



CERTIFIED

Certification Audit Checklist  
2022

#	Description	Comments
3.0	<b>Management Responsibility</b>	
3.1	<b>Introduction</b>	
3.1.1	Leadership and the active involvement of the senior management are essential for developing and maintaining an effective and efficient ACMO 2000 management system to achieve benefits for the firm. To achieve these benefits senior management should consider the following:	
	a) establishing a vision, policies and strategic objectives consistent with the purpose of the firm,	
	b) communicating the corporate direction and values regarding service quality and the ACMO 2000 standard,	
	c) obtaining feedback directly on the effectiveness and efficiency of ACMO 2000,	
	d) identifying the support processes that influence the effectiveness and efficiency of the service,	
	e) creating an environment that encourages the involvement and development of people, and	
	f) provision of the structure and resources that are necessary to support the corporate strategic plans	
3.2	<b>Policy Statement</b>	
3.2.1	Senior management must establish a policy statement based on the requirements of ACMO 2000 Certification and must ensure:	
	a) it is consistent with senior management's vision and strategy for the firm's future,	
	b) it permits corporate objectives to be understood and pursued throughout the firm,	
	c) it demonstrates senior management's commitment to ACMO 2000 and the provision of adequate resources for achieving the established objectives,	
	d) it promotes a commitment to service quality throughout the firm, with clear leadership by senior management,	
	e) it is measurable, effectively formulated and efficiently communicated,	
	f) it is reviewed for continuing suitability	
3.3	<b>Code of Corporate Ethics</b>	
3.3.1	The certified firm must abide by the ACMO Code of Corporate Ethics. (See appendix 2 attached) The firm must be able to demonstrate that all employees are aware of the corporate code. The code must be displayed prominently in a public area of the firm's office(s).	
3.4	<b>Strategic objectives</b>	
3.4.1	The policy statement provides a framework for the setting of the strategic objectives.	
3.4.2	Senior management should establish these objectives, leading to improvement of the firm's performance.	

#	Description	Comments
3.4.3	The strategic objectives should be communicated in such a way that people in the firm can contribute to their achievement.	
3.4.4	Responsibility for deployment of strategic objectives should be defined.	
3.4.5	Strategic objectives should be systematically reviewed and revised as necessary.	
<b>3.5</b>	<b>Responsibility and authority</b>	
3.5.1	Senior management shall ensure that responsibilities and authorities are defined and communicated within the firm.	
<b>3.6</b>	<b>Management review</b>	
	Senior management shall review the firm's ACMO 2000 documentation, at a minimum once per annum, to ensure its continuing suitability, adequacy and effectiveness.	
3.6.2	This review shall include assessing opportunities for improvement and the need for changes to the ACMO 2000 documentation, including the policy statement and the strategic objectives.	
3.6.3	Records from management reviews shall be maintained	
<b>3.7</b>	<b>Review inputs</b>	
3.7.1	The input to management review shall include information on:	
	a) follow-up actions from previous management reviews,	
	b) ACMO 2000 performance,	
	c) results of internal and external system evaluation,	
	d) status of preventive and corrective actions,	
	e) recommendations for improvement	
<b>3.8</b>	<b>Review output</b>	
3.8.1	The output from the management review shall include any decisions and actions related to:	
	a) improvement of the effectiveness of the ACMO 2000,	
	b) improvement of service related to board requirements, and	
	c) resource needs	
<b>3.9</b>	<b>ACMO 2000 Leader</b>	
3.9.1	Senior management shall appoint a member of management who, irrespective of other responsibilities, shall have responsibility and authority that includes:	
	a) ensuring that processes needed for the ACMO 2000 standard are established, implemented and maintained,	
	b) reporting to Senior management on the performance of the ACMO 2000 and any need for improvement, and	
	c) ensuring the promotion of awareness of stakeholders' requirements throughout the firm.	

#	Description	Comments
<b>4.0</b>	<b>Board Relations</b>	
<b>4.1</b>	<b>Introduction</b>	
4.1.1	The management firm's contract with the client is a critical component of the firm's overall service delivery.	
4.1.2	This section will set out core requirements for a management contract, board reports and a new board member's guide. A corporate mission statement that reflects the firm's commitment to quality service will also be required.	
4.1.3	The management contract section will set out the index of the items, which must be addressed. Each index item must be fully developed in the actual contract. ACMO 2000 certification guarantees that the above items are addressed in each management agreement. However, the actual terms of each item are to be negotiated individually between the client and the manager.	
4.1.4	The board reports section will set out an index of the items that must be covered in the management firm's reports to its client's board.	
4.1.5	The new director's guide will set out an index of the items, which must be covered in a report to any new board member.	
4.1.6	It is expected that firms will exceed these requirements in some or all areas.	
<b>4.2</b>	<b>Management Contract (Index)</b>	
4.2.1	<b>Nomenclature</b> – The contract should be subject to the Condominium Act and the client's corporate documents	
4.2.2	<b>Term</b> – Or effective date with provisions for automatic renewals	
4.2.3	<b>Role of Management</b> – Acceptance and acknowledgement of manager's responsibilities	
4.2.4	<b>Duties of the Manager</b> – Description of each item	
	a) enforce corporate documents	
	b) advise Board re: documents	
	c) communication to owners	
	d) maintain corporate register	
	e) collect corporate funds	
	f) banking arrangements	
	g) monthly financial reports	
	h) maintenance and repair of property	
	i) meeting notices	

#	Description	Comments
	j) attendance by manager	
	k) arranging for audits	
	l) annual budgets	
	m) long term Reserve Fund planning	
	n) certificates of lien (status certificates)	
	o) maintaining corporation's insurance	
	p) manager's bonding and professional liability	
	q) spending limitations	
	r) dealing with emergencies	
	s) provisions for extra charges	
4.2.5	<b>Affiliated Companies</b> – Terms under which manager may or may not deal with such firms	
4.2.6	<b>Firm's Compensation</b> – Clear outline of fee being charged and details of when due, compensation amounts, provisions for increases (if any)	
4.2.7	<b>Indemnification</b> – Outline of the terms under which the corporation indemnifies the manager	
4.2.8	<b>Termination</b> – A clear description of the terms which must be consistent with the ACMO Corporate Code provisions - Notice – Address of either party giving notice to other	
4.2.9	<b>Limitations</b> – An outline of partial invalidity, warranties, collateral agreements, successors, gender, and number	
4.2.10	<b>Survival of legal obligations</b> – Provisions setting out any requirements for legal liability following termination of the contract	
<b>4.3</b>	<b>Board Reports</b>	
4.3.1	The Financial Statement – The monthly or quarterly financial reports must include:	
	a) Balance Sheet	
	i. Assets:	
	1) Bank Operating account	
	2) Bank Reserve account	
	3) Investments	

#	Description	Comments
	4) Accounts receivable	
	5) Prepaid items	
	6) Petty cash	
	ii. Liabilities:	
	1) Accounts payable	
	2) Accrued liabilities	
	3) Mortgages payable	
	4) Leased equipment	
	iii. Equity:	
	1) Reserve Fund(s)	
	2) Prior year surplus (deficit)	
	3) Current year surplus (deficit)	
	b) Statement of Operations -breakdown of income and expense on an accrual basis in each budgeted category/account with current month figures and year-to-date figures compared to monthly and year-to-date budgets for each category/account.	
	c) Cash Disbursement Statement - cheque register itemizing vendor name, amount and date of cheque, account name or number to which it was charged	
	d) Accounts Receivable Listing -List of accounts receivable showing name of unit owner, number of days in arrears and amount owing	
	e) Investment Summary -list of investments including location, maturity dates and interest rates and including balances and reserve fund schedules.	
	f) Accruals -List of all current and up to date accruals and related invoices.	
	g) Bank Statements -copies of bank statements of the operating account, and the reserve account and reconciliations.	
	h) Statement of Reserve Fund - a list of the expenditures year to date with schedules and balances.	
	i) Transfers to Reserve Fund – list of transfers to Reserve Fund in accordance with the budget.	
	j) Provision of financial statement package including prior year audited statements and journal entries	

#	Description	Comments
<b>4.4</b> 4.4.1	<b>The Management Report and Industry Updates</b> General	
	a) Due to the many varied types and sizes of condominium firms throughout Ontario and the resultant various expectations of the clients, it is not possible to provide a single guide on management reports to the Boards of Directors.	
	b) Many condominium corporations are large enough to warrant an "in depth", written, monthly report from the property manager. Many firms throughout Ontario, however, are of a size that could not warrant this extra expense. Some corporations are served by receiving verbal management reports, which are then recorded in the minutes of Board meetings.	
	c) Firms must demonstrate a regular reporting of management issues as well as general industry updates. The method and style of reporting should be left to the firm and the client to negotiate. At minimum items should include:	
	i. Items for Board approval	
	ii. Items for Board information	
	iii. Lists of items pending	
<b>4.5</b> 4.5.1	<b>New Director's Guide</b> As new directors are elected or appointed to the Board, it is incumbent upon the manager to make them informed about their duties and responsibilities in general and information about their condominium in particular. The firm is required to demonstrate it prepares and issues a new board member guide, which contains at least the following items:	
	a) Director's Binder; containing:	
	ii. Corporate documents (i.e. Declaration, By-laws, Rules)	
	iii. Owners' list	
	iv. Budget	
	v. Insurance certificate	
	vi. Minutes	
	vii. Financial statements	
	viii. Newsletters	
	ix. Resolutions and/or policies	
	b) Information lists; containing:	

#	Description	Comments
	i. Names, numbers of directors	
	ii. Tradespersons	
	iii. Insurance information	
	iv. Management names & numbers	
	v. Emergency procedures/contacts	
	vi. Orientation information, such as:	
	vii. The Condominium Act	
	viii. Books/articles regarding directors' responsibilities	
<b>5.0</b>	<b>Purchasing &amp; Supplier relationships</b>	
<b>5.1</b>	<b>Purchasing process</b>	
5.1.1	General	
	a) Securing goods and services from suppliers for their clients is a key responsibility delegated to the condominium management firm.	
	b) The firm shall ensure that purchased goods and services conform to specified purchase requirements.	
	c) The type and extent of control applied to the supplier and the purchased goods and service shall be dependent upon the effect of the purchased goods or service on the quality of the service.	
	d) The firm shall evaluate and select suppliers based on their ability to supply goods or services in accordance with the firm's requirements.	
	e) Criteria for selection, evaluation and re-evaluation shall be established.	
	f) Records of the results of evaluations and any necessary actions arising from the evaluation shall be maintained.	
	g) The firm is required to have a written policy on purchasing practices.	
5.1.2	Disclosure	
	a) the firm shall have a policy of complete disclosure in its dealing with its suppliers and trades or has a contractual agreement with a supplier which benefits the firm:	
	i. the firm shall inform the Board of Directors of their affiliation with any existing or potential supplier of services to the Corporation.	
	ii. the disclosure should be provided in writing from the firm to the Board of Directors and form part of the minutes of a duly called meeting of the Board of Directors.	
	iii. all other aspects of providing competitive bids to the Board of Directors should still be followed to ensure	



#	Description	Comments
	that all potential suppliers have an equal opportunity to acquire the contract.	
<b>5.2</b>	<b>Purchasing information</b>	
5.2.1	Purchasing information shall describe the goods to be purchased, including where appropriate;	
	a) requirements for approval of goods, procedures, processes and equipment,	
	b) requirements for qualification of personnel, and	
5.2.2	The firm shall ensure the adequacy of specified purchase requirements prior to their communication to the supplier.	
<b>5.3</b>	<b>Verification of purchased goods &amp; services</b>	
5.3.1	The firm shall establish and implement the inspection or other activities necessary for ensuring that purchased goods and services meets specified purchase requirements.	
<b>5.4</b>	<b>Use of External Experts</b>	
5.4.1	Introduction Condominium directors have indicated that proper recognition of when and how to engage external experts is a key responsibility of a condominium property management firm. Undertaking a task with internal resources that do not have the proper skills will invariably lead to poor service. This section requires that the firm have a policy on the use of external experts and that it contains, at a minimum, the policies and procedures for those items described in the index set out below.	
5.4.2	Index on External Use Policy	
	a) Categories of external professional services	
	i. Legal	
	ii. Engineers	
	iii. Insurance Appraiser	
	iv. Reserve Fund Studies	
	v. Human Resources	
	vi. Accountants/auditors	
	vii. Insurance Brokers	
	viii. Investment Brokers	
	ix. Architects	
	x. Interior design	

#	Description	Comments
	xi. Others	
	b) Procedures for engaging experts	
	i. Define scope and objectives	
	ii. Establish fees and budget	
	iii. Investigate references	
	iv. Manage logistics and/or information supplied	
<b>6.0</b>	<b>Accounting, Administration &amp; Insurance</b>	
<b>6.1</b>	<b>Accounting Procedures</b>	
6.1.1	General	
	a) These requirements ensure that the firm keeps a current set of books for its own operation. Proper accounting records are a key sign of good management.	
	b) This requirement is not an audit of the firm's books nor does it attest to the financial viability of the firm. It is one of several measurable tests of good internal management controls. Proof of this requirement shall be as follows:	
	c) The firm at a minimum shall maintain quarterly financial statements	
<b>6.2</b>	<b>Administrative Procedures</b>	
6.2.1	General This requirement ensures that key administrative procedures are set out in writing. The measurable requirement is for an Administration Manual to contain, at a minimum, the written policies and procedures for each item listed in the index set out below.	
6.2.2	Administration Manual Index	
	a) Communications Systems	
	1) Definition of the communications system including assurance of accessibility by clients.	
	2) Procedures for handling in-coming and out-going mail, faxes and email.	
	3) Procedures for handling 24-hour emergencies.	
	b) Filing Systems	
	1) Procedures for filing corporate and client files.	
	2) Procedures for archiving files.	

#	Description	Comments
	c) Payroll	
	1) Procedures on payroll.	
	2) Procedures on payment of deductions at source.	
	3) Procedures on submitting government filings, e.g. EHT, T-4s, WSIA, R.O.E., etc.	
	4) Procedures for personnel filing.	
<b>6.3</b>	<b>Insurance Coverage</b>	
6.3.1	General	
	a) Today's condominium property management firm carries significant responsibilities in its ongoing business. Part of delivering quality service to clients is the risk management by the firm. This section sets out the minimum insurance requirements by key function. It is assumed that the firm will purchase insurance in a rational manner, i.e.:	
	i. deductibles are within the firm's financial resources and	
	ii. the levels of coverage are commensurate with the risk.	
	b) There are some insurance items listed in this section which are only required if that particular activity is undertaken by the firm.	
6.3.2	Requirements	
	a) Building and Contents	
	b) Business Interruption	
	c) Computer Equipment	
	d) Fidelity	
	e) Tenant Legal Liability	
	f) Comprehensive General Liability	
	g) Errors and Omissions Liability	
	h) Machinery Breakdown	
	i) Other all Risk Coverage	
	i. valuable papers and records	

#	Description	Comments
	ii. accounts receivable records	
<b>7.0</b>	<b>Human Resources</b>	
<b>7.1</b>	<b>General</b>	
7.1.1	Personnel performing work affecting service quality shall be competent on the basis of appropriate education, training, skills and experience.	
7.1.2	Treatment of employees is a key component of delivering quality service to clients. The requirements in this section ensure that management has policies on employment practices and that the policies are set out in writing and that all applicable laws are followed.	
<b>7.2</b>	<b>Competence, awareness, and training</b>	
7.2.1	The firm shall:	
	a) determine the necessary competencies for personnel performing work affecting service quality,	
	b) provide training or take other actions to satisfy these needs,	
	c) evaluate the effectiveness of the actions taken,	
	d) ensure that its personnel are aware of the relevance and importance of their activities and how they contribute to the achievement of the corporate objectives	
7.2.2	The firm must have a Human Resources Manual which contains policies and procedures concerning each of the following:	
	a) Hiring procedures	
	i. Hiring letter	
	ii. Job descriptions	
	iii. Employment agreements	
	iv. Orientation of new employee	
	b) Discipline and termination procedures	
	i. Notice	
	ii. Severance	
	c) Performance review procedures	
	i. Absence from work policy	

#	Description	Comments
	ii. Sick days	
	iii. Religious holidays	
	iv. Bereavement days	
	v. Pregnancy and parental leave	
	vi. Statutory days	
	vii. Vacation	
	d) Hours of operation	
	i. Overtime policy	
	ii. Time off policy	
	e) Pay administration	
	i. Payment periods	
	ii. Benefit plans	
	iii. Deductions	
	iv. Record keeping	
7.2.3	The firm must comply with the applicable federal and provincial legislation. The audit will seek proof that copies of the legislation and all pertaining regulations of the following provincial laws are filed at the firm's head office:	
	a) Provincial	
	1) Employment Standards Act	
	2) Occupational Health and Safety Act	
	3) Labour Relations Act	
	4) Pay Equity Act	
	5) Workplace Safety and Insurance Act	
	6) Employer Health Tax Act	

#	Description	Comments
	7) Human Rights Code	
	8) The firm will also have to demonstrate access to the following federal laws and have on premises all guidelines or regulations required to effect compliance.	
	b) Federal	
	1) Income Tax Act	
	2) Employment Insurance Record of Employment	
	3) Canada Pension Plan	
<b>7.3</b>	<b>Education and Reference Material</b>	
7.3.1	<p>Introduction</p> <p>As noted in the previous section, treatment of employees is a key component of delivering quality service to clients. Employees must be constantly upgraded in the knowledge required to perform their functions. They should also have access to reference materials to assist them to perform in the increasingly complex condominium field. The requirements in this section are a reference library, procedures for accessing information and ongoing education of staff.</p>	
7.3.2	Requirements	
	a) Reference Library Containing	
	1) Condominium Act 1998 & Condominium Management Services Act 2015 and Regulations supporting legislation	
	2) Condo law and admin texts	
	3) Precedents of condo by-laws and rules	
	4) Precedents of condo procedures, resolutions, notices, agendas	
	5) Materials from conferences/seminars	
	6) Condominium related publications	
	7) Publications on management topics	
	8) Copies of the following legislation and regulations:	
	i. Elevating Devices	
	ii. Fire Marshall's Act	

#	Description	Comments
	iii. Ontario Building Code	
	iv. Landlord and Tenant	
	v. Human Rights	
	vi. Health Protection and Promotion	
	vii. Ontario Health Act – Swimming Pools sections	
	viii. Relevant Municipal by laws and regulations	
	b) Access to information	
	1) Demonstrate that employees have regular and open access to reference materials, e.g. a distribution list procedure.	
	c) Demonstrate regular in-house or third-party training of employees.	
	d) The firm shall encourage all condominium managers, newly employed by their firm, to be Registered Condominium Managers or be working towards their RCM designation.	
	e) The firm shall be required to report how many of the firm's condominium managers holding a General Licence (issued by the CMRAO) also hold the RCM designation, and how many have been with the firm for more than 10 years.	
	f) The firm shall be required to confirm the total number of condominium managers on staff and how many hold a General Licence (issued by the CMRAO).	
<b>8.0</b>	<b>Field Operations</b>	
<b>8.1</b>	<b>General</b>	
8.1.1	The delivery of day-to-day services to the client by employees or contractors at the site of the condominium corporation can have a significant effect on the overall quality of service delivered to the client. This section does not refer to the property manager although that individual will likely have training in all areas.	
8.1.2	This section sets out requirements that will assist in the delivery of a consistent level of service to the client. The requirements fall into three groups.	
a)	<b>First</b> , job descriptions must be written for all field operation personnel – both employees and contractors. This will ensure that responsibilities are understood by all personnel.	
b)	<b>Second</b> , there are requirements for training of field operations personnel. The training will vary by job description. A matrix of training requirements is found in Appendix 3. This matrix can also be used as criteria when hiring contractors.)	
c)	<b>Third</b> , there is a requirement for a Building Operations Manual. This manual will ensure that on-site processes and	

#	Description	Comments
	practices are clearly understood by all field operations personnel.	
<b>8.2</b>	<b>Index of Job Descriptions (In-House or Contract)</b>	
	a) Superintendent	
	b) Asst./Relief Superintendent	
	c) Concierge	
	d) Roving Patrols	
	e) Security Personnel	
	f) Cleaning Staff	
	g) Maintenance Manager	
	h) Recreation Director	
	i) Site Administrator/Secretary	
	j) Other	
<b>8.3</b>	<b>Training</b>	
	a) Personal Safety	
	i. First-Aid	
	ii. CPR	
	iii. WHMIS	
	iv. Other	
	b) Emergency Procedures	
	i. Fire/Fire Safety Plan	
	ii. Flood	
	iii. Elevators	
	iv. Utility Shutdown	



#	Description	Comments
	v. Death/Suicides	
	vi. Bomb Threats/Handguns	
	vii. Media Handling	
	viii. Other	
	c) Human Resources	
	i. Time Management	
	ii. Employment Standards	
	iii. Human Rights	
	v. Owner/Board Relations	
	vi. Condominium Hierarchy	
	d) Building/Site Systems	
	i. HVAC	
	ii. Plumbing	
	iii. Envelope	
	iv. Structural	
	v. Pool/Spa & Recreation	
	e) Plans and Drawings	
	i. Plumbing and Heating Valve Chart	
	ii. Electrical Panel Chart/Emergency Lighting	
	iii. Building Plans	
	1) White Prints	
	2) Site Plan	
	3) Architectural Drawings	

#	Description	Comments
	4) Structural Plans	
	5) Mechanical and Electrical Drawings	
	6) Landscaping	
	7) Elevators	
	iv. Other	
<b>8.5</b>	<b>Building Operations Manual (Index)</b>	
	a) Maintenance Equipment and Supplies	
	i. Inventory Control System	
	ii. Ordering Policies and Procedures	
	iii. Equipment Servicing Manuals	
	iv. Equipment Servicing/Maintenance	
	b) Maintenance Schedules	
	i. Weekly	
	ii. Monthly	
	iii. Quarterly	
	iv. Semi-Annual	
	v. Annual	
	c) Maintenance Record System	
	i. Policies and Procedures	
	d) Fire Plan	
	e) Emergency Procedures	
<b>9.0</b>	<b>Measurement and Improvement</b>	
<b>9.1</b>	<b>Control of documents and records</b>	

#	Description	Comments
9.1.1	Internal and external documents required by ACMO 2000 shall be controlled.	
9.1.2	A procedure shall be established to define the controls needed	
	a) to approve documents for adequacy prior to issue,	
	b) to review and update as necessary and re-approve documents,	
	c) to ensure that changes and the current revision status of documents are identified,	
	d) to ensure that relevant versions of applicable documents are available at points of use,	
	e) to ensure that documents remain legible and readily identifiable,	
	f) to ensure that documents of external origin are identified and their distribution controlled, and	
	g) to prevent the unintended use of obsolete documents, and to apply suitable identification to them if they are retained for any purpose.	
9.1.3	Records required for the operation of ACMO 2000 certified firm shall be established and maintained to provide evidence of conformity to requirements and of the effective operation of ACMO 2000 management system.	
9.1.4	Records shall remain legible, readily identifiable and retrievable. Controls needed for the identification, storage, protection, retrieval, retention time and disposition of records shall be identified.	
<b>9.2</b>	<b>Control of non-conformance</b>	
9.2.1	The firm shall ensure that goods or service which does not conform to the requirements is identified and controlled to prevent its unintended use or delivery. The controls and related responsibilities and authorities for dealing with nonconforming goods or services shall be defined in a documented procedure.	
9.2.2	The firm shall deal with nonconforming goods and services by one or more of the following ways:	
	a) by taking action to eliminate the detected nonconformity;	
	b) by authorizing its use, release or acceptance under concession by a relevant authority and, where applicable, by the customer;	
	c) by taking action to preclude its original intended use or application.	
9.2.3	Records of the nature of nonconformities and any subsequent actions taken, including concessions obtained, shall be maintained.	
9.2.4	When non-conformance is corrected it shall be subject to re-verification to demonstrate conformity to the requirements.	
9.2.5	When non-conformance is detected after delivery or use has started, the firm shall take action appropriate to the effects, or potential effects, of the nonconformity.	

#	Description	Comments
<b>9.3</b>	<b>Corrective action</b>	
9.3.1	The firm shall take action to eliminate the cause of nonconformities in order to prevent recurrence.	
9.3.2	Corrective actions shall be appropriate to the effects of the nonconformities encountered.	
9.3.3	A documented procedure shall be established to define requirements for;	
	a) reviewing nonconformities (including customer complaints),	
	b) determining the causes of non-conformities,	
	c) evaluating the need for action to ensure that nonconformities do not recur,	
	d) determining and implementing action needed,	
	e) records of the results of action taken, and	
	f) reviewing corrective action taken.	
<b>9.4</b>	<b>Preventive action</b>	
9.4.1	The firm shall determine action to eliminate the causes of potential nonconformities in order to prevent their occurrence. Preventive actions shall be appropriate to the effects of the potential problems.	
9.4.2	A documented procedure shall be established to define requirements for	
	a) determining potential nonconformities and their causes,	
	b) evaluating the need for action to prevent occurrence of nonconformities,	
	c) determining and implementing action needed,	
	d) records of results of action taken, and	
	e) reviewing preventive action taken.	