

Audit Process: Guidance Document for Auditees

EPB 624

Background

The Ministry of Environment employs a results-based regulatory approach, which defines the expected environmental outcomes but leaves the specific methods to achieve them up to the regulated community. The Compliance Audit Program provides independent, objective assurance to the Saskatchewan public that the regulated community is meeting environmental expectations.

Section 78 of *The Environmental Management and Protection Act, 2010* authorizes the ministry to conduct audits on anyone issued a permit pursuant to the act, including applicable regulations, or engaging in an activity governed by an accepted environmental protection plan, or the Saskatchewan Environmental Code and associated standards. For activities outside of EMPA, 2010 (e.g. *The Environmental Assessment Act, The Wildlife Act, 1998*), the ministry may ask a facility/operation to consent to a voluntary audit. This document provides guidance to auditees on the environmental compliance audit process.

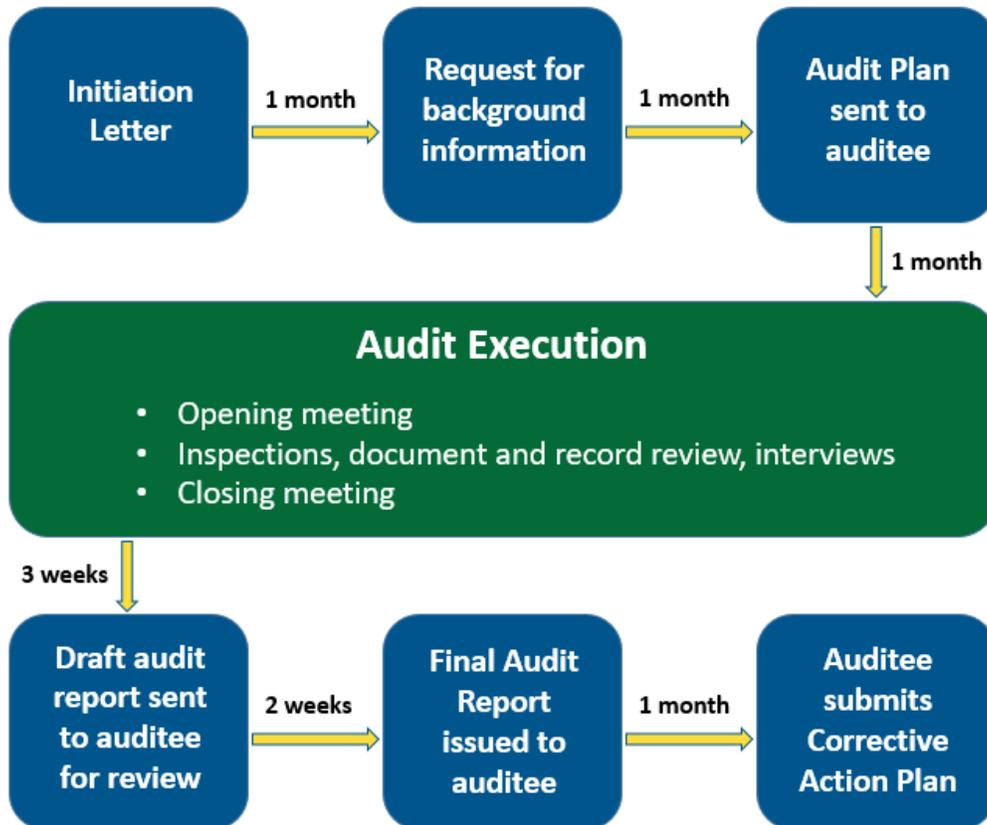
Audit Benefits

Participating in an audit can be helpful in a variety of ways, including:

- *Corrective Action* – helps the operation identify areas that are, or may become, non-compliant so that they can take appropriate action;
- *Benchmarking* – provides an assessment of environmental performance that can be used as part of an operation's environmental management system, or to report to third parties such as lenders, community stakeholders and customers;
- *Preventive Action* – reduces the potential for environmental harm or risk, government enforcement action, or other consequences by eliminating the circumstances that may lead to non-compliance;
- *Due Diligence* – helps demonstrate that an operation has acted with reasonable care; and
- *Risk Management* – provides a mechanism to identify risks so that they can be mitigated and controlled.

Typical Audit Process

Audits are executed in a manner consistent with national and internationally accepted audit standards, including ISO 19011:2018 (or latest) and CSA Z773-17 (or latest), and in accordance with the ministry's Audit Program Manual and supporting documents. The diagram below illustrates the stages of an audit and typical timelines.



Auditee Responsibilities

To facilitate an efficient and effective audit, the auditee is responsible for:

- Communicating with the lead auditor throughout the process;
- Providing required background information;
- Providing the facilities and resources needed for the audit team (e.g. working space, audio-visual equipment for meetings);
- Providing access to documents and records during the audit;
- Co-ordinating facility inspections and employee interviews;
- Responding to any audit findings in the form of a corrective action plan; and
- Implementing and reporting on the status of the corrective action plan.

Frequently Asked Questions

Q: Why was I selected for an audit?

The prioritization and frequency of audits is based on risk. Several factors for selection are considered, including the inherent risk of an activity to the environment, public concern, ministry strategic planning and existing ministry oversight.

Q: What happens if I opt out of a voluntary audit?

The applicable ministry regulator will contact facilities/operations that opt out of a voluntary audit to identify other ways of verifying compliance.

Q: Our facility/operation already has an audit program; can we use those audit results?

Auditees with internal audit programs that follow standardized processes similar to ministry processes may have the option to apply for audit relief. Refer to *EPB 625 Audit Relief: Guidance Document* for more information.

Q: What happens at the end of the audit?

Auditors provide the audit results at a closing meeting. The meeting will outline whether the objectives of the audit were met and the extent of compliance, describing any non-compliances in detail. After the closing meeting, the auditee will have the opportunity to review the audit report and provide additional evidence, if necessary, before the ministry finalizes audit results.

Q: Is the ministry going to shut me down?

Audits support voluntary compliance. If an audit finds non-compliances, auditees are required to submit a formal corrective action plan to the ministry within 30 days of receiving the final audit report.

A confirmed non-compliance that has caused or poses an immediate threat to human health, safety or the environment will require immediate correction, and may also be referred for enforcement action.

Q: Are audit results public?

Results of the audits are available to the public via the freedom of information process. Further information on this process can be found on saskatchewan.ca.