

DUE DILIGENCE – CONFIDENTIAL PAPER RECYCLER ANNUAL AUDIT

Date _____

Facility Name _____

Address: _____

Contact Name: _____

Phone Number: _____

CAPABILITY AND CAPACITY

What is the scope of your business? Commodities handled?

How many facilities do you operate in region?

What is your ability to handle _____ volume? Ability to phase it in?

Can this Supplier handle volume of recyclables?

CLIENT BASE – COMMUNITY RELATIONS

What % of business does our facility represent to you?

What community programs are you involved in?

Is this supplier in alignment with our goal of community involvement?

OPERATIONS AND CONTROLS

General description of operations.

Site size, fleet size, and radius of operations.

Do you have any regulated processes? (universal wastes, special permits – air or water, etc)

Do you have personnel policies regarding confidential waste management?

- a) View personnel policies and training records.
- b) Are all employees trained in areas on confidential material management from the 1st day on the job.

Confidential Paper Handling – Observe paper transfer/sorting/baling process

- a) Is paper handling secure (dumping, sorting, baling not done in open areas)
- b) Is paper sorted to maximize revenue? If so, ascertain any additional risk if different paper requires different handling and disposition. (You may decide additional sorting is prohibited -- in which case there may be an additional fee or loss of revenue).

What is the final disposition of the material?

- a) If paper leaves facility intact or unpulped, describe process?

What type of reports can you provide?

- a) Do you provide certificates of destruction showing the paper has been recycled?
- b) Can you provide recycling data on a monthly basis?

Would there ever be a time the material is landfilled? Buyer/Market/Transportation issues?

Do the operations have sufficient controls in place to protect confidential information?

INSURANCE, FINANCIAL INFORMATION

Does the recycler have liability insurance?

Are there any financial issues that could impact our facility's paper disposition?

Does the recycler have any outstanding violations or legal issues?

Cost and rebate structure? How market dependent are the processing fees and/or rebate structures? Is there a ceiling and/or basement cost?

Is there a risk our facility could be financially exposed during handling, transporting and storing?

SUBCONTRACTORS

Would any service be subcontracted? To whom?

How does this affect your knowledge of the final disposition of the material?

Subcontractor due diligence?

Do subcontractors, if used, satisfy all internal applicable requirements?