

Reclamation Manual

Directives and Standards

Subject:	Environmental Management Systems (EMS) Independent Conformance Audit and Declaration of Conformance Process
Purpose:	The purpose of this Directive and Standard (D&S) is to establish the Bureau of Reclamation's responsibilities, processes, and criteria for independent EMS conformance audits. The benefits of implementing this D&S are assurance of conformance to Executive order (EO), Department of the Interior, and Reclamation EMS requirements, and continual improvement in environmental performance.
Authority:	EO 13693, Planning for Sustainability in the Next Decade , March 25, 2015 (EO 13693), and Departmental Manual Part 515, Chapter 4, Environmental Management Systems .
Approving Official:	Director, Policy and Administration (POLICY)
Contact:	POLICY, Environmental Compliance Division, 84-53000

1. **Introduction.** EO 13693 requires that Federal agencies continue implementation of formal EMS where proven effective. Reclamation Manual (RM) D&S, *Environmental Management Systems (EMS) Implementation* (ENV 05-01), declares that EMS has proven effective as Reclamation's management framework to ensure compliance with environmental laws and regulations, identify and address environmental aspects and sustainable practices, and foster continual improvement of environmental performance. ENV 05-01 sets minimum EMS requirements and establishes Reclamation's regions as the appropriate organizational level to implement an EMS. This D&S defines the roles, responsibilities, and procedures for conducting independent conformance audits of the regional EMS, as required in ENV 05-01, Paragraph 6. The auditing procedures in ENV 05-02 generally reflect the auditing principles of the International Organization for Standardization (ISO) 19011 standard, *Guidelines for Quality and/or Environmental Management Systems Auditing*.
2. **Applicability.** This D&S addresses independent conformance audits of regional EMS. This D&S applies to regional directors (RDs), the Director, POLICY, their applicable staff, and area and field office managers as stipulated in ENV 05-01, Paragraph 2.
3. **Definitions.** In addition to the definitions below, see ENV 05-01, Paragraph 3, for definitions applicable to this D&S.
 - A. **Audit Criteria.** The required EMS policies, practices, and procedures against which the audit team compares the region's EMS. In Reclamation, the audit criteria are derived from the EMS requirements in ENV 05-01, Paragraph 5, and each respective region's EMS.

Reclamation Manual

Directives and Standards

- B. **Audit Evidence.** Objective information collected during the conformance audit through interviews, visual inspection, and documentation review.
 - C. **Audit Plan.** The document that establishes the audit scope, objectives, criteria, and schedule.
 - D. **Audit Report.** A written summary of the audit, including client information, audit schedule, objectives, criteria, evidence, and areas of conformity and nonconformity.
 - E. **Audit Results.** The evaluation of the collected audit evidence compared with the EMS audit criteria.
 - F. **Conformance Audit.** A systematic and documented process to objectively determine a region's conformance to EMS audit criteria.
 - G. **Independent.** As used in this D&S, the term independent refers to the objectivity of the lead auditor and audit team members and requires that they do not reside within the regional management chain of command.
 - H. **Nonconformity.** See ENV 05-01, Paragraph 3.
 - I. **Qualified Auditor/Lead Auditor.** Reclamation or external staff possessing the knowledge, skills, and abilities to conduct independent conformance audits, including:
 - (1) a minimum of 24 classroom hours addressing the required EMS elements and principles of ISO 14001 and auditing principles of ISO 19011;
 - (2) working knowledge of EO 13693;
 - (3) Subject matter expertise in EMS, sustainability, environmental compliance, or a program area that relates to the significant environmental aspects addressed in the regional EMS;
 - (4) Prior auditing experience as a lead auditor on one or more internal audits and/or as an auditor-in-training (e.g., under the direction of a lead auditor) on a conformance audit.
 - (5) to be lead auditor, experience as an EMS team member on at least two audits within the last 3-4 years, one of which must be a conformance audit.
4. **Responsibilities.**
- A. **Regional Directors.** RDs are responsible for:

Reclamation Manual

Directives and Standards

- (1) ensuring their EMS undergoes a conformance audit in accordance with the requirements of this D&S, including providing the appropriate funding and staff resources to complete the audits;
- (2) implementing corrective and preventative actions, as appropriate, to address nonconformities;
- (3) declaring conformance to EMS requirements to the Director, POLICY, in accordance with Paragraph 8 of this D&S; and
- (4) communicating EMS conformance status to employees and the public.

B. Director, Policy and Administration. The Director, POLICY, is responsible for:

- (1) establishing consistent methodologies for EMS conformance audits at Reclamation regions through the development and employment of guidance and technical assistance tools;
- (2) assisting RDs in obtaining qualified auditors to perform conformance audits, as requested; and
- (3) reporting the status of completed audits and declarations of conformance to the Department.

C. Area and Field Office Managers. Area and field office managers are responsible for:

- (1) participating in EMS conformance audits, as requested;
- (2) providing the required evidence of conformance; and
- (3) developing, tracking, and completing preventative and corrective actions to address nonconformities.

D. Regional Environmental Management Systems Managers. Regional EMS managers are responsible for:

- (1) requesting and obtaining conformance audits from qualified and independent auditors;
- (2) cooperating with the lead auditor and audit team to facilitate the audit process, including providing the necessary documentation, personnel, and work area access, as requested;
- (3) participating in the conformance audit opening and closing meetings;

Reclamation Manual

Directives and Standards

- (4) briefing the RD on the results of completed conformance audits; and
- (5) developing and implementing an action plan and schedule to address nonconformities.

E. Regional Environmental Management Systems Coordinators. Regional EMS coordinators are responsible for:

- (1) working with the Reclamation-wide EMS coordinator in the development of Reclamation conformance audit guidance, technical assistance, tools, and reports;
- (2) serving as the regional point of contact (POC) with the lead auditor and audit team; and
- (3) working with regional program, area, and field office staff to complete conformance audits, develop and implement corrective and preventative actions to address nonconformities, and track and report results.

F. Reclamation-Wide Environmental Management Systems Coordinator. The Reclamation-wide EMS Coordinator is responsible for:

- (1) supporting the Director, Policy and Administration, in establishing the conformance auditing process in Reclamation;
- (2) working with regional, area office, field, and program office EMS coordinators in the development of Reclamation conformance audit guidance, technical assistance, tools, and reports; and
- (3) leading or participating in conformance audits, if auditor qualifications are met, or establishing audit teams as requested by the RDs.

G. Audit Team. The audit team consists of a qualified lead auditor and, preferably, at least one additional qualified auditor. The lead auditor and team member(s) shall be from internal or external organizations, or a combination thereof, independent of the region being audited. The audit team members shall fulfill the following roles and requirements:

- (1) **Lead Auditor.** The lead auditor is responsible for conducting the audit in accordance with requirements and procedures established in Paragraph 5 of this D&S. The lead auditor forms and designates responsibilities of the audit team and coordinates all work associated with the audit. The lead auditor acts as the primary audit team POC and is responsible for communicating with the region's EMS manager and coordinator.

Reclamation Manual

Directives and Standards

- (2) **Audit Team Members.** Audit team members support the lead auditor and carry out assigned tasks, as directed by the lead auditor, to collect and analyze evidence, document findings, prepare and safeguard working documents, and assist in writing the audit report.

5. Environmental Management System Conformance Audit Process.

- A. **Environmental Management System Conformance Audit Criteria.** Reclamation's audit criteria are summarized in the *Bureau of Reclamation Environmental Management System Conformance Audit Criteria Checklist* (Audit Checklist), provided in Appendix A of this D&S. The Audit Checklist states each required EMS element established in Paragraph 5 of ENV 05-01 and describes the evidence necessary to verify that each requirement is met. All auditors, whether from an internal or external organization, shall utilize the Audit Checklist to systematically gather, document, and assess evidence to determine whether a region's EMS conforms to the audit criteria. The completed Audit Checklist will become part of the final audit report.
- B. **Audit Initiation.**
 - (1) The regional EMS manager shall request a conformance audit from an independent auditing entity within or external to Reclamation. The auditing entity shall confirm the proposed dates, purpose, scope, and process in writing to the regional EMS manager. Confirmation shall include the name and contact information of the lead auditor and a request for any documents necessary to develop the audit plan.
 - (2) The regional EMS coordinator shall inform the Reclamation-wide EMS Coordinator of all scheduled audits.
- C. **Audit Plan.** Prior to a site visit, the lead auditor shall develop the audit plan in coordination with the regional EMS coordinator and submit it to the regional EMS manager for review and approval. At a minimum, the audit plan shall describe the elements in the audit plan template provided in Appendix B. The lead auditor shall review EMS-related documents included in Appendix C, as necessary, to develop the audit plan.
- D. **Communication.** The lead auditor shall follow and document the communication plan in Appendix D to ensure that the appropriate organization is adequately informed of the audit plan, on-site review process, and audit report milestones and due dates.
- E. **On-Site Review.** The audit team shall conduct an on-site review of the region being audited according to the audit plan. The on-site review shall not last more than 1 week to avoid unnecessary interruption to the region's operations.

Reclamation Manual

Directives and Standards

- (1) **Opening Meeting.** The lead auditor shall commence the on-site review with an opening meeting between the regional EMS manager, regional EMS coordinator, the audit team members, and other regional staff as deemed appropriate by the EMS manager. During the meeting, the lead auditor shall introduce the audit team and review the audit objectives and schedule. A sample EMS conformance audit opening meeting agenda is provided in Appendix E.
- (2) **Audit Evidence.** The members of the audit team shall gather evidence of EMS conformance as stipulated in the Audit Checklist through interviews, visual inspection, and document review. The lead auditor is responsible for ensuring the following activities are conducted during this phase of the audit:
 - (a) comprehensive review of EMS-related documents and records in Appendix C;
 - (b) interviews of managers and staff responsible for the implementation of all or parts of regional EMS procedures and programs;
 - (c) visual inspection of facility operations and activities to determine on-the-ground implementation of EMS procedures, practices, and programs;
 - (d) review of significant environmental compliance actions, if any, including any citations or notices of violation of compliance; and
 - (e) analysis of the extent to which nonconformities from previous audits and internal reviews have been corrected, if applicable.
- (3) **Audit Results.** The lead auditor shall work with the audit team to summarize and document the preliminary audit results in the Audit Checklist, including findings of both conformance and nonconformance. The lead auditor shall identify areas of nonconformance in three categories:
 - (a) **Major Nonconformity.** When there is evidence that a required EMS element is not in place or functioning (e.g., the majority of required evidence for a particular EMS element in the Audit Checklist is not present), the lead auditor shall identify it as a major nonconformity. Major nonconformities shall be addressed by the region in accordance with Paragraphs 6 and 7 of this D&S, prior to declaring conformance.
 - (b) **Minor Nonconformity.** When there is evidence that an EMS-required element is implemented (e.g., the majority of the required evidence for a particular EMS element in the Audit Checklist is in place), but not all required evidence is present or implemented in accordance with ENV 05-01 or regional EMS procedures, the lead auditor shall identify it as a minor

Reclamation Manual

Directives and Standards

nonconformity. The region shall address minor nonconformities in accordance with Paragraph 6.

- (c) **Areas for Improvement.** When evidence indicates that an EMS element is functioning adequately (e.g., the required evidence for a particular EMS element in the Audit Checklist is in place and regional procedures are met), but could be further improved, the lead auditor shall identify areas for improvement. Areas for improvement do not impact the region's ability to declare conformance to EMS criteria, but rather facilitate continual improvement of the EMS. Addressing areas for improvement is encouraged, but not required to achieve conformance.
- (4) **Closing Meeting.** The lead auditor and audit team shall conduct a closing meeting to review the audit results with the region's EMS manager, coordinator, and other staff and managers, as deemed necessary. The lead auditor shall review each EMS element in the Audit Checklist with the EMS manager and provide the EMS manager with a documented summary of the preliminary audit results. The lead auditor shall also make a recommendation for regional declaration of conformance. Where the regional EMS manager disagrees with the audit team's conclusion, the lead auditor shall attempt to come to resolution before proceeding to the process outlined in Paragraph 5.F.(3) below. The lead auditor and regional EMS manager shall confirm the schedule for completing the draft and final audit reports. A sample closing meeting agenda is provided in Appendix E.
- F. **The Audit Report.** The lead auditor shall prepare the draft audit report with audit team member assistance. The audit report shall reflect the EMS scope and objectives of the agreed-upon audit plan, include all information listed in the Audit Report Template in Appendix F, and be completed according to the following requirements:
- (1) **Recommendation on Declaring Conformance.** The lead auditor shall include in the audit report a recommendation for declaring conformance. If there are no major nonconformities, the lead auditor shall recommend that the region declare conformance to EMS requirements. If there is sufficient evidence that one or more major nonconformities exist, the lead auditor shall not recommend that the region declare conformance to EMS requirements.
- (2) **Finalization and Distribution.** The lead auditor shall send a complete draft audit report to the regional EMS manager and coordinator within the negotiated timeframe. Once comments and issues are addressed, the final audit report shall be issued to the RD, the regional EMS manager, the regional EMS coordinator, the Director, POLICY, and others on an agreed-upon distribution list. The audit report shall become an official EMS record and managed in accordance with the region's EMS record control procedures and RM D&S, *Information Management* (RCD 05-01).

Reclamation Manual

Directives and Standards

- (3) **Dispute Resolution.** If there are any unresolved disputes related to the audit results, the EMS manager shall document them in writing to the lead auditor as part of the regional review and comment process. The lead auditor shall include a summary of the dispute in the final report. Where disputes involve the identification of major nonconformities that would prohibit the region from declaring conformance, the regional EMS manager shall communicate the dispute in a memorandum to the RD. The RD shall consult with the Director, POLICY on disputes related to major audit findings to ensure a consistent auditing approach and application of the environmental audit criteria across Reclamation. The RD shall make the final decision to acknowledge or reject the major audit finding in question.
6. **Corrective and Preventative Action Plan.** The EMS manager shall develop and implement corrective and preventative actions (CAPAs) to address all major and minor nonconformities in accordance with Paragraph 5.D.(5) of ENV 05-01 and regional EMS procedures. The CAPA shall be developed by the region within 60 days of receipt of the final audit report. Although the CAPA is not necessarily documented in the final audit report, it is considered part of the official EMS record of the audit.
7. **Correction of Major Nonconformities.** The region cannot declare conformance until each major nonconformity identified in the final audit report is corrected. The regional EMS manager shall deem a major nonconformity as corrected when actions described in the corrective and preventative action plan have been implemented and determined to be effective in correcting the nonconformity¹.
8. **Declaration of Conformance.** The RD declares conformance after undergoing an EMS conformance audit and ensuring that all major nonconformities are corrected. To document a declaration of conformance, the RD shall submit a memorandum to the Director, POLICY, stating that (1) his or her region has undergone independent EMS conformance audit, (2) he or she developed and implemented CAPAs and has addressed all major nonconformities, if applicable, and (3) he or she has determined that all of the audit criteria are met and the EMS is in conformance. The Director, POLICY, shall report declarations of conformance to the Department, as required. The RD shall also communicate the declaration of conformance to the public through means deemed appropriate.
9. **Maintenance of Conformance.** To verify continued conformance and assess the suitability, adequacy and effectiveness of the EMS, the region shall undergo an independent EMS conformance audit every 3 years from the date of the last audit (plus or minus 45 days). RDs shall follow the procedures in Paragraphs 6 and 7 of this D&S to address any nonconformities and shall reaffirm conformance to the Director, POLICY, in accordance with Paragraph 8.

¹ Although required for ISO EMS certification, the development and completion of corrective and preventative actions is not reviewed and approved by the lead auditor or audit team.

Reclamation Manual

Directives and Standards

10. Appendices.

- A. **Appendix A.** Bureau of Reclamation Environmental Management System (EMS) Conformance Audit Criteria Checklist.
- B. **Appendix B.** Environmental Management System (EMS) Audit Plan Template.
- C. **Appendix C.** Environmental Management System (EMS) Audit Required Document and Records Review.
- D. **Appendix D.** Environmental Management System (EMS) Communication Plan
- E. **Appendix E.** Sample Environmental Management System (EMS) Audit Opening and Closing Meeting Agendas.
- F. **Appendix F.** Environmental Management System (EMS) Audit Report Template.

RECLAMATION MANUAL TRANSMITTAL SHEET

Effective Date: _____

Release No. _____

Ensure all employees needing this information are provided a copy of this release.

Reclamation Manual Release Number and Subject

Summary of Changes

NOTE: This Reclamation Manual release applies to all Reclamation employees. When an exclusive bargaining unit exists, changes to this release may be subject to the provisions of collective bargaining agreements.

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