



# International Port Security Program



## Port Facility Security Audit Seminar

What is an Audit?





# Purpose



The goals of this lesson are to:

- provide a general understanding of the definition of an audit; and
- outline why audits are important to ensuring the effectiveness of security measures in place at port facilities.



# What is an Audit?



**U. S. COAST GUARD**



# ISO



The International Organization for Standardization (ISO) is the world's largest developer of voluntary international standards.





# ISO



The ISO 9000 and ISO 14000 series of International Standards emphasize the importance of audits as a management tool for monitoring and verifying the effective implementation of an organization's quality and/or environmental policy.





# What is an Audit?



ISO 19011:2002 defines an audit as:

*“a systematic, independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which the audit criteria are fulfilled.”*



# What is an Audit?



In less formal terms, an audit is:

- a form of inquiry that is well planned and organized
- executed in a logical and methodical manner.
- performed by an objective party



# What is an Audit?



Since audits are meant to be objective, auditors should ensure that they are not directly responsible for any area being audited.







# What is an Audit?



An example of a port facility security audit could be an official examination of a port facility's security plan to determine if it is in compliance with the ISPS Code ...





# What is an Audit?



.... and if the activities outlined in the plan are mitigating vulnerabilities noted in the Port Facility Security Assessment.





# What is an Audit?



Audits are a way to:

1. Determine the port facility's compliance with the ISPS Code
2. Verify that procedures outlined in the Plan are the same as what is conducted in daily operations



# What is an Audit?



3. Determine if security and non-security personnel know their roles with regard to security procedures or incidents.
4. Identify if processes in the Plan or practice achieve stated objectives and if they can be improved.

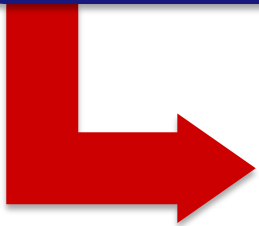


# What is an Audit?



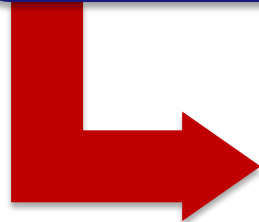
**All Security Measures**

- Comprehensive



**Access Control**

- Narrow Scope



**Badges Audit**

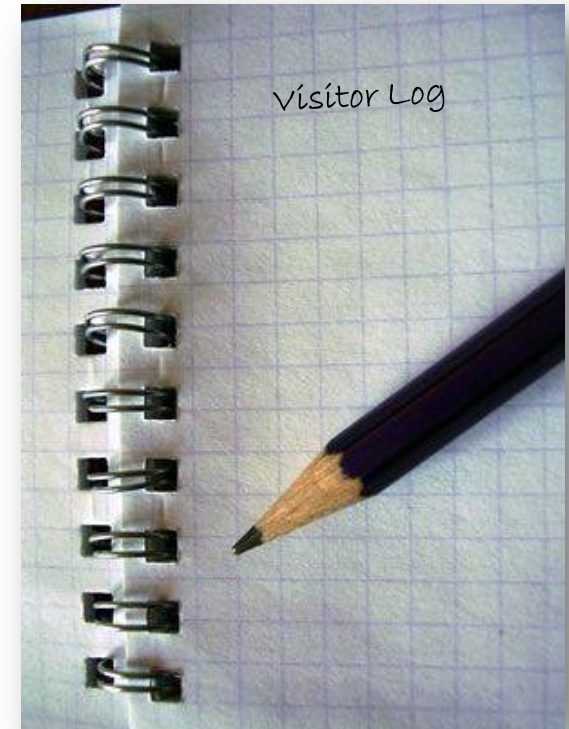
- More Narrow



# What is an Audit?



Reviewing security logs and documents are another form of a narrow scope audit; however, document reviews should always be included in a comprehensive port facility security audit.







# What is an Audit?



It is beneficial for port facilities to conduct comprehensive and narrow scope audits to ensure that security procedures are reviewed for specific functions.

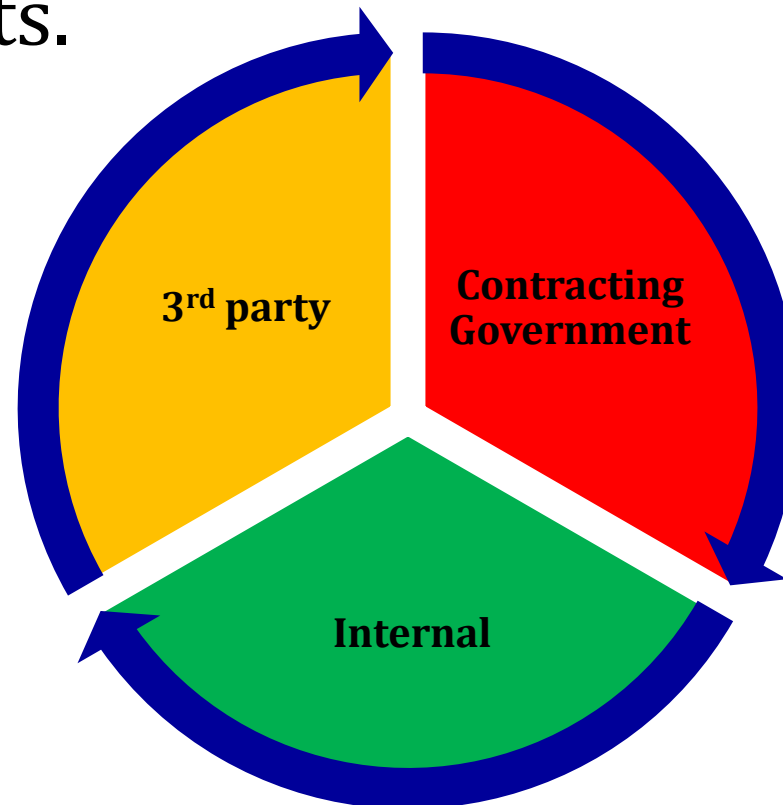




# What is an Audit?



There are three main types of port facility security audits.





# What is an Audit?



Government officials, with the full cooperation of the port facility, can conduct Contracting Government-led audits.





# What is an Audit?



Government-led audits can be used not only to determine ISPS Code compliance but also compliance with any additional national security requirements.



# What is an Audit?



One person, a group of government officials, or several agencies may perform these audits.





# What is an Audit?



Someone who has knowledge about security procedures and techniques and the facility's operations conducts internal audits, but if possible, has no vested interest in the procedures audited.





# What is an Audit?



Although the PFSO is not independent of the Plan and therefore is not the best qualified person to conduct a security audit, the ISPS Code clearly states that audits should be provided for in the PFSP and that planning for an audit is the PFSO's responsibility.



# What is an Audit?



“All PFSPs should provide for regular review, or audit, of the PFSP and for its amendment in response to experience or changing circumstances.”

(Part B, Section 16.3.5)



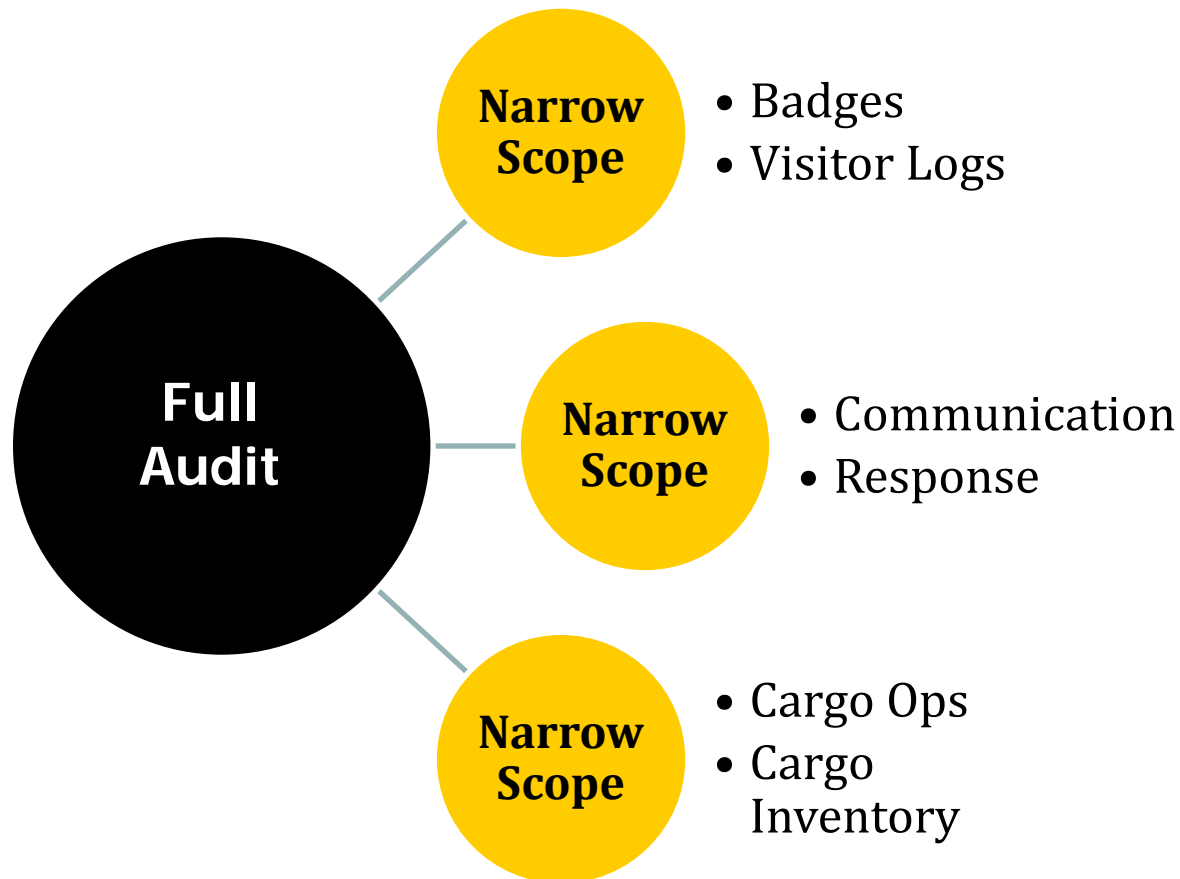
# What is an Audit?



**“The PFSP should establish **how the PFSO intends to audit the continued effectiveness of the PFSP** and the procedure to be followed to review, update or amend the PFSP.” (Part B Section 16.58 )**



# What is an Audit?





# What is an Audit?



Internal audits must be objective or unbiased, even if the audit findings reveal inadequacies in a facility's security procedures, failure to comply with the PFSP's outlined procedures or inconsistencies between the Port Facility Security Assessment and PFSP.



# What is an Audit?



Highlighting these issues will only help to improve security, protect assets and safeguard facility operations.







# What is an Audit?



A 3<sup>rd</sup> party audit is conducted by a qualified person or organization that is not a member of the Contracting Government nor an employee of the facility or its owner/operator.

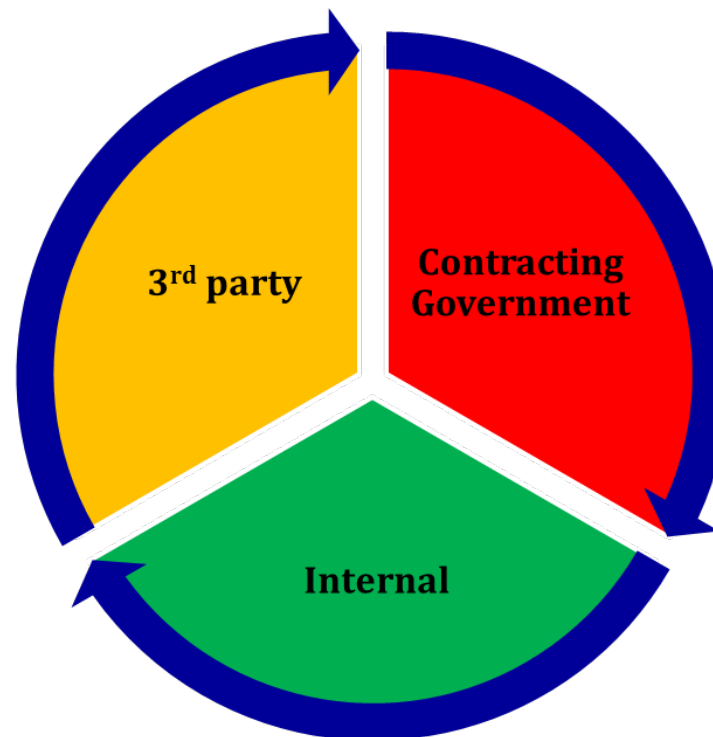




# What is an Audit?



Match these next individuals with the correct category of auditors.





# What is an Audit?



**General Manager**

**Port Authority**

**Harbor Master**

**Director of Operations**

**Bureau Veritas**

**National Security Agency**

**Internal**

**Contracting Government**

**Contracting Government**

**Internal**

**3<sup>rd</sup> Party**

**Contracting Government**





# What is an Audit?



In some cases, the PFSO might conduct an internal audit in preparation for an audit to follow, either by the Contracting Government or a 3<sup>rd</sup> party.





# What is an Audit?



Port facilities should conduct audits to:

- Determine compliance with the ISPS Code
- Cross check that the vulnerabilities identified in the PFSA are mitigated by the security measures outlined in the PFSP.



# What is an Audit?



- Determine if security and non security personnel know their roles with regard to security procedures or incidents
- Identify any recommended changes in the Port Facility Security Assessment or PFSP





# What is an Audit?



Although the ISPS Code does not dictate how often a port facility should conduct audits, it does offer information on situations that warrant a review of the PFSP which could be in the form of an audit.



# What is an Audit?



“The PFSP should be reviewed:

- If an independent audit of the PFSP or the Contracting Government’s testing of the port facility security organization identifies failings in the organization, or questions the continuing relevance of significant elements of the approved PFSP.



# What is an Audit?



- Following security incidents or threats thereof involving the port facility; and
- Following changes in ownership or operational control of the port facility.”

(ISPS Code Part B, Section 16.59)



# What is an Audit?



It is also a good practice to develop a predetermined audit schedule, such as annually, to ensure that the PFSP is reviewed and updated.





# What is an Audit?



Regularly scheduled audits help to prevent security incidents by identifying weaknesses in security procedures and allowing security personnel to be proactive.

January	February	March
April	May	June
July	August	September
October	November	December



# Summary



What are the main points that you will take away from our discussion today regarding the importance of audits?





# Summary



Audits are...

- Objective inquiries that examine and verify the effectiveness port facility security plans and procedures.
- A way to determine how well the PFSP addresses issues outlined in the Port Facility Security Assessment





# Summary



Audits are...

- Conducted by the Contracting Government, internally or by a 3<sup>rd</sup> party.
- An effective way to review the PFSP, particularly in certain situations outlined in the ISPS Code.