

# *Council on Dairy Cattle Breeding*

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## *General Auditing Guidelines*

*Effective January 1, 2010  
Version 10.0*

The purpose of this manual is to ensure the accuracy and uniformity of all records included in the national *Genetic Evaluation Program*.

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## ***Overview of the Dairy Records Industry***

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### ***Genetic Evaluation Program***

In order to analyze the genetic progress of dairy cattle within the United States, the USDA has established a research facility in Beltsville, MD. The organization is called the Animal Improvement Programs Laboratory (AIPL) and the research project is called the Genetic Evaluation Program (GEP).

### ***Records Included in the GEP***

Since the data generated by the GEP is used for a variety of dairy industry purposes, the records included in the database must meet certain criteria to ensure that a consistent degree of accuracy is attained. The AIPL has designated the Council on Dairy Cattle Breeding (CDCB) as its agent for scrutinizing the quality of the data.

Only records generated by certified service providers are included in the GEP. These records must have been attained through approved milk metering equipment checked for calibration by a certified meter center. In addition, all sample analyses must have been performed by a certified laboratory and all record calculations must have been generated through a certified processing center.

### ***Established Standards for the GEP***

The CDCB has established a set of standards to which all records must meet for inclusion in the GEP. They are documented in the *Code of Ethics*, *Uniform Data Collection Procedures*, and the auditing procedures manuals listed below.

- 1. Council on Dairy Cattle Breeding General Auditing Guidelines*
- 2. Council on Dairy Cattle Breeding Auditing Procedures for Field Services*
- 3. Council on Dairy Cattle Breeding Auditing Procedures for Laboratories*
- 4. Council on Dairy Cattle Breeding Auditing Procedures for Meter Centers and Technicians*
- 5. Council on Dairy Cattle Breeding Auditing Procedures for Processing Centers*

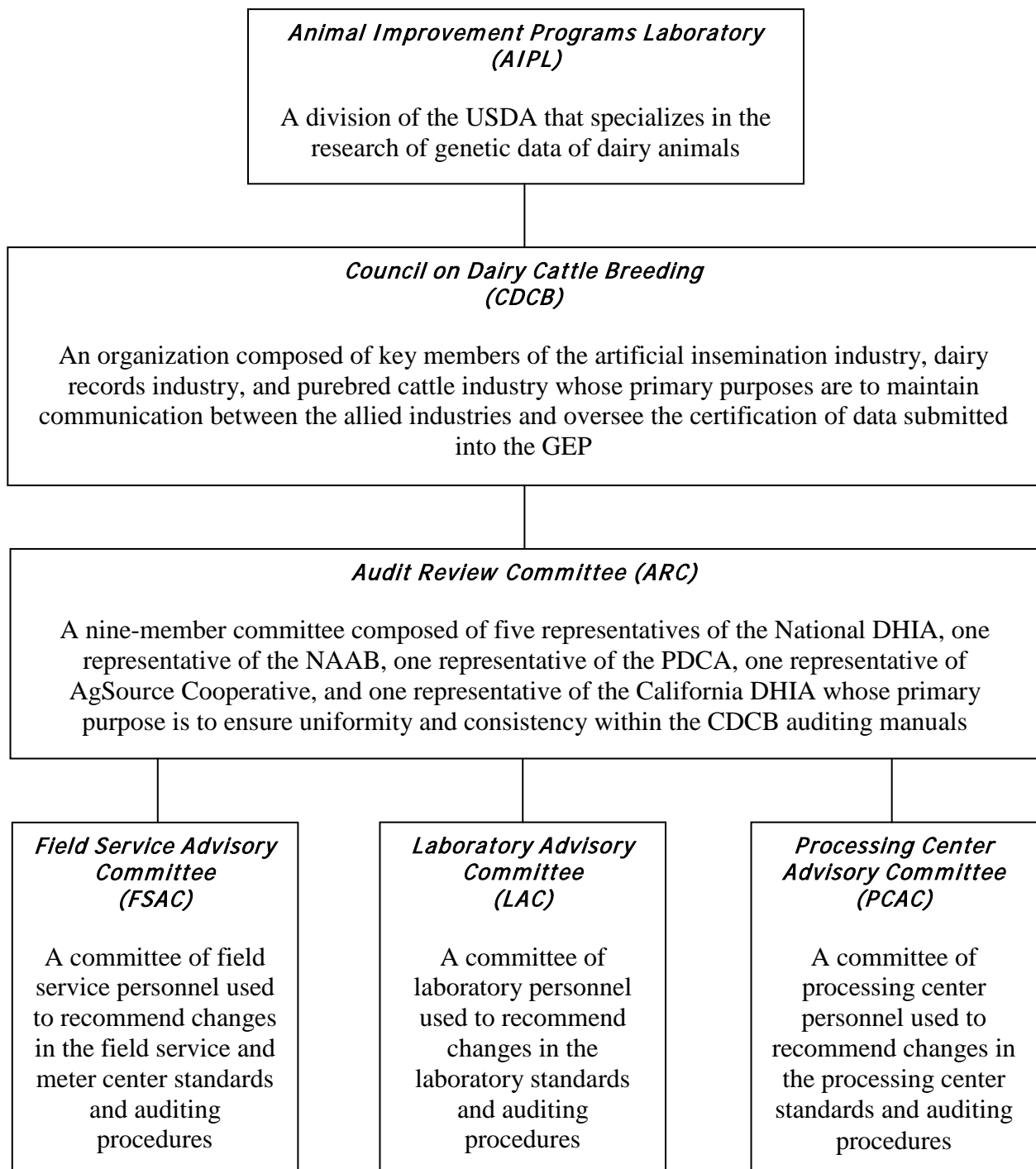
### ***Auditing of the Standards for the GEP***

Because the CDCB does not operate with a paid staff or employees, the auditing of the service providers is contracted out to an independent organization. That organization is provided with a set of auditing procedures and has the authority to certify service providers.

Dairy records service providers that are audited and determined to meet or exceed those standards are said to be certified service providers.

## *Schematic of the Dairy Records Industry*

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## ***Council on Dairy Cattle Breeding***

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### ***CDCB Responsibilities***

The CDCB is a nine-member council composed of three representatives of the dairy records industry, three representatives of the purebred dairy cattle industry, and three representatives of the artificial insemination industry. Their responsibilities are:

1. To sign the *Memorandum of Understanding* with the USDA and represent the entire dairy records industry in the *Genetic Evaluation Program*,
2. To set the minimum standards for data collection necessary for cow and herd records to be included in the GEP,
3. To organize advisory committees to review the standards and auditing procedures and make recommendations for revisions,
4. To choose an auditor for the task of reviewing the performance of the service providers and authorize them to certify records for inclusion in the GEP, and
5. To designate a web site for posting a list of certified service providers.

### ***CDCB Directors***

The voting directors are determined at the beginning of each meeting and may change from time to time. Therefore, a comprehensive list cannot be provided in this document.

### ***CDCB Chairman***

The CDCB Chairman is elected at the conclusion of the spring meeting and serves for one year. The contact information for the current chairman can be found on the auditor website.

## ***Audit Review Committee***

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### ***Audit Review Committee Responsibilities***

The Audit Review Committee (ARC) is a nine-member committee composed of five representatives of the National DHIA, one representative of the NAAB, one representative of the PDCA, one representative of AgSource Cooperative, and one representative of the California DHIA. Their responsibilities are:

1. To meet at least annually and review the recommendations of the Advisory Committees,
2. To endorse or modify the recommendations of the advisory committees as necessary to ensure that the auditing procedures are consistent between the various service provider types and to submit these recommendations to the CDCB, and
3. To recommend revisions to the standards or auditing procedures to the appropriate advisory committee for their consideration.

### ***Audit Review Committee Members***

The Committee members are chosen by their respective organizations. The list of current members can be found on the auditor website.

## ***Advisory Committees***

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### ***Field Service Advisory Committee Representation and Responsibilities***

The Field Service Advisory Committee (FSAC) is composed of field service provider and meter center personnel. The Committee will meet as necessary and meetings are open to all participating service providers.

The responsibilities of the committee are to review the standards and auditing procedures outlined in the *CDCB Auditing Procedures for Field Services* and *CDCB Auditing Procedures for Meter Centers and Technicians* manuals and make recommendations for revisions to the Audit Review Committee.

### ***Laboratory Advisory Committee Representation and Responsibilities***

The Laboratory Advisory Committee (LAC) is composed of laboratory personnel. The Committee will meet as necessary and meetings are open to all participating service providers.

The responsibilities of the committee are to review the standards and auditing procedures outlined in the *CDCB Auditing Procedures for Laboratories* manual and make recommendations for revisions to the Audit Review Committee.

### ***Processing Center Advisory Committee Representation and Responsibilities***

The Processing Center Advisory Committee (PCAC) is composed of dairy records processing personnel. The Committee will meet as necessary and meetings are open to all participating service providers.

The responsibilities of the committee are to review the standards and auditing procedures outlined in the *CDCB Auditing Procedures for Processing Centers* manual and make recommendations for revisions to the Audit Review Committee.

### ***Timetable for Handling Advisory Committee Recommendations***

The Field Service, Laboratory, and Processing Center Advisory Committees will meet annually to review the CDCB auditing manuals and submit recommendations for revision. Each advisory committee's minutes will be written and made available to the certified service providers, QCS Advisory Committee, and National DHIA Board for discussion and comment, and to the Audit Review Committee for action.

Subsequent to the Advisory Committee Meetings – The ARC will meet to act on the recommendations and feedback. Proposed revisions will be written and made available to the certified service providers, Audit Review Committee, QCS, and National DHIA for additional discussion and comment.

Fall – The ARC will submit approved changes for inclusion in the CDCB meeting packet. The CDCB will review the ARC submission and act on the recommendations.

Fall – The CDCB auditing manuals will be revised to include the CDCB decisions and will be made available to the certified service providers.

January – The CDCB auditing manual revisions will become effective.

## ***Service Providers***

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### ***Service Provider Responsibilities***

The responsibilities of the service providers are:

1. To abide by the *Code of Ethics* and *Uniform Data Collection Procedures*,
2. To follow the guidelines documented in the appropriate *CDCB Auditing Procedures Manual*,
3. To notify the auditor of changes in ownership, location address, billing address, list of customers and/or affiliates, equipment or meter technicians within 30 days,
4. To pay the fees charged by the auditing organization prior to issuance of certification. For those providers certified biennially, but billed in annual installments, certification will be issued on an annual basis with a renewal on receipt of the second installment payment.

### ***Service Provider Complaints***

Complaints regarding the failure of a service provider to meet the standards established by the CDCB, including complaints originating from the auditor, should be submitted to the auditor in writing. The complaint should accurately describe a violation or deficiency with the *Code of Ethics*, *Uniform Data Collection Procedures*, or *CDCB Auditing Procedures Manual* and be signed by the complainant and submitted to the service provider and CDCB chairman.

The auditor will investigate the complaint, suggest action for resolution of the complaint, and submit a written report to the complainant, service provider, and CDCB chairman.

### ***Decertification Appeals***

Any Provisional service provider failing to retain certification from the auditor will have the right to appeal that decision to the CDCB within 7 calendar days of receipt of the notification. The appeal will consist of a written report that must be submitted to the CDCB chairman by the service provider and must explain why the decision of the auditor was incorrect.

The matter will be reviewed by the CDCB within 30 calendar days of receipt of the report and its decision will be final. If the CDCB upholds the findings of the auditor, USDA will be notified that no more data should be accepted from that service provider after 30 calendar days from the time the CDCB notifies the appealing entity of its decision.

If no appeal is forthcoming, USDA will be notified that no more data should be accepted from that service provider after the deadline for the appeal. CDCB members shall notify their organizations when there has been a final determination that a service provider is no longer certified, so that the word may flow to the farms from as many sources as possible.

Service Providers who are no longer certified but wish to reapply for certification must meet the same costs and conditions as a new entity wishing to offer certified services.

## ***Auditor***

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### ***Auditor Responsibilities***

The auditor is a person or organization chosen by the CDCB to ensure that all certified service providers are meeting CDCB standards. Responsibilities are:

1. To provide staff members or contracted personnel to perform both on-site and off-site audits. However, service providers may submit a written request to the auditing organization to have other persons provide that service under the supervision of the auditor,
2. To perform audits of service providers according to the specifications documented within this manual,
3. To determine the certification status of each auditing service provider,
4. To submit audit and certification reports to the CDCB, and
5. To organize Advisory Committee meetings.

### ***Auditor***

The auditor is determined by the CDCB at its fall meeting and is contracted for a specific period of time.

## ***Certification Status Classifications***

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### ***Determination of Certification Status***

The auditor, after review of all applicable materials, will be responsible for determining the certification status of each service provider. Further, the auditor is responsible for identifying both the conditions or deficiencies to be addressed and the time frame for action so that the provider can achieve full certification.

### ***Conditional***

A “conditional” certification status may be assigned to both new and existing service providers. A new service provider may be assigned conditional status if the auditor believes that the provider has demonstrated competency to perform necessary procedures meeting CDCB guidelines, but has not undergone a full on-site audit. An existing provisional provider may be assigned conditional status if the auditor believes that the provider has met all conditions or deficiencies outlined as part of a previous audit, but has not undergone a subsequent audit.

### ***Provisional***

A previously certified provider that fails to meet one or more aspects of the CDCB guidelines will be deemed as “provisional.” Upon further action and review by the auditor, the provider may be:

1. restored to full certification,
2. designated conditional until an audit is conducted,
3. designated provisional for an addition period of review, or
4. decertified.

### ***Certified***

A “certified” provider is one that meets or exceeds the CDCB guidelines for its service area.

### ***Decertified***

A provider that fails to meet the CDCB guidelines, even after a period of provisional certification and review, will be ‘decertified’ by the auditor. A decertified provider will not be allowed to submit data to the Genetic Evaluation Program.

## ***Audit Definitions***

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### ***Off-Site Audits***

An off-site audit will consist of submission of electronic and hard copy data to the auditor satisfying the provider requirements. The materials submitted will be evaluated using the same pass/fail criteria as the evaluation of the on-site audit.

### ***On-Site Audits***

An on-site audit is conducted by the auditor at the provider's place of business and may be either:

1. A 'mandatory audit' which is defined as a regularly scheduled on-site audit performed during the centering month for the provider, or
2. A 'discretionary audit' which is defined as an audit deemed necessary by either the auditor or the service provider when:
  - a. Changes in facilities, equipment, or staffing have occurred,
  - b. Certain aspects of the provider's performance are out of compliance with CDCB guidelines,
  - c. Provider wishes to attain full certification from a conditional status,
  - d. Provider wishes to regain full certification from a provisional status, or
  - e. Provider wishes to regain provisional certification from a decertified status.

## ***Initial Certification Procedures***

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### ***Initial Contact by the Service Provider***

Service providers seeking to become certified must contact the CDCB designated auditing organization. They should include the following data:

1. Business name,
2. Contact name,
3. Mailing address,
4. Telephone number,
5. Fax number,
6. Email address,
7. Type of certification desired, and
8. Date by which the certification should be completed.

### ***Follow Up Communication by the Auditor***

Once the initial contact data has been received, the auditor will send the following information to the service provider:

1. A manual describing the auditing procedures,
2. A contract of cooperation with the CDCB,
3. A list of initial certification and renewal certification rates,
4. A description of the payment options and procedures,
5. An estimated timetable for the initial certification, and
6. Any other information available that would assist the service provider with the initial certification process.

### ***Follow Up Contact by the Service Provider***

Before an on-site audit will be scheduled, the service provider must sign and return the contract of cooperation to the auditor and make arrangements for payment of the initial certification fee.

### ***Scheduling of the Initial On-Site Audit***

The auditor will then contact the service provider and make arrangements for the initial on-site audit. From this point forward, the initial certification procedures will be followed as outlined in the CDCB auditing manuals.

## ***Renewal Certification Procedures***

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### ***Initial Contact by the Auditor***

About 30-60 days before the centering period month, the auditor will send the following information to the service provider:

1. A current manual or updated manual inserts describing the auditing procedures,
2. A list of renewal certification rates,
3. A description of the payment options and procedures,
4. An estimated schedule for the certification, and
5. Any other information available that would assist the service provider with the renewal certification process.

### ***Scheduling of the On-Site or Off-Site Audit***

The auditor will then contact the service provider and make arrangements for the on-site audit. From this point forward, the renewal certification procedures will be followed as outlined in the CDCB auditing manuals.

## ***Audit Reports and Certification***

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### ***Scoring of On-site Audit***

All certification audits will be scored on a pass / fail basis. Each requirement must be met in order for a service provider to be certified by the auditor.

### ***Audit Reports for Field Services***

At the conclusion of the audit, the auditor will provide a verbal review to the field service provider. A printed report will be provided within 30 days of the audit and will identify missing or deficient data and options for addressing the deficiencies prior to certification expiration.

### ***Audit Reports for Laboratories***

At the conclusion of the audit, the auditor will provide a verbal review to the laboratory. A printed report will be provided within 30 days of the audit and will identify missing or deficient data and options for addressing the deficiencies prior to certification expiration.

### ***Audit Reports for Meter Centers***

At the conclusion of the audit, the auditor will provide a verbal review to the contact person for the meter center. A printed report will be provided within 30 days of the audit and will identify missing or deficient data and options for addressing the deficiencies prior to certification expiration.

### ***Audit Reports for Meter Technicians***

At the conclusion of the audit, the auditor will provide a verbal review to the meter technician. A printed report will be provided within 30 days of the audit and will identify missing or deficient data and options for addressing the deficiencies prior to certification expiration.

### ***Audit Reports for Processing Centers***

Within 30 days of the audit, the auditor will provide a printed report that will identify missing or deficient data and options for addressing the deficiencies prior to certification expiration.

### ***Printed Certificates***

Provided that the audit process has been successfully completed, all auditing fees are paid, and that certification has been awarded by the auditor, a certificate will be printed and mailed to the service provider.

### ***Publishing of Audit Reports***

The names, audit dates, certification status, and expiration of certification of all service providers will be posted on a website designated by the CDCB.

## ***Definitions***

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***Advisory Committees*** – Committees of key field service, laboratory, meter center, and processing center personnel used to recommend changes in the dairy records industry standards or auditing procedures

***AIPL*** – See Animal Improvement Programs Laboratory

***Animal Improvement Programs Laboratory*** – A division of the USDA that specializes in the research of genetic data of dairy animals

***Audit Review Committee*** – A nine-member committee composed of five representatives of the National DHIA, one representative of the NAAB, one representative of the PDCA, one representative of AgSource Cooperative, and one representative of the California DHIA whose primary purpose is to ensure uniformity and consistency within the CDCB auditing manuals

***Auditor*** – The person or organization responsible for monitoring the quality control procedures used by various service providers as outlined by the CDCB

***CDCB*** – See Council on Dairy Cattle Breeding

***Certified Data*** – Data that has been collected by certified field service providers using certified meters, including sample results analyzed by certified laboratories, and having results tabulated by certified processing centers

***Certified Field Service Provider*** – A field service provider that has met or exceeded the standards for quality control as defined in the manual entitled *Council on Dairy Cattle Breeding Auditing Procedures for Field Services*

***Certified Laboratory*** – A laboratory that has met or exceeded the standards for quality control as defined in the manual entitled *Council on Dairy Cattle Breeding Auditing Procedures for Laboratories*

***Certified Meter Technician*** – A meter technician that has been trained to perform milk meter repairs and calibration checks by a meter manufacturer or its representative

***Certified Meter Center*** – A meter center that has met or exceeded the standards for quality control as defined in the manual entitled *Council on Dairy Cattle Breeding Auditing Procedures for Meter Centers*

***Certified Processing Center*** – A processing center that has met or exceeded the standards for quality control as defined in the manual entitled *Council on Dairy Cattle Breeding Auditing Procedures for Processing Centers*

***Council on Dairy Cattle Breeding*** – An organization composed of key members of the artificial insemination industry, dairy records industry, and purebred cattle industry whose primary purposes are to maintain communication between the allied industries and oversee the certification of data submitted into the GEP

***Dairy Records Processing Center*** – An organization qualified to receive data from field service providers and laboratories, process that data into approved formats, and transmit it to the AIPL for use in the GEP

***Distributive Processing*** – The use of software capable of processing records in remote or on-farm locations

***DRPC*** – See Dairy Records Processing Center

**Field Service Advisory Committee** – A committee of field service personnel used to recommend changes in the field service and meter center standards and auditing procedures

**Field Service Manager** – Any manager or person directly supervising the on-farm functions of the field technicians

**Field Technician** – Any person including DHI employees, independent service providers, or employees of independent service providers authorized to collect milk weights and samples for inclusion in the Genetic Evaluation Program

**Final Calibration Check Reading** – The calibration check reading of a portable meter or scale after all repair work has been completed and the measurements are within specified tolerances

**Genetic Evaluation Program** – The AIPL research project that analyzes data from the dairy records industry for the purpose of genetic advancement

**GEP** – See Genetic Evaluation Program

**Laboratory Advisory Committee** – A committee of laboratory personnel used to recommend changes in the field service and meter center standards and auditing procedures

**National DHIA** – A dairy producer controlled organization within the dairy records industry

**North American Lab Managers Association** – An organization of laboratories designed to share ideas and methodologies for the improvement of sample analysis quality

**Preliminary Calibration Check Reading** - The initial calibration check reading of a portable meter or scale performed prior to any repairs are made

**Processing Center Advisory Committee** – A committee of processing center personnel used to recommend changes in the field service and meter center standards and auditing procedures

**Qualified Evaluator** - A person recognized by the service provider to be adequately trained to conduct performance evaluations of technicians

**Qualified Trainer** - A person recognized by the service provider to be adequately prepared or experienced to conduct training of technicians

**Standards** – The guidelines established by the CDCB which outline the minimum requirements for service providers to submit data to the GEP

**Test Day** - The cut-off date at which all milk weight and status data is collected and used for the processing of the cow and herd records for a given time period