

AUDIT

Nowhere to hide: Its Audit Time

2017 Southeast Stormwater Association Conference



WOOLPERT

ARCHITECTURE | ENGINEERING | GEOSPATIAL

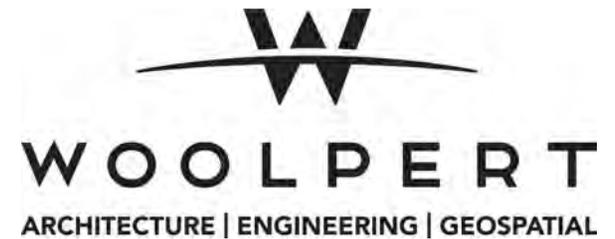
The Woolpert Experience

Hal Clarkson, PE, CFM
Project Director

1 large Phase I Community
3 Medium Phase I Communities
15+ Small Phase II Communities

2 EPA Regions

4 audits in 2 years



The *Greenville County* Experience

Judy Wortkoetter, PE

Phase I Community
Year of what Permit Cycle

Number of staff: 20

Population: 492,000

MS4 Area: 795 square miles



The City of Columbia Experience

Mike Jaspers

Phase I Community
Year of what Permit Cycle

Number of staff: 4

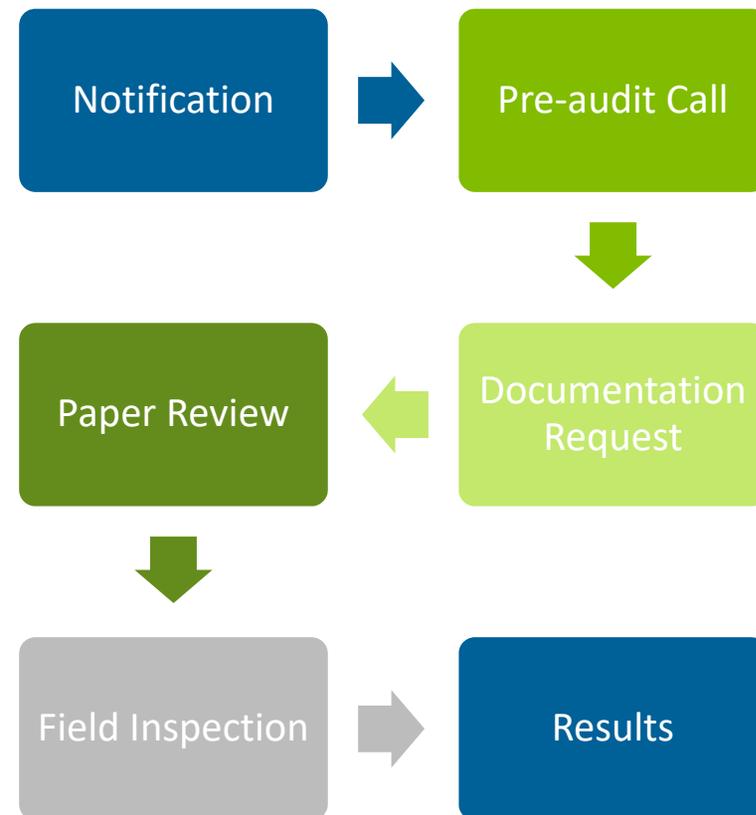
Population: 134,000

MS4 Area: 135 square miles



Audit Overview

- State vs. EPA
- Notification
- Pre-audit call
- Documentation request
- Paper review
- Field inspection
- Deficiency vs. non-compliance



Management Strategies

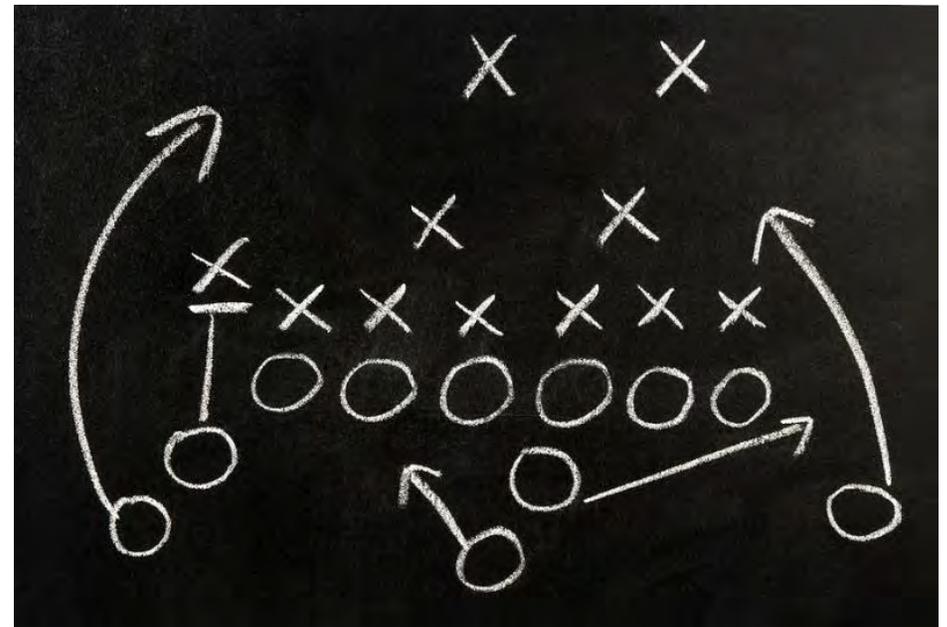
Pre-audit Preparation

Audit Survival

Post-audit Follow-up

Audit Management Strategies

- Control the process, place, and time
- Know your permit
- Plan for known deficiencies
- Make it easy for reviewer to “check off” requirements
- Organize your records



Management
Strategies



Pre-audit
Preparation



Audit
Survival



Post-audit
Follow-up

Pre-audit Preparation

- Most important element and the most difficult
- Requires all personnel to know their role & permit requirements
- Requires constant adherence to the regulatory requirements
- The better you are at this, the easier managing any audit will be!

**"IT'S NOT THE WILL TO WIN THAT
MATTERS. EVERYONE HAS THAT.
IT'S THE WILL TO PREPARE TO WIN
THAT MATTERS."**

Paul "Bear" Bryant



Management Strategies



Pre-audit Preparation



Audit Survival



Post-audit Follow-up

Pre-audit Preparation

How our MS4 program does this:

- Know your regulatory requirements
- Hire qualified personnel
- Make Priorities are clear
- ***“Construction is King”***



Management Strategies

Pre-audit Preparation

Audit Survival

Post-audit Follow-up

Pre-audit Preparation

All regulatory activities must be:

- Conducted on schedule
- Conducted in accordance with all requirements
- *Recorded* and stored in an easily-accessible location
- Organized for quick reference and review





Completing/Recording Compliance Activities

- Make clear which personnel are responsible for which tasks
- Back up all paper with an electronic copy
- Use of a database (or multiple databases) to track activities
- Review and update SWMP during Annual Report time



Modern humans first appeared about 200,000 years ago, but record keeping didn't begin until about 6,000 years ago. That means about 97% of human history is lost.

Management Strategies



Pre-audit Preparation



Audit Survival



Post-audit Follow-up

Organization of Documents

- Organization is key to a successful regulatory audit
- This includes the SWMP and all records related to compliance activities
- Shows attention to detail
- Sends the message that maintaining compliance is a priority





Organization of Documents

- Organization allows auditors to review documents quickly
 - This is important, as it is generally preferable to have the audit completed as soon as possible
- Organized documents will make site walkthroughs easier and more streamlined

Management
Strategies



Pre-audit
Preparation



Audit
Survival

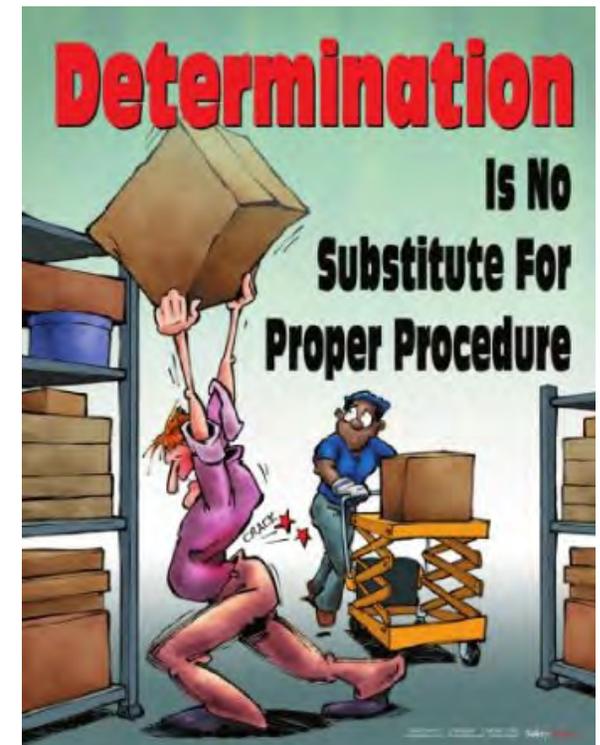


Post-audit
Follow-up

Establishing Audit Procedures

Establish procedures to be followed in case of an audit:

- Determine the personnel that are responsible for interacting with auditors
 - Know what to say and what not to say
- Have back up personnel designated in case primary personnel cannot be present





Establishing Audit Procedures

If you are notified ahead of time that an audit will take place (typical in MS4 Audit):

- Let all personnel and co-permittees know ASAP
- Have everything clean and orderly
- Get all paperwork together, in the right place, and ready for review
 - Forms, reports, checklists, etc.
- Remember, they know that you knew they were coming





Establishing Audit Procedures

- Know which areas (conference rooms, etc.) are/aren't good places to act as the main gathering spot
- Dedicate a seldom-used conference room for the whole week
 - Use this as the base for us to work out of all week
 - Have laptops, a projector, network connection, all necessary documents, etc.





Establishing Audit Procedures

- If you have a consultant on contract to assist with MS4 compliance:
 - Make sure the contract includes funding to cover an audit
 - Make it clear that the consultant, in the case of an audit, needs to make the necessary personnel available
 - Keep them in the loop on major developments with your program
 - You don't want to have to explain everything that has happened over the year when preparing for the audit



Management
Strategies



Pre-audit
Preparation



Audit
Survival



Post-audit
Follow-up

Establishing Audit Procedures

- When possible, conduct pre-audit inspections
 - Community “industrial” facilities
 - Co-permittee facilities
 - Construction sites
 - Documentation



Management Strategies



Pre-audit Preparation



Audit Survival



Post-audit Follow-up

Audit Survival

- Fit your program to the auditor's agenda
- Emphasize major achievements and improvements to past audit deficiencies
- Don't provide offer up deficiencies or too much detail
- Stick to the permit requirements
- Make it easy for reviewer to "check off" requirements
- Pick your battles carefully
- End with positive impacts on water quality



Management
Strategies



Pre-audit
Preparation



Audit
Survival



Post-audit
Follow-up

Managing the Audit

- Pre-determine who will be needed for the audit
 - Everyone else should be “on-call” or ready for their agenda item
 - Rehearse, know the script
- Your consultant (if you have one) should be available as well





Managing the Audit

- Clearly define staff roles
 - Facilitator
 - Other “trusted” staff
- Designate someone to assist by:
 - Looking up information not readily available
 - Taking notes
 - Relaying information to other facility personnel, or finding personnel that may be needed to assist at times





Managing the Audit

- Actively participate in the audit
 - Present your program in a “good light”
 - Key Performance Measures
 - Make it easy for the auditors to “check the list”
 - Address previous deficiencies
 - Act as a guide, lead the auditors through the material and questions





Management Strategies

Pre-audit Preparation

Audit Survival

Post-audit Follow-up

Managing the Audit

- Stick to the presentation
- Generally, you should provide what is asked for and little more
- Stay on script, freestyle presents more opportunities for questions
- Stick to the audit timeline

**RELAX.
EVERYTHING IS
RUNNING
RIGHT ON
SCHEDULE.**

-THE UNIVERSE



Managing the Audit

- Make the auditor's job easy
 - Most of them would much rather have a smooth inspection, get in and out, and have an easy report to write
 - Be friendly. It goes a long way.
 - Do not get defensive.
 - If you are going to disagree directly with an auditor during the audit, choose your battles wisely

Management Strategies



Pre-audit Preparation



Audit Survival



Post-audit Follow-up

Managing the Audit

- It is always okay to say, “I’m not sure, but I’ll check on it and get back to you.”
 - No one has every answer immediately
 - It is better to wait and check than to guess wrong



"CAN I GET BACK TO YOU?"





Managing the Audit

- Don't expect perfection
 - The first reason is that you are not perfect
 - Many auditors have the need to mark at least a few minor deficiencies
 - Assure the auditor you will have the issue corrected. Better yet, have a plan of action already in place





Wrapping up the Audit

- At the end of the audit, make time to recap with the auditors
- Make sure you know what they have noted as deficiencies
- Ask when you will receive a report or other feedback from them
- Make sure you have their contact information (and they have yours)





Management Strategies

Pre-audit Preparation

Audit Survival

Post-audit Follow-up

Post-audit Follow-up

- Immediately work on correcting any issues and document all actions taken
- When you receive the audit report, address anything not already addressed
- Keep the documentation of corrections with the regulatory audit report.





Management
Strategies

Pre-audit
Preparation

Audit
Survival

Post-audit
Follow-up

Post-audit Follow-up

- Debrief with all personnel and co-permittees
 - Procedures
 - Results
- Prepare for next time
 - Additional training
 - Program changes
- Thank personnel for a job well done



Thank
you.



Management
Strategies



Pre-audit
Preparation



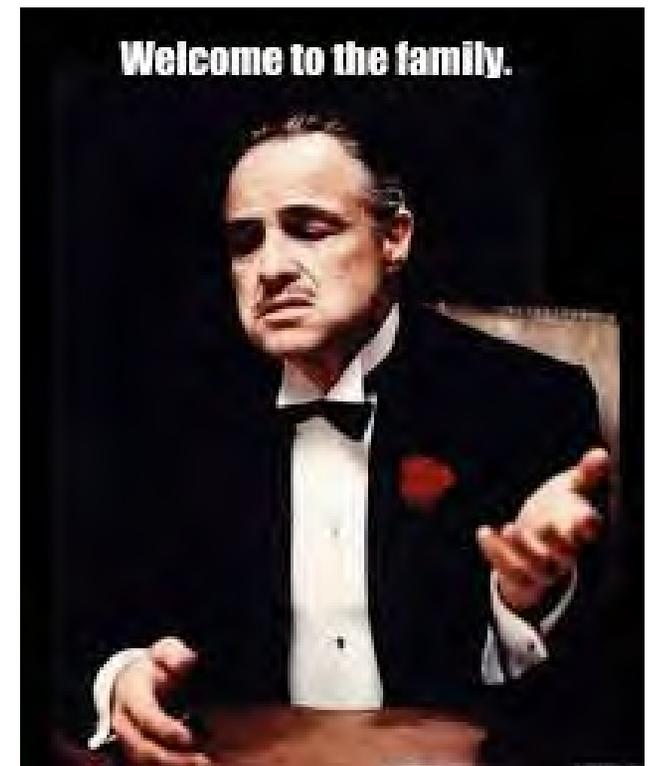
Audit
Survival



Post-audit
Follow-up

Managing the Audit

- Things to remember:
 - Stay on script
 - The auditors are your guests
 - You know your MS4 program better than the auditors



Management
Strategies

Pre-audit
Preparation

Audit
Survival

Post-audit
Follow-up

Common Lessons Learned

- **Prepare!**
 - Know your permit and SWMP
 - Know your deficiencies and have a plan to address them
 - Clearly define role of staff in the audit
- **Manage the audit process**
 - To the extent you can, control the agenda
 - Start and finish with the “good stuff” – how you impact water quality
 - “Show off” where you can
- **Post – audit debriefing**
- **Prepare plan for discovered deficiencies**

Phrases to avoid:

- We usually...
- Most of the time....
- We try...
- For the most part....

“I don’t know. I will check” is better than the wrong answer.



“Do or do not. There is no try.”
– Master Yoda



ASK QUESTIONS

YOU MUST