

# **Department of Commerce (DOC) Organizational Environmental Management System (EMS)**

## **FY 2012 INTERNAL AUDIT PLAN**

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## INTRODUCTION

Executive Order (EO) 13423, “Strengthening Federal Environmental, Energy, and Transportation Management” was issued on January 24, 2007 and consolidates the requirements of several environmental EOs into a single comprehensive framework. EO 13423 specifically utilizes the Environmental Management System (EMS) structure to more holistically manage and coordinate earlier EOs’ initiatives. Since its issuance, EO 13423 has served as the framework by which Federal agencies now manage their environmental, energy, and transportation requirements.

On October 31, 2008, the Office of the Federal Environmental Executive (OFEE) issued “Guidance on Implementing Environmental Management Systems”. It outlined guidance intended “to assist federal agencies in:”

- *Identifying how they manage their environmental responsibilities throughout their agency, and*
- *Determining at what level or levels of their agency it is appropriate to implement an EMS or EMSs.<sup>1</sup>*

These instructions suggest that federal departments and agencies plan, implement, and manage their organizational EMSs at multiple levels. Organizational categories suggested are:

- *Highest level: federal agency or department headquarters-level (the cabinet-level or other top management level);*
- *Middle level(s): bureaus, services, commands, administrations, or other sub-agency organizations (there may be more than one level here); and*
- *Lowest level: field facilities or field-level organizations.<sup>1</sup>*

The cover letter for these instructions gave further guidance on organizational EMS:

*“When deciding on appropriate EMS types and levels, please consider...  
 (2) that higher-tier EMSs need not address each of the ISO 14001 elements but should at least consider addressing organizational level: policy; objectives, targets, and metrics; allocation of resources; accountability; monitoring and reporting; and management review;  
 (3) that a higher-tier EMS should be audited periodically by a qualified party from within the organization (also called an internal or first-party audit) to ensure its elements are carried out as planned, but need not be audited by a qualified party outside the control or scope of the EMS (also called an external or second-party audit) as otherwise required by EO 13423 for facility and multi-site organizational EMSs.”*

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<sup>1</sup> OFEE. 2008. Guidance on Implementing Environmental Management Systems “At All Appropriate Organizational Levels” of a Federal Agency pursuant to Executive Order 13423 (October 31, 2008). Office of the Federal Environmental Executive (OFEE).

In compliance with EO 13423, on January 15, 2009, the Office of the Secretary's Director for Administrative Services, Fred Fanning, affirmed the Department's intent to establish a Department-wide EMS by December 30, 2010 to encompass operating units that do not warrant a full-scale EMS. This was communicated to OFEE via a memorandum from Fred Fanning to Joe Cascio, the Federal Environmental Executive.

Approximately a year after OFEE released guidance on implementing an EMS, EO 13514, "*Federal Leadership in Environmental, Energy, and Economic Performance*" was issued. EO 13514 reinforces the requirements of EO 13423 and establishes a new requirement for federal agencies to inventory and reduce their greenhouse gas (GHG) emissions and annually submit a Strategic Sustainability Performance Plan for achieving EO 13514's goals to OMB.

## **PURPOSE**

The purpose of this internal audit is to determine the status of the DOC's organizational EMS in addressing the requirements put forth by the OFEE guidance letter. The October 31, 2008 OFEE guidance memo suggests which components of an EMS should be implemented at the organizational level. The DOC internal audit will follow the OFEE guidance memo in examining only appropriate elements of the ISO 14001:2004 standard to provide evidence to DOC's management on the current status of the organizational EMS. Refer to the "Scope" section below for specific elements that will be audited.

## **AUDIT TEAM**

*(To be determined)*

## **SCOPE**

The Department developed this internal audit plan for the DOC's organizational EMS by reviewing requirements set forth by the OFEE guidance letter, the ISO 14001 Standard and the audit plan developed for the FY 2011 EMS audit. The scope of this internal audit is limited to the DOC's organizational EMS and to those requirements that are specifically called out in the OFEE guidance memo. The audit team will assess the following organizational EMS components:

- Policy (OFEE) (ISO 14001:2004, Element 4.2)
- Objectives, targets and metrics (OFEE) (ISO 14001:2004, Element 4.3)
- Allocation of resources (OFEE) (ISO 14001:2004, Element 4.4.1)
- Accountability (OFEE) (ISO 14001:2004, Element 4.4.1)

- Monitoring and reporting (OFEE) (ISO 14001:2004, Element 4.5.1, 4.5.3 and 4.5.4)
- Management review (OFEE) (ISO 14001:2004, Element 4.6)
- Internal Audit (OFEE) (ISO 14001:2004, Element 4.5.5)
- Legal and Other Requirements & Evaluation of Compliance (ISO 14001:2004, Elements 4.3.2 & 4.5.2)
- Training and Awareness (ISO 14001:2004, Element 4.4.2)
- Communication (ISO 14001:2004, Element 4.4.3)
- Documentation and Control (ISO 14001:2004, Element 4.4.4, 4.4.5, 4.5.3 and 4.5.4)

The above EMS components are those that are specifically addressed in the OFEE guidance letter and others that can be reasonably implemented by an organizational EMS. These components align with the ISO 14001 Standard, and the audit team will use the ISO 14001 standard to assess the relative alignment of the DOC's organizational EMS to the specific requirements of the standard. As a tool in assessing conformance the audit team will use Attachment 1, ISO 14001 Environmental Management System Self-Assessment Checklist, (Global Environmental Management Initiative (GEMI), March 1996) (edited for the DOC system).

## **INTERNAL ASSESSMENT AUDIT SCHEDULE**

The following is the schedule for the internal assessment of the DOC's organizational EMS.

### **Inbrief**

Prior to the start of the internal audit the audit team will conduct an inbrief with the Departmental EMS Coordinator and the Office of Sustainable Energy and Environmental Programs (OSEEP) Associate Director.

### **Outbrief**

At the conclusion of the internal audit an exit brief will be conducted with the OSEEP Associate Director and the Department's EMS Coordinator. The brief will include tentative Findings of Nonconformance, Opportunities for Improvement, and an audit opinion of the level of conformance with the ISO 14001:2004 Standard.

The audit schedule is as follows (where the scheduled day falls on a weekend, the execution date is the next business day):

17 October 2012: Audit Plan will be delivered to the auditor for review and comment.

22 October 2012: Audit plan is delivered to the EMS POC by the auditor with comments. If the auditor has no comments, then the audit plan shall be considered final.

29 October 2012: A pre-audit coordinating telecon shall be held between the auditor and the EMS POC.

30 October through 5 November 2012: The auditor shall perform the pre-audit document review.

15 November through 16 November 2012: The auditor shall perform the onsite audit

<b>Date and Time</b>	<b>OFEE Requirements</b>	<b>Document(s) to Review</b>	<b>Person(s) to Interview</b>	<b>Location</b>	<b>Auditor(s)</b>
11/15/2012	Policy	DOC's Policy	Person(s) responsible for development and approval	HCHB	
11/15/2012	Objectives, targets and metrics	Procedures and/or programs for objectives, targets and metrics	Person(s) responsible for development and implementation	HCHB	
11/15/2012	Allocation of resources; Accountability	Programs/Procedure(s) for resources, roles, responsibility and authority; budgets, organization charts		HCHB	
11/15/2012	Monitoring and reporting	Procedure(s) for monitoring and measurement	Person(s) responsible for policy development	HCHB	
11/15/2012	Management review	Management review agenda, schedule, and notes	"Senior" person(s) responsible for each major environmental program as well as person(s) leading DOC's sustainability plan effort	HCHB	
11/15/2012	Internal Audit	Procedure(s) for internal audit and internal audit reports	"Senior" person(s) responsible for each major environmental programs: energy, water, green purchasing, waste reduction/recycling	HCHB	

11/16/2012	Evaluation of Compliance	Procedure(s) for evaluation of compliance		HCHB	
11/16/2012	Training and Awareness	Procedure(s) for training and awareness		HCHB	
11/16/2012	Communication	Procedure(s) for internal and external communication		HCHB	
11/16/2012	Documentation and Control	Procedures for documentation and control		HCHB	

Notes:

HCHB – Herbert C. Hoover Building

## AUDIT REPORT

After completion of the internal audit of the DOC's organizational EMS, a draft report will be submitted to the DOC. The audit team will work with the Departmental EMS Coordinator, Mr. Gregory Falzetta, to address the DOC's comments and submit a final report 5 days after receipt of DOC's comments.