

Frequently Asked Questions: **Private Emergency Management Audits**

What is an emergency management audit?

An emergency management audit is a systematic, methodical, and comprehensive examination of a company's or facility's preparedness to mitigate, plan for, respond to, and recover from a crisis. It involves the collection of internal plans, documents, and policies in order to conduct a practical review of emergency procedures, codes, and regulations to verify compliance with legal requirements, readiness to meet emergencies, and recover from disasters.

What is the overall purpose of an emergency management audit?

The purpose of an emergency management audit is to provide assurance to key stakeholders that existing operations are capable of managing risk by determining:

- If the existing emergency management program is current;
- If employees know what they need to know about emergency management;
- If employees do what they say they do during and after emergencies;
- If the emergency management program is effective.

What are the objectives of an emergency management audit?

The overall objective of an audit is to determine the emergency preparedness status of a facility or corporation. Specific emergency management objectives are to:

- Assure management that corporate risk exposure is at or is being reduced to acceptable levels;
- Confirm that emergency management systems, processes, policies, and programs are in place and being consistently applied throughout the company;
- Assist site management in improving its emergency management performance;
- Help optimize resource allocation by identifying gaps in emergency programs, responsibilities, equipment, funds, and costs;
- Provide a benchmark against which to measure emergency management performance.

What are the immediate benefits of an emergency management audit?

Audits can provide the following benefits to your company:

- Improve your emergency preparedness and compliance;
- Reduce the potential for legal actions, fines and damage awards;
- Enhance your ability to identify and manage risk;
- Decrease threat of business interruption by identifying critical recovery requirements;
- Transfer knowledge from audit team to operations staff.

What is covered in the audit process?

- Major emergency management elements are reviewed, including the company's approach to the core elements of emergency management, such as crisis direction and control; communications; life and property protection; and emergency response and recovery capabilities;
- Applicable threats, hazards, vulnerabilities and risks are considered;
- Corporate emergency-related documents are examined and analyzed.

How many people are involved, how long will it take to do an emergency management audit, and what staff will they coordinate with?

- The size of an audit team and how long it will take to perform an audit varies with the size and complexity of the operations at the facility, the number of people used, management desires, etc. Typically, a team of 2-3 auditors can provide a fairly comprehensive emergency management audit in 3-5 days, including pre-audit work-up and preparation, opening and closing briefings for management, and preparation of a final report.
- Depending on the situation, the audit team usually interacts with the following staff: upper and line management, engineering and maintenance, security, emergency director, public information, legal, human resources, administration and logistics, and ES&H.

How is an audit conducted?

- First, audit protocols are developed jointly by management and the audit team to assist the team in properly assessing the status of the emergency management program. Protocols are designed to be topical outlines that ask open-ended "what if" questions about the areas being audited. Protocols also organize audit procedures into sequential steps and describe these steps in terms that will guide the specific actions of the audit team. Protocols make reference to regulatory policies or corporate procedures that assists the audit team in evaluations.
- Next, steps are taken to protect a company's sensitive information and its intellectual property. Each member of the audit team will sign a secrecy and non-disclosure agreement prior to initiating any activity on the audit project. Also, all information obtained during the

audit is treated in a special manner that is similar to attorney-client privileged communications.

- The audit team then begins its three-phased process for emergency management audits: the pre-audit, the on-site audit, and the post audit.

What is involved in the pre-audit phase?

This initial pre-audit phase involves determination of:

- Selection of facilities to be audited;
- Development of an audit schedule;
- Determination of the audit team, its leader and staff members;
- Development of the audit plan that defines the scope, priorities, topics, and allocation of resources.

What is involved in the on-site audit phase?

The on-site audit phase involves:

- Initiation of an opening briefing with management;
- Emergency management-related document reviews;
- Analysis of emergency procedures;
- Facility visits.

What is involved in the post-audit phase?

The post-audit phase involves an end-of-audit closed meeting for management to discuss:

- Findings and conclusions;
- Resolution of any misunderstandings ;
- Clarification of any possible inaccuracies in the draft report which will be provided and briefed at that time to management and legal council for review and comment;

The post-audit meeting is followed by the completion and submission of a final report which can be used by management to develop an action plan.

How can the facility staff use the audit information and procedures for follow-on actions?

The audit information can provide significant added value for long-term corporate emergency management programs. For example, companies that have never performed a comprehensive emergency management audit will benefit greatly from the transfer of knowledge, insights, and techniques to the internal staff on how to develop remedial action plans. Additionally, by interaction and discussions during an audit, the in-house staff will strengthen its overall emergency

management capabilities and develop the skills to perform future audits on its own. Also, the audit process has an important relationship with the development of targeted emergency training and exercise programs. An emergency management audit can provide long-term value and cost-benefits for improving overall staff readiness and training.

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