

## **Audit procedure**

### **New audit model - proposal for audit procedure**

The Dogma Life group on audit has been assigned with the task of preparing a new model for the Dogma audits. The new model will consist of an audit procedure (this document) and a set of background documents (see enclosed example).

The project group has prepared the procedure based on the study made by of the problems with the present audit model, discussions in the group based on the participants' own experience, interviews as well as existing environmental management systems (e.g. EMAS).

It is proposed that the procedure covers the following items:

- Purpose
- Unambiguity - background documents
- Responsibility
- Timing and frequency
- General audit versus topic audit
- External and internal audit
- Selection of external auditor
- Selection of internal auditor
- Selection of interviewees
- Written documentation
- Audit conclusions
- Time schedule

#### Purpose

The purpose of the Dogma audit is to measure progress in each individual municipality regarding Dogme 2000. Thus, the purpose is not to use the audit to compare the municipalities. This was decided by the steering committee at its meeting of 24 August 2005.

### Unambiguity

It is important that the audits are unambiguous and that the assessments are based on the same preconditions in all municipalities. This was decided by the steering committee at its meeting of 24 August 2005.

Therefore the audit group proposes that background documents are prepared for all items in the Dogma document. The background documents will be guidelines for the audit of the different Dogma items.

### Responsibility

The overall responsibility for carrying out the audits in compliance with the audit procedure is vested with the person administratively responsible for the Dogma work in the different municipalities. In practice, however, it will often be the Dogma work desk officer or someone else who is in charge of the audits.

The responsibility for determining the timing of the audits, selection of external and internal auditor/-s and other issues of relevance to all municipalities is vested in the civil servant group.

### Timing and frequency

As far as possible, the audits must be carried out simultaneously, and preferably in autumn or in winter - in all municipalities.

One audit must be carried out per year in all municipalities. There should be at least ten months and no more than 16 months between each audit.

### General audit versus topic audit

Each municipality may choose whether the audit should be general, which means that it should cover all parts of the Dogma document, or whether the audit should go into detail with one or a few topics. However, at least every second audit must be a general audit covering the entire Dogma document.

At the topic audit several people are interviewed within the selected topic, so that we get into detail with the topic and get the opportunity to see whether the statements of the municipality regarding the selected Dogma item are fulfilled. For example, the topic of green purchasing could be selected as a topic, and ten people from day-care centres, nursing homes etc. could be interviewed about purchasing. Not just the person responsible for purchasing should be interviewed.

In a topic audit the background documents are also used, but they may be supplemented with further questions.

#### External and internal audit

External and internal audits will be made in turns, so that every second year an external audit is made and every second year an internal audit is made.

The external audit is carried out by an environmental auditor from an accredited auditing body. Internal audits are carried out by staff from the Dogma municipalities.

Internal audits must be topic audits.

#### Selection of external auditor

All Dogma municipalities must use the same auditing body and, as far as possible, the same auditor.

Every four years, i.e. after every second external audit, the civil servant group will assess whether the external audit should be passed to another body. As the basis for the steering group's decision, the Dogma secretariat will prepare an evaluation of the external auditors.

#### Selection of internal auditor

All Dogma municipalities must each select at least two internal auditors. The internal auditors carry out audits every second year in the other Dogma municipalities.

The internal audits are planned in a way that two internal auditors participate in each audit. The two internal auditors come from two different municipalities, and they cannot carry out audits in their own municipality.

The Dogma secretariat will prepare a proposal for distribution of internal auditors before every internal audit.

The internal auditors must have participated in a course before they can carry out the audit.

#### Selection of interviewees

The selection of interviewees is made by the auditor/-s in cooperation with the person responsible for the Dogma audit in the different municipalities.

The auditor may request that persons from specific areas are interviewed, but he/she cannot designate specific persons. This is up to the municipality (the auditor, for example, may request to interview day-care centre leaders, but not specific leaders from specific day-care centres). There is, however, an exception where the auditor would like to re-interview a person.

Persons from the following levels should be included:

- Political level
- Executive civil servants
- Civil servants
- Executives at decentralised level
- Staff members at decentralised level
- Citizens or associations
- Enterprises or business organisations/networks

Areas and institutions that have been ISO certified or EMAS registered need not be interviewed for the Dogma audit.

#### Written documentation

Before any audit the auditor/-s should be given the following documentation to the extent that it is available:

- Latest three green accounts
- Municipal plan and plan strategy in force
- Environment, Nature and/or Agenda 21 plan and/or policy in force
- Purchasing policy in force
- Nutrition policy in force
- Guidelines for eco-friendly building in force
- Other significant policies in relation to Dogma
- Print-out of significant political decisions about Dogma from the past two years
- Memo on status for the municipal work with environmental certification
- Memo on status of the rate of organic food
- Major local plans adopted during the past two years
- Any strategic environmental assessments carried out during the past two years
- Local Agenda 21 plans or other documentation showing the municipal cooperation with local citizen associations
- Documentation about local business networks or other documentation showing the municipal cooperation with local enterprises
- Other relevant documentation

The written documentation must be part of the audit on equal terms with the interviews.

#### Audit conclusions

The conclusion must contain a graphic presentation of the extent to which the three dogmas have been complied with. For the sub-targets under each of the three dogmas it will also be presented graphically whether the sub-targets have been met.

The different levels that may characterise compliance with the sub-targets are:

- fully complied with 100%
- complied with to a major extent 75-100%
- complied with to a medium extent 50-75%
- complied with to a minor extent 25-50%
- start phase 0-25%
- not started 0%

#### Time schedule

Each year the civil servant group decides when the audit should take place and approves the auditor/-s.

Two months before the audit the persons in charge of the audit in the different municipalities meet with the auditor/-s. Here the selection of persons to be audited will start.

No later than one month before the audit, the selection must be completed, allowing the municipality, should it so wish, to hold an information meeting for the persons to be audited and to set up the appointments.

Two weeks after completion of the audit, the auditor must submit a first draft of the audit report.

If the municipality should wish it, the first draft of the audit report may be submitted for consultation with the interviewees in order to correct factual errors and misunderstandings. The municipality will have three weeks for this consultation.

After this period, the auditor will have two weeks to complete the audit report.

The audit process thus runs from two months before start of the audit to seven weeks after carrying out of the audit. To this should be added the time needed from reception of the final audit until it has been presented to the political level and can be published.

If the audit process runs through a holiday season, it will be correspondingly longer.