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CHAPTER 9

"ENVIRONMENTAL AUDIT" AT THE CAUS AMBIENTALIS INSTITUTE: A LEARNING PROCESS FOCUSED ON CERTIFICATION

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ABSTRACT

Our research is an action-research project aimed at equipping, raising awareness, and preparing the members of the Caus Ambientalis Institute regarding the importance of transparency in institutional activities through a simulation of an environmental audit for certification purposes. The methodological procedures included:a) Presentation of the proposal for approval;b) Preliminary diagnosis of the institute's situation;c) Development of an action plan and activity schedule;d) Training and equipping of members;e) Definition of audit criteria and team;f) Simulated Environmental Audit.

As a result, we obtained a set of inventories developed after the training sessions, an awakening of members' awareness to develop and maintain control mechanisms that previously did not exist, and improvements in the organizational climate with greater interaction across decision-making levels.

We conclude that the simulated environmental audit is a relevant tool for third-sector institutions seeking to implement self-declaratory systems of transparency in their actions, assets, and services within their areas of operation, which are provided to society. These audits allow institutions to align their actions with norms, programs, and socio-environmental policies under development in our society. However, it remains evident that continuous improvement in good practices of internal and external controls is necessary—not only within the institute but in any third-sector organization that aims to continue operating and/or striving for excellence in organizational sustainability.

Keywords: Environmental Audit; Third Sector; Control; Transparency; Effectiveness.

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INTRODUCTION

In this work, we present a synthesis of an innovation process carried out at the Caus Ambientalis Institute, located in the city of Rio Grande da Serra, in the Greater ABC region of São Paulo. After all, we asked: through an independent and simulated environmental audit, would it be possible to equip and broaden the managerial perspective on environmental education and management among the members of this institution?

As is already widely known, the third sector comprises various segments and areas of activity that increasingly require transparency in their actions before the public. In this context, environmental auditing becomes necessary for such institutions and/or non-profit entities as one of the legal instruments for ensuring transparency and effectiveness.

Therefore, the theme addressed in this work is environmental auditing in the third sector (TS), specifically focusing on internal control of actions, activities, and other environmental care initiatives promoted by the Caus Ambientalis Institute. Since socio-environmental issues are prominently featured in media networks, they can serve as a strategic factor for the operations of Non-Governmental Organizations (NGOs) and other types of Civil Society Organizations (CSOs) (OTS, 2021), which must be subject to oversight and provide clarification regarding their socio-economic activities, service provision, etc.

After all, even non-profit organizations need clients if they wish to survive and thrive (ROBBINS, DeCENZO & WOLTER, 2012), as our traditional models of thinking and acting are being transformed daily, renewed, and consequently influencing different segments of our lives.

In light of this period of constant change and innovation in which we live, it is necessary to observe environmental, social, and economic issues that influence, drive, and lead institutions to reflect in order to better adapt to other public and private sectors.

Thus, we can see that the raison d'être of an organization lies in its clients and their demands, which must be identified and incorporated into the generation of products in a way that adds the necessary value to attract and retain them. Consequently, managing and properly handling human, material, technological, and financial resources (STADLER & MAIOLI, 2012), even in the TS, becomes essential.

Although TS institutions do not directly aim for profit, they do possess assets for the development and expansion of their objectives, goals, and core activities. These institutions seek to operate where public and private sectors fail to meet social demands (PEREIRA, 2013). Hence, there is a need for them to have their own systems of control and resource management.

Therefore, due to their corporate social responsibility—defined as “the extent to which an [institution] accepts obligations to society beyond those established by legal requirements”

(MARCOUSÉ, SURRIDGE & GILLESPIE, 2013, p. 182)—organizations can and must generate transparency in their activities through inspections, surveys, and audits conducted periodically.

Notably, strategic management processes (CAMPOS, 2016), environmental management systems (BARBIERI, 2007), and environmental audits and assessments (SALES, 2001; PHILLIPI JR. & AGUIAR, 2004; VILELA JR., 2006; CUNHA & GUERRA, 2012; CAZUMBÁ, 2017) allow for quantitative and qualitative verification of whether the TS (especially NGOs) has effectively contributed to a society where, according to Ioschpe (2005):

> the impacts of a State that is increasingly reducing its social action and a society with ever-growing needs are accelerating, [in which also] there is a growing awareness among individuals—both physical and legal—that it is necessary to proactively position oneself in the public space if sustainable social development is desired (IOSCHPE, 2005, p. I, emphasis added)..

These situations are currently exacerbated by the influence of a neoliberal model and a minimal State. For this reason, we chose the Caus Ambientalis Institute as the subject of our research, as it is a "Non-Governmental Organization" (ONGSBRASIL, 2021), and thus a Civil Society Organization that operates on social and environmental issues, and also engages in advocacy[2] for socio-environmental causes in Rio Grande da Serra, one of the seven cities in the Greater ABC region of São Paulo.

General Objective: To promote an internal (first-party and independent) audit (MORAES & PUGLIESI, 2014), in a simulated manner, at the Caus Ambientalis Institute, aiming to contribute to the technical training of its managers and collaborators. The focus is on understanding the relationships within internal and external control mechanisms, thereby enabling continuous improvement in procedures, resource management, and processes, with the medium- and long-term perspective of conducting future audits[3] at appropriate intervals to obtain environmental certifications.

Specific Objectives: a) To carefully examine the documents[4], records, and activities carried out by the Institute over the past five years; b) To analyze how (or whether) records of programs, actions, procedures, and internal and external processes (controls and communications) are maintained; c) To understand the institution's needs for alignment with socio-environmental policies in order to pursue environmental certifications in the future.

[2] It is the identification, defense, and promotion of a cause, involving engagement in the proposal and implementation of public policies aimed at solving well-defined social, economic, and environmental problems. These efforts seek to include, raise awareness, involve, and engage various social groups through actions, activities, and action plans focused on reducing the negative impacts present in the demands arising from society as a whole.

[3] (Second- and third-party audits)

[4] Statute, meeting minutes, and financial statements dating from 2018, when the institute officially began operations, although informal processes and procedures have been unfolding since its founding in 2002.

Our interest in this subject stems from information indicating that the Caus Ambientalis Institute is a Non-Governmental Organization,[5] an environmentalist and public utility entity as described in its bylaws and publicly recognized through a state decree and municipal law no. 2.242/2017, respectively. Therefore, we chose to examine its actions through the training of its members and a simulated environmental audit.

Moreover, this institution drew our interest for having already conducted research-based evaluations of its activities using managerial tools such as the "SWOT Analysis" and the "PDCA Cycle" (SHOJI & MANTONI, 2018, pp. 10 and 28).

Thus, we propose to deepen other analyses at the level of various internal and external controls to identify further opportunities for improvement and, consequently, to expand its operational horizons through the attainment of future environmental quality certifications.

It is also worth noting that we are in the final decade of implementing the 2030 Agenda (UN, 2016), which outlines the Sustainable Development Goals (SDGs). Among them, we highlight SDG 4, which addresses education in its multiple dimensions; SDG 8, which broadly addresses employment opportunities; SDG 16, which advocates for peace among organizations; and finally, SDG 17, which promotes partnerships. In this regard, we believe the Institute has much to contribute to the implementation of the 2030 Agenda in the region, which will indeed lead to greater precision in the socio-environmental actions it offers.

In this context, we structured our research with the aim of identifying new opportunities for improvement through the training and preparation of members, instructing them on the scope of current socio-environmental responsibility and environmental audits. As Silva (2021) states, "increasingly, medium and large companies[6] need to rely on audit reports."

As Knapik (2011) also argues, to improve interpersonal interaction, organizational climate, and workplace safety—engaging the "various levels of decision-making (strategic, tactical, and operational)" (CAMPOS, 2016; SILVA, 2021)—a new process of technical instruction and member training is always necessary, which can be achieved through the practice of environmental auditing.

Ultimately, it was expected that this teaching-learning process would significantly contribute to the execution of the simulated internal environmental audit and, consequently, to the improvement of results through the members' immersion in this environment of verification, inspection, and control aimed at future environmental certifications.

[5] This terminology and legal personality do not exist in the legal system. What does exist are non-profit associations, as provided for in the Regulatory Framework for Civil Society Organizations, which incorporates articles from the Civil Code that define what social associations are.
[6] Emphasis by the author.

THE THIRD SECTOR – DEFINITIONS, ACTIONS, AND SOCIAL INTERVENTIONS

Defining the Third Sector (TS) is no easy task, as it is a broad and complex field due to the myriad of interpretations it encompasses. However, we begin with definitions and types of associations described by the Third Sector Observatory (OTS). Thus, the TS is defined as a field of activity composed of private, non-profit organizations of public interest, known as civil society organizations (CSOs) (OTS, 2020).

One of the branches of the TS includes the so-called Non-Governmental Organizations (NGOs).

> The term is believed to have been first used in 1950 at the UN, referring to civil society institutions not linked to any government. In Brazil, NGOs are said to have emerged in the 1960s during the military regime, engaging in the struggle for the country's redemocratization.
> Following the political reopening in the early 1990s, they gained greater visibility due to the ECO 92 conference and the 1993 Movement for Ethics in Politics, which led to the Citizenship Action Against Hunger, Misery, and for Life, spearheaded by sociologist Herbert de Souza, known as Betinho (OTS, 2020, emphasis added).

Although they do not aim for profit, the TS moves billions and generates economic impact in Brazil and worldwide (ISFTSR, 2023). It is notable how NGOs are linked to causes such as human rights, the environment, health, popular education, etc., and operate in networks, maximizing the social actions to which they are dedicated. They work in partnership with governments, international or multilateral institutions, and private companies.

Currently, NGOs are referred to as "private non-profit entities" with a public purpose. However, the term NGO is not defined in Brazilian legislation, existing only in the form of associations or foundations. Nevertheless, the term NGO cannot be applied to all associations and foundations, even if they are private non-profit organizations, according to the new regulatory framework for civil society organizations (MROSC) (Law No. 13.019/2014) (PLATAFORMA MROSC, 2015). Thus, these organizations are distinguished from one another, as each type of social organization receives different designations under the MROSC.

Therefore, the current definition of NGO aligns with what Ioschpe (2005, p. 11) describes, recalling the thoughts of Ruth Cardoso, who stated that the [...] [TS] would be a space for participation and experimentation of new ways of thinking and acting on social reality. It is the emergence of a non-state public sphere and private initiatives with a public purpose. However, the [...] [TS] does not refer to a mass of homogeneous institutions (IOSCHPE, 2005).

According to Lacruz (2014), the role of the [...] [TS] is to represent the diverse interests of civil society, without replacing the role of public administration (both direct and indirect), nor inhibiting market entrepreneurship, aiming not at profit, but at direct and indirect results that benefit society.

In this way, the Caus Ambientalis Institute fits within these definitions.

ENVIRONMENTAL AUDITS – FOCUSING ON SOCIO-ENVIRONMENTAL ISSUES

The word “audit” originates from the Latin audire, meaning “to hear” (CAZUMBÁ, 201?). Another interpretation suggests that the term derives from the Latin auditus, meaning “hearing” (ENAP, 2019). According to the National School of Public Administration, when we mention the term, it is important to recall its origins in the auditing tasks of Uruk in Mesopotamia around 3500 B.C., since:

> its emergence is likely related to changes in the way commercial activities were managed due to the growth at the time, the advent of urban life, and the emergence of writing, through which historians found evidence of ticks and other verification marks alongside numerical transaction records (ENAP, 2019, pp. 5–6, emphasis added).

This highlights how ancient the auditing process is and how it has evolved over the centuries, becoming highly relevant today. In the Dictionnaire Environnement (ACTU ENVIRONNEMENT, 2019), environmental auditing is defined as:

> Audit environnemental[7]
> L'audit environnemental désigne un instrument de gestion comprenant une évaluation systématique, documentée, périodique et objective de l’efficacité de l’organisation, du système de gestion et des procédures destinées à la protection de l’environnement.
> On distingue deux types d'audits: - Audits externes réalisés par des entités externes à l'entreprise auditée, à la demande ou pas de ladite entreprise, en appliquant ses propres critères quant à la portée, l'organisation et la réalisation de l'audit ou, au moins, quant aux deux derniers aspects. Audits internes réalisés par le personnel de l'entreprise ou par des entités externes à l'entreprise auditée, à la demande de ladite entreprise, et en appliquant des critères propres en ce qui concerne la portée, l'organisation et la réalisation de l'audit. (ACTU ENVIRONNEMENT, 2019).

According to authors such as DIAS (2020); FAVENI (2020); TAMARTHI (2019); ANTONOVZ (2014); SILVA & PRZYBYSZ (2014); MORAES & PUGLIESI (2014); MAZZAROTTO & BERTÉ (2013); PHILIPPI JR. & AGUIAR (2004); and SALES (2001), environmental auditing is understood as a management tool for process verification, control assessment, and organizational improvement. Furthermore, Barbieri (2007) defines it as a “multi-purpose instrument” to meet social demands from the public, government, and market.

Technically, the Brazilian National Environmental Council (Conama) Resolution No. 306/2002 defines Environmental Audit as:

[7] Environmental Audit
An environmental audit is defined as a management tool that comprises a systematic, documented, periodic, and objective evaluation of the effectiveness of the organization, the management system, and the procedures intended for environmental protection.
There are two types of audits: external audits conducted by entities external to the audited company, whether requested by the company or not, applying their own criteria regarding the scope, organization, and execution of the audit—at least in terms of the latter two aspects. Internal audits are carried out by the company’s personnel or by entities external to the audited company [contracted consultancies], at the company’s request, and applying their own criteria regarding the scope, organization, and execution of the audit.

> a systematic and documented verification process, carried out to obtain and objectively evaluate evidence to determine whether specified activities, events, management systems, and environmental conditions—or related information—are in compliance with the audit criteria established in this Resolution, and to communicate the results of this process (Conama, 2002, emphasis added).

According to the Brazilian Association of Technical Standards (ABNT), NBR 14010 outlines the criteria for auditing an organization, including the verification of: policies, practices, procedures, or requirements against which the auditor compares the evidence collected about the audit subject. Evidence is understood as verifiable information, records, or statements (ABNT, 1996).

However, it is important to note that this standard has become obsolete due to its incorporation into NBR 19011/2002, which has since been revised and updated in 2015 (ABNT, 2002; ABNT, 2015) and by the International Standard (ISO, 2018).

According to the International Organization for Standardization (2018), an audit is defined as:

> audit[8]
> systematic, independent and documented process for obtaining objective evidence […] and evaluating it objectively to determine the extent to which the audit criteria […] are fulfilled.
> Note 1 to entry: Internal audits, sometimes called first party audits, are conducted by, or on behalf of, the organization itself.
> Note 2 to entry: External audits include those generally called second and third party audits. Second party audits are conducted by parties having an interest in the organization, such as customers, or by other individuals on their behalf. Third party audits are conducted by independent auditing organizations, such as those providing certification/registration of conformity or governmental agencies (ISO, 2018).

Thus, audits are pragmatic methods that value practice over theory, seeking truth in concrete facts rather than in declared objectives expressed by organizations. In this way, audits are indispensable tools for managing third-sector organizations (DIAS, 2020; CAZUMBÁ, 201?).

METHODOLOGY

According to Thiollent & Silva (2007, p. 94), the "socio-environmental perspective presents and requires a systemic approach, not limited to the analysis of isolated variables, but rather one capable of grasping the whole and its parts in their relationships with the whole, recognizing the complexity that results from the interaction between the parts."

[8] [It is a] systematic, independent, and documented process for obtaining objective evidence […] and evaluating it objectively to determine the extent to which the audit criteria […] are fulfilled.
Note 1: Internal audits, sometimes called first-party audits, are conducted by the organization itself or on its behalf. Note 2: External audits include those generally referred to as second- and third-party audits. Second-party audits are conducted by parties with an interest in the organization, such as clients, or by other individuals on their behalf. Third-party audits are conducted by independent auditing organizations, such as those that provide certification/registration of conformity or governmental agencies (ISO, 2018).

Thus, our research was developed through field investigation, bibliographic surveys, and, consequently, the involvement and interaction with other social actors, such as members. It is characterized as an action-research project[9] (THIOLLENT & SILVA, 2007). It is considered applied in nature, aiming to analyze documentation (minutes, bylaws), records, internal controls (budgetary, financial, and asset balance sheets), external controls, institutional policy, etc., to support a simulation of an environmental audit as a teaching and learning process for the institute's leadership participants.

Our research was developed in at least four distinct and complementary phases:

a) Bibliographic survey in major databases such as Scielo, Capes Journals, and internet sites; b) Visit to the institution, presentation, and reception of the proposal in an extraordinary meeting, as well as a diagnosis and preliminary verification of documents, procedures, etc.; c) Diagnosis of the level of technical knowledge about environmental auditing possessed by the institute's leadership participants, through the application of a questionnaire with open and closed questions; d) Conduct of in-person training (using texts on the main topic—environmental auditing in the third sector—sourced from media networks, scientific articles, and short videos for discussion, debate, and expansion of knowledge on the importance of environmental auditing for non-profit associations); e) Preparation and execution of a simulated environmental audit. Finally, complementing this phase, the final audit report was prepared.

To this end, we consulted the main technical standards on environmental auditing, environmental legislation, and complementary manuals addressing environmental audit issues—specifically those focused on socio-environmental matters and applicable to the third sector.

All these phases were carried out between August 20, 2021, and May 30, 2022. However, while we were writing this article, the institute itself was undergoing internal transformations.

PROPOSALS AND INTERVENTIONS AT THE INSTITUTE

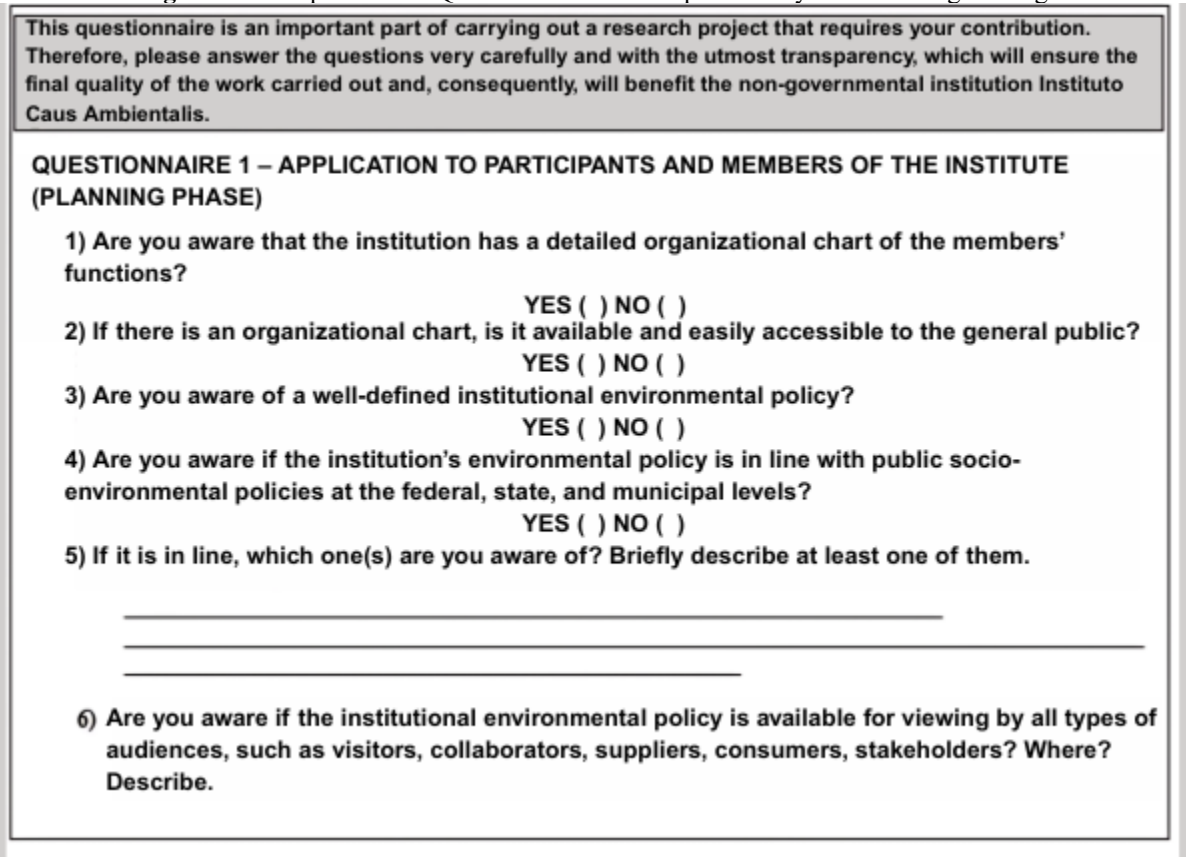
An initial survey was conducted to identify the level of knowledge that the institute's participating members had regarding environmental auditing. It was immediately evident that there were problems in both internal and external communications.

Faced with this situation, we developed and presented an audit proposal to the institute during a meeting. Once approved by the members, we proceeded to develop the information-gathering instruments

[9] Action-research is a methodology that encompasses a broad set of research, teaching, outreach, evaluation, management, and planning methods and techniques, whose common denominator is the principle of participation, in various forms and degrees of intensity, by all actors involved in the problems they aim to solve. Thus, the research is conducted within a space of dialogue where the involved actors participate in identifying and solving the problems, each contributing with different types of knowledge. The proposal of a participatory methodology is not merely instrumental. It is based on a critique of unilateral methodology, a social critique of conventional scientific practices and their aspects of domination, ignorance, exploitation, or appropriation of popular or native knowledge.
(THIOLLENT & SILVA, 2007, p. 94)

(questionnaire)[10] (THIOLLENT & SILVA, 2007), which were applied to participants from upper management, middle management, and operational levels. Only after this step did we advance to the subsequent phases.

Figure 1. Excerpt from the Questionnaire used for preliminary information gathering



This questionnaire is an important part of carrying out a research project that requires your contribution. Therefore, please answer the questions very carefully and with the utmost transparency, which will ensure the final quality of the work carried out and, consequently, will benefit the non-governmental institution Instituto Caus Ambientalis.

QUESTIONNAIRE 1 – APPLICATION TO PARTICIPANTS AND MEMBERS OF THE INSTITUTE (PLANNING PHASE)

1) Are you aware that the institution has a detailed organizational chart of the members' functions?

YES ( ) NO ( )

2) If there is an organizational chart, is it available and easily accessible to the general public?

YES ( ) NO ( )

3) Are you aware of a well-defined institutional environmental policy?

YES ( ) NO ( )

4) Are you aware if the institution's environmental policy is in line with public socio-environmental policies at the federal, state, and municipal levels?

YES ( ) NO ( )

5) If it is in line, which one(s) are you aware of? Briefly describe at least one of them.

6) Are you aware if the institutional environmental policy is available for viewing by all types of audiences, such as visitors, collaborators, suppliers, consumers, stakeholders? Where? Describe.

Source: Author, 2021

Based on the analysis of the responses and exploration of the institution's website, we reviewed the programs and activities offered by the institute. This allowed for a more precise diagnosis of the current and actual state of its processes, procedures, and controls. With this information, we moved forward with the next phases of the research.

We then developed a schedule with practical actions in a motivational process (KNAPIK, 2011). For training purposes, we selected a series of texts[11] on consultancy and advisory services related to

[10] A total of 11 questionnaires were administered among the 11 members, but only 81.2% of the members responded within the stipulated deadline for final submission.
Subsequently, with the diagnosis completed, we proceeded to analyze the responses and developed an activity framework to be carried out during the simulated audit. We then sought to reflect on the audit scope in accordance with the technical standards outlined in NBR 19011.

[11] A total of 17 technical and scientific articles were used, which explained what environmental auditing is and its level of importance for third-sector institutions, in addition to the technical standards that guide the environmental audit process, such as NBR ABNT 19011/2018 and CONAMA Resolution No. 306/2002.

environmental auditing. These materials were sourced from commercial circuits, websites, and social media, and were distributed to members to support the educational process.

Due to the COVID-19 pandemic, a virtual meeting was held to facilitate debates, discussions, and clarifications on key points regarding what environmental auditing is, its purpose, importance, and why the institute should undergo such procedures. This enabled all members to acquire preliminary knowledge about environmental auditing, which was followed by a previously scheduled in-person training[12] session.

Grounded in andragogy[13] and the results-based learning approach proposed by Knowles, Holton III & Swanson (2005), the first in-person training session revisited the concepts of environmental auditing. Discussions reaffirmed the importance of implementing an audit process at the institute, based on prior knowledge acquired through guided readings. Additionally, the video "o que é auditoria ambiental?" [What is Environmental Auditing?][14] was presented to reinforce the content and concepts for all participants.

For this session, instructional material was prepared and distributed to participants, based on Bloom's taxonomy[15] which posits that individual learning spans cognitive, affective, and psychomotor domains through which information is absorbed (LOBO, 2021; SAE DIGITAL, 2023).

Members were then guided to carry out pre-established actions for verifying internal and external controls and to begin developing inventories that had previously been found to be nonexistent, as indicated by the questionnaire responses.

Subsequently, inspections of the institute's assets, products, and services were initiated to assess quantity and quality, and inventories were created to ensure awareness among all members. The library and books were reviewed, along with the quantity and types of donated materials and electronic equipment, educational and consumable materials available for classes and other activities. Fixed assets were also recorded, such as audiovisual equipment, tools for plant and green area maintenance, vehicles, etc., as well as the planting of seedlings and species typology—elements that comprise the institute's entire patrimony.

Thus, surveys were conducted and inventories were structured for: Real estate (infrastructure and buildings); Furniture (audiovisual equipment – computers, projectors, speakers, etc.); Donations (quantity

[12] Two sessions were held, one in December 2021 and the other in January 2022, in accordance with the established schedule, though only partially adhering to it. Due to year-end events and other commitments previously scheduled by the auditee—but not officially communicated—the initial training dates had to be adjusted, rescheduled, and consequently the work was carried out at later times, which in fact affected the report delivery deadline.

[13] It is a set of adult learning principles that apply to all adult learning situations. The goals and purposes for which the learning is offered are a separate matter.

[14] Available at: https://m.youtube.com/watch?v=A-FgOkC6bGM

[15] Bloom's Taxonomy is a classification of educational objectives developed by Benjamin S. Bloom, which divides learning into three categories. Each level is more complex and specific than the previous one, beginning with the cognitive domain of information, followed by the affective domain, which involves understanding, and finally the psychomotor domain, which is the application of what was actually learned. (LOBO, 2021)

and quality, including those resulting from sales); Products developed, produced, and sold by the institute (accessories, objects, pens, mugs, t-shirts, etc.).

Additionally, an inventory of Atlantic Forest and exotic plants (seedlings and plants in early and advanced stages of development—comprising a highly relevant biological asset)[16] was created. This inventory is particularly important, as environmental impacts may occur in loco due to adopted (or neglected) procedures, requiring monitoring and evaluation (GARCIA, 2014). Finally, an inventory of services provided to the public (actions, activities, and programs conducted by ICA) was compiled.

During the second training session, discussions on the importance of auditing were resumed, and procedures initiated by participants in the previous session were revisited. New members who had not attended the first session were engaged in the process. Two additional videos were watched: "What are active environmental assets?" and "What is environmental accounting?"[17], which complemented the first video and deepened reflection on the importance and functionality of environmental auditing for the institute.

These educational procedures were necessary because the institute reproduces Atlantic Forest vegetation in the region. These are biological assets that must be partially accounted for through environmental accounting (ANTONOVZ, 2014), which should also be directly linked to the institute's financial and asset accounting.

Next, we developed an activity framework for the simulated environmental audit. This was based on a preliminary set of documents submitted by upper management, which could define the audit's scope, objectives, and purpose, as outlined in NBR 19011/2015 and ISO 19011:2018. With the digitized documents in hand and after a preliminary analysis (MORAES & PUGLIESI, 2014, p. 119), we began formulating the audit scope according to the needs of the auditee.

After informing the auditee about the types of controls and verifiable information to be reviewed, we selected the items that would comprise the scope of the simulated environmental audit. A total of seven items were chosen, including basic accounting and inventories of furniture, plants and seedlings, audiovisual equipment, among others.

We then developed the audit scope and plan based on NBR ABNT 19011/2018, using a checklist model (MORAES & PUGLIESI, 2014; BISWAS, 2020; KLASTON MANAGEMENT, 2022). A team was formed to carry out the verification of the items to be audited.

[16] These assets are part of environmental accounting (ANTONOVZ, 2014), which must ensure the recording of sales, income generation, and profits that should be accounted for and returned to the institute, being reinvested throughout the entire chain of goods, services, and other products.
[17] Available at: https://youtu.be/1pVo6Br2o0k and https://youtu.be/i8D3NGsjMDs respectively.

Figure 2. Excerpt from the Scope prepared for the Simulated Environmental Audit

AUDITED	INSTITUTO CAUS AMBIENTALIS [CAUS AMBIENTALIS INSTITUTE]
"AUDITOR"	MARCOS SCARPIONI
"AUDIT TEAM"	MARCOS SCARPIONI; [redacted]
TYPE OF AUDIT	FIRST PARTY (INTERNAL/INDEPENDENT)
SCOPE OF THE ENVIRONMENTAL AUDIT	The first-party audit (internal and independent) aims to investigate, verify, and identify the control mechanisms existing in the institution, so that both legally and in practice there is transparency, efficiency, effectiveness, and efficacy in its actions, activities, programs, products, goods, and services provided to the public community, both in the city of Rio Grande da Serra and in the Greater ABC Paulista Region.
OBJECTIVES OF THE ENVIRONMENTAL AUDIT	This audit aims to present to the members of the institute how the procedures of an environmental audit take place, what procedures are adopted, and which items are inspected as internal and external controls, thus enabling the members' instrumentalization, interacting with the various inventories, thereby contributing to the improvement of the institution's procedures, processes, goods, and services.
ELEMENTS TO BE AUDITED	Verification of basic accounting (budget, financial statements, etc.) Verification of the inventory of plants and seedlings Verification of the inventory of donations Verification of the inventory of furniture Verification of the inventory of real estate Verification of the financial control inventory Verification of environmental liabilities

Source: Author, 2022.

Figure 3. Brief excerpt from the Checklist used in the Independent Environmental Audit

4. Context of the Organization **4.1 Understanding the organization and its context** The organization must determine external and internal issues that are relevant to its purpose and that affect its ability to achieve the intended results of its environmental management system. These issues must include environmental conditions that affect or are capable of affecting the organization.	A: confidential
4.2 Understanding the needs and expectations of interested parties The organization must determine: a) the interested parties that are relevant to the environmental management system; b) the relevant needs and expectations (i.e., requirements) of these interested parties; c) which of these needs and expectations become its legal and other requirements.	A: confidential

Source: Adapted from Klaston Management (2022) and prepared for this research by the author, 2022

It is true that other inventories—such as those of products developed, produced, and sold by the institute (accessories, objects, pens, mugs, t-shirts), and services provided to the public (actions, activities, and programs)—were not verified. These are still in the process of being developed and may provide equally valuable information on how the institute manages its various resources to deliver services and meet social demands..

RESULTS AND DISCUSSION

As a result of the research, we observed that although previous studies had referenced the use of process control methodologies such as the PDCA cycle and SWOT analysis, these were not being applied in the institute's current operations. The procedures had not been maintained.

However, the project led to the creation of nine new internal control systems (inventories). Although the institute already had accounting control (financial balance sheets), which were presented to members by an external accounting firm as a form of compliance, the new actions increased awareness among members regarding their responsibility for accountability and transparency—both internally and in communication with stakeholders.

After conducting the environmental audit, a final environmental audit report was prepared and presented to the auditee for analysis and decision-making regarding the correction, control, and improvement of identified nonconformities (MORAES & PUGLIESI, 2014; SILVA, 2021).

This feedback provided the institution with findings, evidence, conformities, and nonconformities, offering its managers what Silva (2021) calls a "snapshot" of how operational processes are occurring, enabling adjustments and improvements in preparation for future inspections aimed at obtaining environmental quality certifications.

It was noted that internal control procedures are still very incipient, with many nonconformities. The evidence collected and recorded during the simulated environmental audit clearly shows that numerous actions will be necessary to improve procedures and processes.

Therefore, it is evident that this NGO needs to organize itself to generate transparency and promote greater credibility. In fact, regarding active transparency, there is a glaring lack of document presentation to fulfill legal obligations (Rodrigues, Seara & Teixeira, 2021), a reality observed in many other institutes—not just this one.

CONCLUSIONS

After completing the entire process of conducting an environmental audit, it can be concluded that the in-person training of participants resulted in an effective and successful experience at the institute. There was a noticeable concern among members with learning more about records, control mechanisms, and inventories. Indeed, members were surprised by the number of items, assets, products, and services that needed to be cataloged and inventoried to enable the verification of asset, financial, and budgetary balances directly related to them.

It was also evident from participants' comments and discussions that the proposed environmental audit (even though simulated) already provides significant benefits in understanding specific legislation related to the third sector, environmental law, and the environmental assets held by the institute—assets

that, until then, were not fully understood, particularly in terms of environmental accounting for environmental assets.

During the simulated environmental audit, numerous nonconformities were observed and recorded. The most prominent of these was the absence of an institutional environmental policy directed at the general public. This is a major nonconformity. The institution needs—and is obligated—to present its vision, values, and mission to its members, collaborators, donors, and volunteers (stakeholders) through an environmental policy. This policy should be visibly displayed, preferably at the entrance of the institute, on bulletin boards, or on signage, as described in technical standards. It should also be disseminated through any means that allows visitors and participants to quickly and accessibly understand what the institution offers or proposes to those who require its goods, products, and services.

However, despite the success in conducting diagnostics, structuring documentation and inventories, and executing the environmental audit, weaknesses in the process were still observed. Even with coordination among the organization's operational levels, upper management remains the primary driver of actions. It was noted that within the collective mindset of this group, only upper management is perceived as having the authority to make decisions regarding internal and external control actions.

Therefore, it is necessary to increasingly foster understanding of leadership, good practices in proactive, participatory, and democratic management, and clarify that the third sector follows a different managerial logic—one that is more egalitarian. For upper management, it will be essential to conduct many more future and ongoing training sessions to achieve the goal of environmental certification.

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