

# Effective Environmental Auditing Programs

# Drivers

- EPA's audit policy/state privilege laws
  - ◆ Fine prevention
  - ◆ Reduced fines for identification & self disclosure
- Federal enforcement policies
  - ◆ Poor performance mandated an audit program
- Continuous improvement of an EMS

# Pros and Cons

- Potential down sides
  - ◆ Money
  - ◆ Time
  - ◆ Increased work load
  - ◆ Increased risk associated with documenting potential compliance concerns (This risk decreases if all findings are closed rapidly.)
- Potential up sides
  - ◆ Improved compliance
  - ◆ Reduced liability
  - ◆ Cross training of staff
- Not being aware of compliance issues doesn't mean they aren't there

# Sensitivity

- Audits can be threatening
- No one likes to be faulted
- Be positive
- Clearly communicate objectives
- Ensure management communicates a requirement for openness and a “no retribution” policy
- Work with & help responsible parties

# The Essentials

- Planning
- Skilled audit team
- Conducting the audit
- Good information management tools
- Communication throughout the organization
- Authority and support from upper management

# Planning

- Defined Scope
  - ◆ What is to be audited
  - ◆ Against what criteria
- Confidentiality
  - ◆ Who gets what information
  - ◆ How information and documentation will be controlled

# Planning

- Sites and Frequencies
  - ◆ Previous findings
  - ◆ Current operations
- Protocol vs. Exception based auditing
- Findings report
  - ◆ Findings worded appropriately for audience
  - ◆ Careful not to lose meaning

# Skills

- You rely on your Audit Team
- What credentials do they have
  - ◆ Education / Certifications / Experience
- Performance & Professionalism
  - ◆ Providing good information
  - ◆ Can back up their findings when questioned
- Check and balance system
  - ◆ Two audit teams/contractors

# Conducting the Audit

- Pre audit preparation
  - ◆ Document review for preparation
- Opening meeting
- Initial site tour
- Main Audit
  - ◆ Document review
  - ◆ Interview
  - ◆ Physical inspection
- Closing meeting

# IMS Tools

- Track findings and closures
  - ◆ Can't let items "slip through the cracks"
- Track trends
  - ◆ Associate findings with root causes
  - ◆ Identify weaknesses in management system
  - ◆ Show compliance improvement
  - ◆ Properly commit resources

# IMS Tools

- Justify costs
  - ◆ Provide case for additional funding
- Efficient management of
  - ◆ Open audit findings
  - ◆ Corrective actions
  - ◆ Audit schedule
  - ◆ Reporting

# Communication

- Findings need to be communicated to those responsible for closing them, to upper management, and perhaps to legal staff
- Ensure that everyone is aware of their responsibilities
  - ◆ Keeps your department from being “thrown in front of a bus”

# Communication

- Open communications concerning solutions
  - ◆ All levels should agree upon the corrective action
- Frequent updates
  - ◆ Open Audit Findings Reports
  - ◆ Metrics
- Attorney client privilege
  - ◆ Are facts privileged information? No.

# Authority and Support

- Companies who commit themselves to audits must be ready to commit themselves to implementing effective corrective actions.
- Program needs to have “Teeth”
  - ◆ Open findings create liability
  - ◆ Findings must be closed expeditiously
  - ◆ Getting outside departments to close findings can be difficult

# Authority and Support

- Closing findings and fixing **root causes** can be costly
  - ◆ These costs may not be budgeted for
  - ◆ However, could justify additional funding
- Who is ultimately responsible for findings
  - ◆ When the walls come down who will take the ultimate responsibility

# Closing remarks

- Have a strong program & team
  - ◆ Its not worth having one if its not effective
- Plan carefully
- Select skill over cost savings
- COMMUNICATE