Opening Keynote: Perspectives From the CAE on Addressing EHS Risks

Moderator:
Doug Anderson
Managing Director, CAE Solutions
The IIA

Panelists:
Janice Harissis
Vice President and Corporate Audit Director
Texas Instruments, Inc.

Wendy Kemp, CIA, CPA
Assistant Vice President, Audit & Compliance
Baptist Health South Florida

Frank O’Brien, CIA, QIAL
Vice President, Internal Audit
Olin Corporation

Nearly every company has EH&S risks, but how those risks are managed and monitored differs substantially. This session will discuss the nature and monitoring of EH&S risks with audit leaders from different companies.

In this session, participants will:
- Learn how organizations are structured to manage and monitor EH&S risks in different industries.
- Gain knowledge of different approaches to monitoring whether EH&S risks are being managed well.
- Understand the role of each line of defense for E&HS risk — line management, compliance or risk functions, and internal audit.
- Discuss coordination between second and third lines in providing assurance.

Doug Anderson joined The IIA in 2016 after serving as an assistant professor at Saginaw Valley State University. Until 2013 Anderson worked with The Dow Chemical Company for 22 years. His roles at Dow included 16 years in internal audit (9 years as CAE), a global finance director in corporate controllers supporting acquisitions, divestitures, and joint ventures, and the finance leader for the global Dow latex business. Previously he spent 10 years with PriceWaterhouseCoopers.
Janice Harissis is the vice president and corporate audit director for Texas Instruments, Inc. Harissis has over 10 years of internal audit experience and around 20 years of semiconductor finance, accounting, and operations experience. She is a member of the Texas Instruments Corporate Compliance Committee, and Ethics & Compliance Committee, and serves as an officer of several TI subsidiaries. Harissis also serves on the Board of the Dallas Women’s Foundation as Audit Committee Chair as well as the United Way of Metropolitan Dallas Audit Committee and Chair of the Strategic Controls sub-committee.

Wendy Kemp has more than 20 years of experience in auditing and finance. After dabbling in retail, she started her career in public accounting. She then accepted responsibility for the internal audit function at Baptist Health South Florida, one of America’s preeminent healthcare institutions. Headquartered in Coral Gables, Florida, Baptist Health is a $4 billion organization composed of 10 hospitals, more than 40 physician practices, and more than 50 outpatient facilities. Baptist’s clinical quality ranks them among the best in the nation, according to data from the U.S. government.

Frank O’Brien is responsible for all North American internal audit activities, and the global Sarbanes Oxley process at Olin Corporation. Olin is a leading vertically-integrated global manufacturer and distributor of chemical products and a leading U.S. manufacturer of ammunition. He has over 30 years of internal audit and accounting experience, including internal audit leadership roles with A. G. Edwards and Sons, Inc., and Bunzl USA, prior to joining Olin Corporation in 2006.

O’Brien currently serves on the board of trustees for the Internal Audit Foundation. He has previously served The Institute of Internal Auditors as Vice Chairman – Research and President of the Internal Audit Foundation, Vice Chairman of Professional Services, Treasurer, and Chairman of the North American Board.

Thursday | March 15, 2018  9:45 – 10:45 a.m.

General Session 1: Next Generation Enforcement: Future Trends in the EPA

David Moore
Partner
Earth and Water Law Group

Session Description Being Finalized

David Moore represents businesses regarding complex environmental regulatory matters, government investigations and authorizations, and litigation. He was an attorney with the United States Environmental Protection Agency, working in EPA offices in Atlanta, Washington, D.C., and New York where he focused on
work with hazardous substances and wastes, cleanups, toxic substances registrations, pesticides, water, endangered species, National Environmental Policy Act, and other matters. Moore worked for three recognized Amlaw 200 law firms prior to moving his practice to Earth and Water Law, and has been honored by Chambers USA, America's Leading Lawyers for Business, Environment (2006-Present), and Superlawyers (2007-Present).

Thursday | March 15, 2018 11:00 a.m. – 12:15 p.m.

RT 1: Managing EHS Risks in a Construction Project

Facilitator:
Douglas Hileman, CRMA, CPEA
President
Douglas Hileman Consulting

Panelists:
Diana Estrada
Chief Auditor
Los Angeles Metro

Roy Litzenberg, CPEA
EH&S Audit Manager, Audit Services
Koch Industries

Construction projects present unique EHS risks to an organization. This session will provide an internal auditor’s perspective of construction project risks, including operations, compliance, and organizational strategy. The session will describe internal audit’s approach to risk management, including safety, environmental, and other key topical areas.

A chief audit executive will provide an overview of how internal audit views and mitigates risk on construction efforts, and what EHS risk governance measures they use. Other presenters will offer insights on EHS compliance, risk, and mitigation measures on construction projects and how audits can help ensure project success.
In this session, participants will:

- Recognize complexity of environmental, safety, and operational risks associated with construction.
- Discuss the importance of scoping and authority to conduct construction project auditing.
- Learn what other requirements and issues can pose risk to construction projects, and how EHS auditor skills can provide value.
- Gain insights into construction risk at the overall organization and project level.
- Share methods for enlisting local resources to participate in audits.

Douglas Hileman helps clients mitigate risk and leverage opportunities, specializing in those related to environmental and non-financial reporting. He is co-author of several IIA Supplemental Guidance documents (including Internal Audit & 2LOD, and Engagement Planning: Fraud Risk Assessment). Hileman has pioneered consideration of fraud in EHS/sustainability programs and auditing. As the co-chair of program for IIA's 2019 International Conference, to be held in Southern California, he is sharing his experience in four lines of defense: corporate compliance; EHS/sustainability auditing; internal audit; and external assurance for financial filings. In addition to The IIA credentials, he holds the Fundamentals in Sustainability Accounting credential for SASB.

Diana Estrada is the chief auditor of LA Metro, which serves as transportation planner, designer, builder, and operator for one of the country’s largest, most populous counties. More than 9.6 million people live, work, and play within its 1,433 square-mile service area. In her role, she serves a variety of stakeholders, such as a 13 board of directors including the Mayor of Los Angeles and three appointees, the five LA County Supervisors and four representatives from each sub-region. Estrada started her career at LA Metro as an accounting assistant and in 2015 was named the chief auditor, making her better able to perform the chief audit function for their annual budget of 6 billion dollars.

Roy Litzenberg has 33 years of experience in environmental, health and safety compliance, including EHS, security and transportation audits, regulatory compliance, and environmental due diligence. As a CPEA, Litzenberg has served as an EHS auditor on more than 300 facility audits. He is also an experienced Environmental Professional and has completed more than 1,400 environmental due diligence assessments. Litzenberg has worked at commercial, industrial, institutional, residential, and federal, state, and municipal government project sites throughout California and the United States. International experience includes EHS audits at facilities in Argentina, Brazil, Canada, Colombia, Costa Rica, the Dominican Republic, El Salvador, Honduras, and Mexico (including work in: Agualascalientes, Atlacomulco, Cordoba, Mexicali, Navajoa, Monterrey, Reynoso, San Luis Potosi, Saltillo, and Tijuana).
General Session 2: OSHA Update - Compliance and Risk Issues

William Perry, CIH
Director of Standards & Guidance
Occupational Safety and Health Administration

Session Description Being Finalized

William Perry is director of the Directorate of Standards and Guidance at the U.S. Occupational Safety and Health Administration (OSHA), where he is responsible for leading the development of standards and guidance products covering a wide variety of occupational safety and health hazards. He currently oversees regulatory and guidance development on a wide range of topics, including safety and health management programs, crystalline silica, beryllium, fall protection, hazard communication and permissible exposure limits, maritime and agricultural safety, and economic impact analysis. He also leads OSHA’s efforts to integrate occupational safety and health into corporate sustainability initiatives and reporting, and directs the Agency’s initiatives to promote implementation of safety and health programs by employers. Perry has 37 years of experience as an industrial hygienist, senior health scientist, and policy analyst on occupational safety and health regulation.

Roundtable 2: Sustainability Innovation: ERM and Nonfinancial Disclosures

Ruthanne Calabrese
Senior Project Manager
TRC Solutions

Karen A. Lutz
Sustainability Director
TRC Solutions

The increasing awareness of potential business impacts from environmental, social, and governance issues, such as climate change, natural resource constraints, human rights violations, corruption, and ethics mismanagement, is leading to a reevaluation of business risk. Looking at sustainability from a business perspective requires a systems approach, focused on strategic, operational, regulatory, and reputational risk. Aligning risk management practices to adequately address sustainability risks involves more than just verifying the accuracy of external non-financial disclosures. Auditors need to also assess governance structure
effectiveness, strategic alignment, risk management processes, and the appropriateness of selected metrics and targets.

In this session, participants will:

- Review sustainability trends impacting business risk and driving the integration of sustainability and enterprise risk.
- Understand importance of external context and the selection of appropriate criteria, processes, and frameworks used to measure sustainability.
- Identify opportunities to expand review of environmental, social, and governance issues to cross-functional segments of the organization, e.g., facilities management, supply chain, product stewardship, public and government relations, and human resources.
- Learn how to frame board-relevant sustainability audit findings, in terms of the organization’s ability to meet strategic objectives, and protect and enhance tangible and intangible assets.

**Ruthanne Calabrese** has over 20 years of experience and progressive responsibility managing environmental compliance and strategy within the utility industry. She led a professional corporate group focused on leveraging environmental opportunities and enabling environmental compliance through sound strategy and enhanced performance management tools. Calabrese developed risk mitigation plans for priority environmental compliance risks; provided policy impact analysis; advocated for utility operating companies during rule development; fostered and maintained key stakeholder relationships; as well as developed communications regarding company’s environmental performance and positioning. She administered EMS, compliance assurance and sustainability programs along with performance data tracking, trending, and reporting.

**Karen Lutz** is an environmental and sustainability consultant with 30 years of experience. As sustainability director, she leads TRC’s corporate sustainability program, focusing on market facing services, integration of sustainability into business systems, and internal and external communications and reporting. Lutz also advises clients on strategy, systems, and structures for their environmental management and sustainability initiatives. She has developed environmental risk management programs for clients and leads management system and sustainability strategy facilitations. Her main focus is linking environmental initiatives to overall business objectives and bridging environmental, sustainability, and business goals.
Closing Keynote: Common Ground Between Uncommon Allies: Four Ways Corporate EHS Can Reduce Enterprise Risk, Protect the Brand, and Earn Stakeholder Harmony

Bill Shireman
President and CEO
Future 500

Drawing on stories from 30 years of on-the-ground experience, Bill Shireman will:
- Define corporate sustainability, what it means to different audiences, and the key components of a corporate sustainability practice.
- Describe four ways corporate environmental, health and safety auditing and practice can reduce enterprise risk, protect the brand, and earn stakeholder support for companies.
- Tell how companies prevent and resolve legal, regulatory, and media battles between environmentalists, citizens, and companies, in ways that reduce costs, earn trust, spur growth, and identify emerging mass markets.

Bill Shireman brings together forces that love to hate and demonize each other: Republicans and Democrats, Rush Limbaugh conservatives and Michael Moore progressives, and above all, giant global corporations and the activists that distrust and demonize them. Shireman united Coors, Safeway, and the Sierra Club to design and pass California’s “bottle bill” recycling law, the lowest-cost and most effective in the nation. He united Mitsubishi and Rainforest Action Network (RAN) to work together to save rainforests from North America to Malaysia. He brought together Coca-Cola and Genocide Intervention Network to help promote peace in the Sudan.

Called a “master of environmental entrepreneurism,” Shireman helps the world’s largest companies — including Coca-Cola, Disney, Nestle, ExxonMobil, General Motors, and many more — identify the issues that are material to their bottom lines, the stakeholders that can help them reduce risk and build markets, and the actions that can turn sustainability into a profit center.