

Chain of Custody Internal Audit Checklist

For use in conducting internal audits against the
FSC and PEFC Chain of Custody Scheme requirements

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Download from: www.timberconsultancy.co.uk



In need of assistance?

Please email: consultancy@thewoodshop.biz

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Thank you for downloading our checklist, which is suitable for a FSC or PEFC transfer system. Contact us if you require assistance with your percentage or credit system, or if you are involved with FSC Controlled Wood or FSC Project Certification.

The Wood Shop Consultancy provides technical expertise, promotion, and of course FSC and PEFC chain of custody services for clients that source, trade, process, or are otherwise involved with wood products for a living.

As well as helping companies to achieve certification, we also assist them to maintain their systems in line with the latest FSC and PEFC requirements.

We hope that you find this checklist useful and would be happy to help if you require any assistance with you own chain of custody systems:

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Whilst every effort is made to ensure the accuracy of the advice given, The Wood Shop Ltd cannot accept liability for loss or damage arising from the use of the information supplied.

Chain of Custody Internal Audit Checklist

The following checklist can be used as a guide to ensure that all procedures which are crucial to the efficient operation of the CoC scheme are reviewed. Space is provided to highlight the finding as either 'Ok' or to record brief notes. Space is provided at the end each section and at the end of the checklist to record more detailed findings.

Documented Procedures	
References	
1.	Are FSC/PEFC reference documents (Standards etc) up to date and readily available?
Ok	Note:
Scope of Registration	
1.	Is the Company's scope of registration up to date and does it match that detailed on the CoC Certificate and FSC & PEFC databases?
Ok	Note:
2.	Is the Product Group schedule up to date, publicly available and recorded correctly on www.info-fsc.org and www.pefc.org showing correct Product Class, Type etc?
Ok	Note:
3.	Has the control system changed? (i.e. Transfer, Percentage, or Credit system)
4.	Have there been any changes to Outsourcing arrangements (see Outsourcing checklist section)?
Ok	Note:
Additional Notes:	

Quality Management	
Policies	
1.	Is the Company Policy Statement up to date, detailing the Company's commitment to implement and maintain the CoC, and is a copy available to all interested parties, including suppliers and personnel, e.g. by including a copy on the corporate website?
Ok	Note:
2.	Is a signed FSC Licence Agreement (v5.2 12-2016) on file?
Ok	Note:
3.	How does the company demonstrate its commitment to Occupational Health & Safety? Verify that the following quality management elements are in place for H&S: <ul style="list-style-type: none"> • Appointed representative • Company procedures • Training of staff
Ok	Note:
Responsibilities and Training	
2.	Have there been any changes in responsibility for CoC, especially at critical control points, including overall responsibility?
Ok	Note:
3.	Have relevant staff received appropriate training and has this been documented in training records?
Ok	Note:
4.	Is the training plan up to date?
Ok	Note:
5.	Is training material held on file and is it up to date?
Ok	Note:
6.	Have updates received from relevant sources (certification body, FSC, PEFC) been circulated to relevant staff as appropriate or used as a basis for training?
Ok	Note:

Records	
1.	Is there sufficient provision for storage of records for min period of 5 years?
	<i>Check key records are filed appropriately, including purchase and sales documents, training records, production records, volume summaries, and trademark approvals.</i>
Ok	Note:
2.	Have any amendments to procedures been recorded on the Amendment Register?
Ok	Note:
Internal Audits	
1.	Is CoC audit schedule up to date and/or included on QMS internal schedule (if appropriate)?
Ok	Note:
2.	Is there evidence that suitable corrective and preventative measures are implemented following the audits?
Ok	Note:
3.	Are the results from internal audits reviewed by top management at least annually? Has this been documented?
Ok	Note:
4.	Are dates of the last and next audit documented?
Ok	Note:
Complaints	
1.	Have any complaints been received regarding the supply of certified products? If so, have these been correctly documented, filed and reviewed by senior management?
Ok	Note:
Additional Notes:	

Material Sourcing	
Supplier Validation	
1.	Is the Approved Suppliers list up to date?
Ok	Note:
2.	Has the validity of each supplier's CoC certificate been verified via the FSC and PEFC websites (www.info-fsc.org and www.pefc.org) to confirm certificates are current and that products supplied are within the supplier's scope of certification?
Ok	Note:
3.	Are the supplier's CoC Registration No and FSC/PEFC claims consistent with those shown on supplier delivery notes and invoices?
Ok	Note:
4.	Have validations been printed off and filed, or otherwise has the date of validation been recorded, e.g. supplier printout from FSC Certificate Status Watch database - https://trademarkportal.fsc.org/portal/certStatus.php
Ok	Note:
5.	If any information is incomplete, has the relevant Certification Body been contacted and their response held on record?
Ok	Note:
Purchasing	
1.	Do all purchase orders for certified products contain the requisite information, including the requirement for FSC or PEFC certified products?
Ok	Note:
2.	Where non certified material has been purchased, have procedures been followed to ensure that there is no reference to certified products on the company's associated documentation, (especially delivery notes and invoices) or product packaging?
Ok	Note:
Additional Notes:	

Material Receipt, Storage and Processing

Delivery Notes and Purchase Invoices

1. On receipt of certified material, is there evidence to show that supplier's delivery documentation and invoices are checked to ensure they contain the requisite info:
- a) The supplied material quantities are in compliance with the supplied documentation.
 - b) The Material Category and, if applicable, the associated *percentage* or *credit claim* is stated for each product item or for the total products (See below).
 - c) The supplier's Chain of Custody code is quoted.

Important: FSC and PEFC claims must be in the format shown below, otherwise a non conformance should be raised:

FSC Claims:

- **FSC 100%**
- **FSC Mix Credit**
- **FSC Mix %**

PEFC Claims:

- **x% PEFC certified**

Record below the supplier delivery note(s) and purchase invoice(s) references checked as evidence, together with supplier CoC Regn No and FSC/PEFC Claim in each case

2.	Is there a system for passing on delivery notes to the relevant dept in order that computer records can be updated? Is this system working?
Ok	Note:
Contingency	
1.	Has there been a need to implement the contingency plan in the event that the information on a supplier's invoice or delivery note is missing / incorrect? If so, please provide details.
Ok	Note:
Storage	
1.	Are storage/segregation procedures working effectively and can certified materials be clearly identified?
Ok	Note:
2.	Has the Company had cause to identify/segregate uncertified materials? If so, please provide details.
Ok	Note:
<u>FSC Only:</u>	
3.	For materials supplied with the FSC logo, does the Company ensure the following: <ul style="list-style-type: none"> a) Material to be further processed is cleared of any labels or segregation marks before sale b) Material to be sold unchanged is checked to ensure that it is correctly labelled according to its FSC material category
Ok	Note:
4.	For materials supplied with logos other than FSC, e.g. PEFC, does the Company ensure that the materials are cleared of any such labels before sale with an FSC claim? <i>Note: This may include on-product labels, ink-jet marks, possibly as part of a grade stamp or branded marks. In the case of grade stamps, the grade mark may be retained but the forest conformity label (e.g. PEFC reference) must be removed</i>
Ok	Note:
5.	If the FSC input material categories are different, has the organisation downgraded the material category to the lowest FSC input, i.e. FSC Mix 70%?

Processing

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1.	Are segregation/labelling procedures being maintained to ensure that certified stock is not contaminated by uncertified goods or goods supplied under another forest conformity scheme?
Ok	Note:
2.	Have there been any changes to the raw material inputs which could give rise to a need for additional labelling/segregation?
Ok	Note:
3.	Have any special orders been processed, e.g. back-to-back orders? If so, how was the product treated through processing to ensure it could not be contaminated by other, non certified products?
Ok	Note:
Additional Notes:	

Despatch and Sales	
1.	Do delivery notes and sales invoices contain the following information: <ul style="list-style-type: none"> • Customer name • Delivery note/Invoice reference and date • Product description and quantity • The FSC and/or PEFC description and claim, e.g. 'FSC Mix 70%', '70% PEFC certified' • The Company's FSC and/or PEFC Registration No.
Ok	Note:
2.	Do the FSC/PEFC claims match those of the supplier of the raw material? (A lower claim made be made if different inputs)?
Ok	Note:
	<i>Record details of delivery notes and invoices reviewed during audit as evidence of findings</i>
3.	Where FSC/PEFC logos are used on product, do they correspond to the associated claims on the delivery notes and invoices?
Ok	Note:
4.	Check to ensure that products sold with an FSC claim do not carry any labels from other forestry conformity assessment schemes, e.g. PEFC?
Ok	Note:
Additional Notes:	

Volume Control

Conversion Factor (Waste)

1. Review the method detailed within the procedures for identifying the conversion factor (waste) for each stage of processing, or if not, for the total process **for each product group**.
 - a) What is the current allowance for waste?
 - b) Define the methodology for calculating the conversion factor, i.e. how this is calculated, and where is the evidence?
 - c) When was it last calculated to demonstrate it reflects current practice?

Material Balances

1. Is a material accounting record being maintained for each product group, showing (as applicable):
 - Purchase Order No.
 - Purchase Invoice No.
 - Volume purchased
 - Material Category and Claim
 - Volume used
 - FSC/PEFC Claim
 - Customer
 - Sales Invoice No.

Ok Note:

2.	Is a record of each product type used during manufacture maintained and summarised on an annual basis which includes a record of the following: <ul style="list-style-type: none">• Inputs received• Inputs used for production• Inputs still in stock• Outputs still in stock• Outputs sold
Ok	Note:
Stock Control	
1.	Have stock checks been undertaken and recorded in stock records?
Ok	Note:
2.	Is certified stock and uncertified stock counted separately?
Ok	Note:
Additional Notes:	

Labelling & Use of FSC and PEFC Trademarks	
FSC/PEFC Trademark License	
1.	Does the Company have a signed FSC/PEFC Trademark License Agreement on file? Are the licences valid?
Ok	Note:
Trademark Use and Approvals	
1.	Are instructions to access the FSC label generator and/or contact PEFC UK readily available to the responsible person(s)?
Ok	Note:
1.	Is the Company using on-product labelling? If so, is it in compliance with the current version of FSC-STD-50-001?
Ok	Note:
2.	Are the correct FSC/PEFC License numbers included against all uses of the FSC and PEFC logos?
Ok	Note:
3.	Are the Company using the FSC and PEFC promotional logos? If so is this use in compliance with FSC-STD-50-001 and PEFC ST 2001:2008? Consider logo use on: <ul style="list-style-type: none"> • Website • Product literature and corporate brochures • Corporate stationery; sales documents • Email footers • Vehicle livery • Adverts and promotional items
Ok	Note:
4.	Has approval been sought from the company's certification body for each and every use of the FSC product label and promotional logo? Are all PEFC logo uses in accordance with PEFC ST 2001:2008 and guidance been sought from PEFC UK in cases of doubt? Has a copy of the approval been received and kept on record?
Ok	Note:
5.	Are the registered trademarks: 'Forest Stewardship Council'; 'FSC'; and FSC 'Checkmark-and-tree' logo accompanied by the trademark symbol and licence number for the first use in any text (or each page on a website) e.g. "We are FSC [®] certified (FSC [®] C12345)"
Ok	Note:

Outsourcing	
1.	Where the Company outsources part of its processing to contractors, does it: <ul style="list-style-type: none"> a) Retain legal ownership of the input material prior to and during outsourcing? b) Have a signed contract with each contractor, including a clause reserving the right of the Certification Body to audit the outsourcing contractor's operation? c) Have a documented control system with explicit procedures covering each outsourced process?
Ok	Note:
2.	Review the Company's control system to ensure that: <ul style="list-style-type: none"> a) The outsourced product can be tracked and controlled and cannot be mixed with any other material during outsourced processing. b) The contractor keeps record of inputs, outputs and delivery documentation of material that is processed as part of the outsourcing agreement.
Ok	Note:
3.	Are records up- to-date, including contact details of all contractors?
Ok	Note:
4.	Has the Company informed its certification body of all new or deleted contractors?
Ok	Note:
5.	Does the Company issue the final invoice for the product after outsourced processing has been completed? (If the contractor issues the invoice the material cannot be sold as FSC certified)
Ok	Note:
6.	Where the contractor is applying the FSC label to the product, has clear instruction been provided as to the correct label to use?
Ok	Note:
7.	Are checks in place to ensure that the contractor does not use the FSC trademarks for promotional purposes?
Ok	Note:
8.	Are controls in place to ensure that the contractor does not sub-contract the FSC outsourced process?
Ok	Note:

Additional Notes: