent recurrence of the problem, when:

i. nonconforming product/service is identified via a customer/citizen complaint
ii. monitoring shows that nonconforming product/service are recurring
iii. frequency and extent of nonconforming product/service are increasing
iv. correction requires that the nonconforming product be reworked or replaced, or for the service to be restarted or redirected, incurring significant cost in time and resources
v. nonconforming product/service represents legal implications to the organization, the customer/citizen, or both

1.4.2 Further action shall be subject to the Corrective Action procedure.

1.4.3 Provisions for detecting and correcting nonconforming product/service shall be planned and outlined in the Control of Nonconformity Matrix. The plan links with controls built into the operating processes, as documented in the operating procedures, process guidelines, and product/service guidelines. The nature of nonconforming products/services and subsequent actions taken shall be captured in process and monitoring records. The plan shall be periodically reviewed for adequacy and effectiveness.

Prepared by:	Approved by:
NAME	**NAME**
Position	Position

Control of Non-conforming Matrix

Process: _____
(One matrix for each process in operations, support and management)

Nonconforming Product/Service	Initial Disposition		Correction			Reference
	Action	Responsibility	Action	Responsibility	Authority	

Prepared by:

_____
NAME
Concerned Head

Reviewed by:

_____
QMS Leader

Approved by:

_____
Governing Board/Administrator

Prepared by:	Approved by:
NAME	**NAME**
Position	Position

V. Internal Quality Audit Procedure

Revision and Approval

Rev.	Date	Nature of Changes	Approved By
0	Oct. 1, 2017	Original issue.	Governing Board

Summary

This procedure defines the process and methods for conducting internal quality management system (QMS) audits.

The **Internal Quality Audit (IQA) Team** is responsible for implementation and management of the IQA.

The following definitions are important for a clear understanding of this procedure:

Auditee	The Office or person being audited
Auditor	The person with demonstrated personal attributes and competence to conduct an audit.
Audit Team	Composed of more than one auditors led by an Audit Team Leader who are assigned to conduct an audit in a particular office and prepare necessary report of findings;
Audit Plan	A documented plan prepared prior to the conduct of audit which details activities such as where to go, what to do, when to do, and whom to see
Audit Program	A documented list of audit plans for the 12-month period
Audit Checklist	A set of variables which serves as a guide to an auditor
Audit Criteria	Set of policies, procedures, or requirements which are used as reference against which audit evidence is compared
Audit Evidence	Qualitative or quantitative record, statement of facts or other information, which is verifiable and relevant to the audit criteria
Audit Finding	Result of the evaluation of the collected audit evidence against audit criteria
Conformity	Fulfilment of a requirement
Nonconformity	A non-fulfilment of a requirement
Opportunity for Improvement	A situation or process that may lead to potential nonconformity

Corrective Action	Action taken to eliminate the cause of a detected nonconformity or other undesirable situation to prevent its recurrence
Corrective Action Report	A tool/form used to record the audit findings and the corresponding root cause analysis and appropriate actions taken to address it
IQA Team	The IQA Team is formed to oversee the IQA implementation

1. Procedure Detail

1.1. **Selection and Management of Internal Quality Audit Team**

1.1.1. Acceptance of candidate auditors into the composition of auditors and the selection of auditors for specific assignments consider the following audit competencies:

i. The personal attributes of the auditor include ethical, open-minded, diplomatic, observant, perceptive, versatile, tenacious, decisive and self-reliant

ii. Knowledge on auditing concepts and methodologies

iii. Auditing skills

iv. Knowledge on ISO 9001 requirements and the QMS of the organization vis-à-vis audit requirements of the auditee

1.1.2. Auditor performance is reviewed considering the following:

i. Feedback from the IQA team leader, other auditors and the auditee

ii. The quality of audit checklists and audit reports

iii. The competencies and performance of auditors are periodically evaluated to identify training and development needs. The **IQA** Team coordinates with the Human Resource Division to plan and implement training and development program for auditors.

1.1.3. The composition of auditors is maintained and updated by the **Internal Quality Audit Team.**

1.2. Planning for the IQA

1.2.1. The Audit Plan for the 12-month period is prepared by **the IQA Team** before the start of a calendar year. Each QMS process is audited at least once a year.

1.2.2. Whenever necessary, unplanned IQA may be initiated by the QMS Leaders based on, but not limited to the following:

i. unusual increase of quality-related problems

ii. introduction of new services

iii. major changes in QMS, personnel, and processes

iv. as per client's request

1.2.3. Copies of the Audit Plan are disseminated to all concerned Division/Department through a memorandum from the QMS Leaders.

i. purpose

ii. IQA scope

iii. Offices to be audited and auditee

iv. assigned Audit Team

v. date and time of the IQA

1.3. Preparing for the IQA

1.3.1. The Internal Quality Audit Team reviews applicable documents such as the QMS Manual, Procedures, Guidelines, Office Orders, Memorandum Orders, Special Orders and applicable statutory and regulatory laws.

1.3.2. Audit Checklists are developed based on the audit scope, objectives, and document review.

1.4. Conducting the IQA

1.4.1. The Team Leader starts with an opening meeting to reconfirm audit schedule, audit objective, and audit participants.

1.4.2. The Internal Quality Audit Team gathers data by interviewing personnel, reviewing documents, observing processes, and verifying records.

1.4.3. The Internal Quality Audit Team records facts as evidence of the audit and evaluates the same to determine the objective evidence of the audit findings.

1.4.4. The audit findings are classified as Conformity, NC or OFI. Commendations and strengths of the system are also noted.

1.4.5. If and when the auditee has unresolved issues with an audit finding, he/she may contest such before or during the closing meeting.

1.4.6. If not resolved at this level, the issue may be raised to the **Top Management.**

1.4.7. A closing meeting is conducted wherein audit findings are presented to the audited office.

1.5. Reporting the IQA

1.5.1. Audit findings are documented on the Corrective Action Report (CAR) form and Audit Summary Report.

1.5.2. Control Numbers are assigned to the CAR for monitoring purposes. These are recorded in the CAR logbook maintained by the IQA Committee.

1.5.3. The CAR with the Audit Summary Report are issued to the auditee within ten (10) working days after the closing meeting. The auditee acknowledges and signs the CAR.

1.5.4. The auditee with the unit head determines and implements appropriate corrective action in accordance with Control of Corrective Action procedures. The auditee returns the accomplished CAR to the IQA Committee.

1.6. Verifying Actions Taken

1.6.1. The auditors verify the implementation of the actions taken specified in the accomplished CAR. The results of such verification are monitored as per Corrective Action Procedure.

1.6.2. The Head of the Auditee ensures that root cause analysis is conducted and monitored in accordance with the Corrective Action Procedure. The Head of the Auditee also ensures effectiveness of actions taken.

Prepared by:	Approved by:
NAME	**NAME**
Position	Position

Audit Plan

Criteria		
Scope		
Objectives		
Audit Team	**Team Leader**	
	Members	

Audit Activities

Date	Time	Activity	Auditee	Auditors

Prepared by:	**Approved by:**
Audit Team Leader	**QMS Leader**

Audit Program

Scope												
Objectives												
Audit Schedule												
Office	**Process**	**Audit Team**	**Audit Month**									
			Jan	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**July**	**Aug**	**Sep**	**Nov**	**Dec**

Prepared by: _____ IQA Team Leader	Approved by: _____ QMS Leader

Audit Checklist

Compare the requirements of [ISO 9001 or AS9100], the [Quality Manual Doc Title] and other documentation against what employees are actually doing in everyday practice.			
Requirement Reference	**Question**	**Y/N (for N/A)**	**Evidence or Notes Sheet Ref. #**

Review previous audits for this process. Review previous [CAR Form Abbreviation]s issued against this process, or as a result of previous audits for this process. Add additional checklist questions here, based on the previous audits, [CAR Form Abbreviation]s or other documents or requirements, as you see fit.			
Requirement Reference	**Question**	**Y/N (for N/A)**	**Evidence or Notes Sheet Ref. #**

Verify the Effectiveness of the Process

Review the applicable procedure(s) for this process and answer the questions below.		
Question	**Y/N (for N/A)**	**Evidence or Notes Sheet Ref. #**
Are the procedure steps accurate and complete as compared to true practice?		
Are there sufficient check steps (inspections, tests, reviews, approvals, sign-offs, etc.) that ensure the process outputs meet requirements before passing onto the next process?		

Audit Checklist

Does the process appear to adequately meet the requirements of [ISO 9001 or AS9100] and the [Short Client Name] documentation?		
Does the process appear to adequately meet all customer or regulatory requirements?		
Indicate any problems you uncovered with the process**:**		
Provide brief details on any areas that you found were well-implemented, particularly effective or worth noting as positive traits of the process.		

Prepared by:	Approved by:
NAME	**NAME**
Position	Position

VI. Corrective Action Procedure

Revision and Approval

Rev.	Date	Nature of Changes	Approved By
0	Oct. 1, 2017	Original issue.	Governing Board

Summary

The purpose of this procedure is to ensure that causes of detected nonconformities are eliminated in order to prevent recurrence.

This procedure applies to nonconformities found in the implementation of the quality management system.

The following definitions are important for a clear understanding of this procedure:

Nonconformity	Non-fulfillment of a requirement
Corrective Action	Action to eliminate the cause of a detected nonconformity or other undesirable situation, and prevent recurrence

1.0 Procedure Details

1.1 Reviewing Nonconformity

1.1.1 The corrective action procedure is triggered by Corretive Action Report reflected in the CAR form from other processes/procedures in response to identified nonconformities from:

i. internal quality audits

ii. customer/citizen complaints (from the Monitoring and Measurement of Customer Satisfaction)

iii. qualified nonconforming outputs (from Control of Nonconforming Outputs)

iv. poor process performance results and unacceptable deviations from the organization's programs and plans (from management reviews)

1.1.2 The initial review of the Corrective Action Report considers:

i. The extent and impact of the reported nonconformity.
ii. The processes contributing to and affected by the reported nonconformity.

1.1.3 The Head of Unit identifies concerned personnel who need to be involved in corrective action. This may extend to personnel outside his/ her own department; coordination with the other concerned departments should be established.

1.2 Determining the Cause of Nonconformity

1.2.1 All occurring nonconformities are subjected to root cause analysis to be able to come up with corrective action plans.

1.2.2 Root cause analysis considers the different factors contributing to the nonconformity, including:

i. Manpower - personnel competencies and their ability to consistently perform their functions as required.

ii. Machine - the availability of appropriate tools, equipment and facilities to enable effective operations

iii. Methods - the availability and consistent application of appropriate procedures, guidelines and standards

iv. Materials - the availability of the needed materials and supplies to enable effective operations.

v. Environment – the condition of the surroundings, facilities, and work environment

1.2.3 Where several root causes are identified, they are prioritized relative to their contribution to the nonconformity

1.3 Determining and Implementing Corrective Actions

1.3.1 Based on the root causes identified, corresponding corrective action plan is developed and approved by the Division Chief.

1.3.2 Planning of corrective actions (solutions) involves the following:

i. generation of alternative solutions

ii. the selection of the best solution (from the alternatives)

iii. the identification of activities, resources, responsibilities and timeliness needed to implement the selected solution.

1.4 Reviewing the Status of Corrective Actions

1.4.1 The IQA Team reviews the root causes and corrective action plans documented in the CAR. The Committee also monitors the implementation of the action plans.

1.4.2 The implementation status and effectiveness of corrective actions is also periodically reviewed and evaluated by the concerned Division Chief; any related issues are primarily addressed.

1.4.3 Corrective actions are collectively reviewed by Top Management during management review. Depending on the nature of the solution and the associated nonconformity, monitoring and review continues for at least 6 months after implementation, after which the corrective action is deemed completed.

Prepared by:	Approved by:
NAME	**NAME**
Position	Position

Corrective Action Report

<table>
<tr><td colspan="4">Section 1 – Details of Nonconformity (To be accomplished by the Auditor/ Initiator)</td></tr>
<tr><td>Date:</td><td rowspan="3">References: (manuals, procedures, policies, ISO clauses, etc.)</td><td colspan="2">CAR Number:</td></tr>
<tr><td rowspan="2">Auditor / Initiator: _____
Signature over Printed Name</td><td></td><td>Nonconformity (Non-fulfillment of requirement)</td></tr>
<tr><td></td><td>Observation (Does not signify failure in the system but maybe enhanced)</td></tr>
<tr><td colspan="3">Details: (As a result of)

☐Internal Quality Audit☐Customer Feedback☐Other (Pls. specify) _____</td><td>Office:</td></tr>
<tr><td colspan="2">Issued by:

_____
Signature over Printed Name</td><td colspan="2">Issued to: (Office Head)

_____
Signature over Printed Name</td></tr>
<tr><td colspan="4">Description of the Nonconformity/Observation: (Include evidence)

Acknowledged by:
_____</td></tr>
<tr><td colspan="4">Section 2 – Necessary Action(s) (To be accomplished by the Auditee/ Process Owner)</td></tr>
<tr><td colspan="4">Correction: Target Completion Date:
_____</td></tr>
<tr><td colspan="4">Root Cause Analysis: Analyzed By: _____</td></tr>
</table>

Describe the necessary CorrectiveAction(s):

Approved By: _____ Target Completion Date: _____

Section 3 – Verification of Implementation and Effectiveness (To be accomplished by the Initiator)

Results of Action(s) Taken	Remarks

Verified By: _____ Verification Date: _____

Acknowledged By: _____ Next Verification Date: _____

Results of Action(s) Taken	Remarks

Verified By: _____ Verification Date: _____

Acknowledged By: _____ Next Verification Date: _____

Corrective Action Status Report

CAR No.	NC Description	Details (as a result of)	Initiator	Recipient	Date Issued	Target Date of Implementation	Verification Date/Status	
							First	Second

Prepared by:	Approved by:
NAME	**NAME**
Position	Position