

 <b>City of Dallas</b>	Document Number:	COD-EMS-PRO-012	Revision Number:	4
	Approved By:	OEQ Managing Director	Effective Date:	12/01/2017
	Description of Last Change:	Annual review and changes to bring procedure up to date with ISO 14001:2015 standard.		
Document Title:	<b>Nonconformity and Corrective Action</b> ISO 14001:2015 10.1, 10.2			

1. **PURPOSE:** The purpose of this procedure is to document the City of Dallas (City) process for managing actual and potential nonconformities, to take corrective actions to prevent re-occurrence and to continually improve our operations.
2. **SCOPE:** This procedure applies to all city employees when engaged in City related work activities within the EMS fence line. This procedure will be used for managing audit findings from internal and external EMS audits and OEQ internal Compliance Assessments.
3. **ENVIRONMENTAL:** Utilization of Environmental Management Systems, as appropriate for our operations, to provide a framework for systematically reviewing and reducing our environmental footprint
4. **DEFINITIONS:**
  - 4.1 **City spill response procedures:** Administrative Directive 3-74 Spill Response Procedures.
  - 4.2 **Correction:** Immediate actions taken to eliminate a detected nonconformity.
  - 4.3 **Corrective Actions:** Actions to eliminate the **cause** of a nonconformity and to prevent recurrence.
  - 4.4 **Incident:** An event causing an environmental violation or potential violation of local, state or federal environmental rules and regulations per AD 3-73.
  - 4.5 **Kudos:** A system strength
  - 4.6 **Nonconformity:** Non-fulfilment of a requirement to the ISO standard, COD environmental management system requirements or noncompliance with a legal requirement.
  - 4.7 **Nonconformance Report:** The unique record of a nonconformance.
  - 4.8 **Observation:** An area of concern, a process, document or activity that is currently conforming but may, if not improved, result in a nonconforming system, product or service.
  - 4.9 **Opportunity for Improvement:** An identified potential problem where current practices create the **potential** for a non-conformance.
5. **RESPONSIBILITY AND AUTHORITY:**
  - 5.1 Top Management is responsible for:
    - 5.1.1 Reviewing a summary of nonconformances and the status of corrective action notices as provided or during management review meetings.
    - 5.1.2 Providing adequate resources for successfully resolving a nonconformance notice (NCN), corrective action notice (CAN) and to prevent occurrence or re-occurrence.
  - 5.2 The Office of Environmental Quality (OEQ) is responsible for:

 <b>City of Dallas</b>	Document Number:	COD-EMS-PRO-012	Revision Number:	4
	Approved By:	OEQ Managing Director	Effective Date:	12/01/2017
	Description of Last Change:	Annual review and changes to bring procedure up to date with ISO 14001:2015 standard.		
Document Title:	<b>Nonconformity and Corrective Action</b> ISO 14001:2015 10.1, 10.2			

- 5.2.1 Entering and tracking internal and external EMS and compliance nonconformances in the City's ISO data management system.
- 5.2.2 Completing nonconformance reports (NCR) assigned to OEQ by the established due date.
- 5.2.3 Officially collecting and responding to third-party registrar nonconformances for the City of Dallas.
- 5.2.4 Verifying the effectiveness of corrective actions implemented in response to nonconformances issued during third-party audits.
- 5.2.5 OEQ auditors are responsible for developing and issuing internal EMS and compliance findings as well as approving and verifying completion of corrective actions.

**5.3 Environmental Management Representatives (EMRs)** are responsible for:

- 5.3.1 Receiving, investigating and responding to nonconformances and OFIs which may include assigning responsibilities for developing corrective actions.
- 5.3.2 Developing and completing the approved corrective actions assigned to their department by the established due date.
- 5.3.3 Conducting and documenting the root cause analysis.

**6. PROCEDURES:**

**6.1 EMS Audits**

EMS audits are conducted by using a systematic approach for evaluating the City's EMS conformance with the International Organization for Standardizations (ISO) 14001 standard. Audit evidence gathered through sampling is evaluated against the criteria to generate findings. Nonconformances are issued because of audit findings and are defined as a non-fulfillment of a specified EMS requirement. Please **see COD-EMS-PRO-013, EMS Audits.**

**6.2 OEQ Internal Compliance Assessments**

Internal Compliance Assessments are conducted to determine existing and potential environmental liabilities related to federal, state and local environmental laws and regulations. The compliance assessments are based on an audit schedule developed on the extent to which the facility is regulated. Please see **COD-EMS-PRO-017, Evaluation of Compliance.**

 <b>City of Dallas</b>	Document Number:	COD-EMS-PRO-012	Revision Number:	4
	Approved By:	OEQ Managing Director	Effective Date:	12/01/2017
	Description of Last Change:	Annual review and changes to bring procedure up to date with ISO 14001:2015 standard.		
Document Title:	<b>Nonconformity and Corrective Action</b> ISO 14001:2015 10.1, 10.2			

### 6.3 Nonconformity

6.3.1 The schedule associated with the processing of actionable audit findings is:

Responsible Party	Task	Schedule
OEQ	1. <b>Enter nonconformances</b> and OFI's into the City's ISO data management system.	Due 10 business days after the close of the audit.
Audited Department	2. <b>Investigate nonconformances</b> and OFI's and enter investigation results, planned corrective actions, and root cause into the City's ISO data management system. See <b>sections 6.5 and 6.7 below.</b>	Due 21 calendar days after the NCR has been created in the City's ISO data management system by OEQ staff.
OEQ	3. <b>Approve or Reject the Investigation</b> results including root cause and planned actions. See <b>section 6.6 below.</b>	Due 7 calendar days after the audited department has submitted investigation results in the City's ISO data management system.
Audited Department	4. <b>Complete planned actions</b>	Completion of all actions is due no more than 90 days after the data management system submittal of the investigation results to OEQ
OEQ	5. <b>Final Approval</b> or Rejection by Final Approver. See <b>Section 6.8 below.</b>	Due 30 calendar days after the audited department submits the completion of its planned actions in the City's ISO data management system.

6.3.2 Extensions on due dates can be granted by the Managing Director of OEQ. Requests for extensions on due dates must be made via email.

6.3.3 For a nonconformance that is an incident as defined in Administrative Directive 3-73 (AD 3-73):

 <b>City of Dallas</b>	Document Number:	COD-EMS-PRO-012	Revision Number:	4
	Approved By:	OEQ Managing Director	Effective Date:	12/01/2017
	Description of Last Change:	Annual review and changes to bring procedure up to date with ISO 14001:2015 standard.		
Document Title:	<b>Nonconformity and Corrective Action</b> ISO 14001:2015 10.1, 10.2			

- 6.3.3.1 The audited department shall report the incident as required in AD 3-73.
- 6.3.3.2 OEQ staff conducting the audit shall verify that the incident has been reported per AD 3-73 and shall attach a copy of the final Environmental Incident report to the NCR.
- 6.3.3.3 OEQ staff shall ensure that a copy of the final Environmental Compliance Committee (ECC) report on the incident is attached to the NCR for preventable incidents.
- 6.3.4 **For a nonconformance that is also a Hazardous City Spill, a Non-Hazardous City Spill, or a Storm Water Spill** as defined in Administrative Directive 3-74 (AD 3-74):
  - 6.3.4.1 The audited department shall report the spill following the City spill response procedures.
  - 6.3.4.2 If the spill is reportable, OEQ staff conducting the audit shall verify that the spill has been reported and shall attach a copy of the final Environmental Incident report to the NCR.
  - 6.3.4.3 OEQ staff shall ensure that a copy of the final Environmental Compliance Committee (ECC) report on the incident is attached to the NCR for preventable incidents.
- 6.3.5 Internal nonconformances and OFIs are documented and approved by the OEQ compliance and EMS auditors. Third-party audit nonconformances & OFI's are documented, tracked and reviewed by the assigned OEQ liaison. There are three levels of nonconformance:
  - 6.3.5.1 Major Non-Conformance – A major nonconformance is a failure to implement a requirement of the standard or regulation by omission or multiple minor nonconformances within the same requirement. An example of a major EMS nonconformance is that EMS objectives and targets have not been documented, communicated and tracked. An example of a major compliance nonconformance would be failure to track the amount of hazardous waste generated each month.
  - 6.3.5.2 Minor Non-conformance – A minor nonconformance is a single lapse in fulfilling a requirement. An example of a minor EMS nonconformance is that training records were not located at select audited facilities. An example of a minor compliance nonconformance would be repeated gaps in a monthly log used for tracking hazardous waste.
  - 6.3.5.3 Opportunity for Improvement (OFI) – An OFI is assigned when an element of the EMS has the **potential** for a non-conformance. The requirement is met and sufficient but potential gaps exist to warrant

 <b>City of Dallas</b>	Document Number:	COD-EMS-PRO-012	Revision Number:	4
	Approved By:	OEQ Managing Director	Effective Date:	12/01/2017
	Description of Last Change:	Annual review and changes to bring procedure up to date with ISO 14001:2015 standard.		
Document Title:	<b>Nonconformity and Corrective Action</b> ISO 14001:2015 10.1, 10.2			

attention. An OFI provides the opportunity to prevent the issue from becoming a nonconformance. An example of a compliance OFI would be no entry on a hazardous waste log due to assigned personnel on vacation.

6.3.6 *For findings identified during self-assessments conducted by the department:*

Departments have the option of entering and tracking them to closure in the City's ISO data management system. If self-assessment findings are not entered into the City's ISO data management system, another method of documenting and tracking them may be used.

6.3.7 A list of audit findings and suggested DRAFT nonconformances are discussed during the closing meeting of EMS and/or compliance internal audits.

6.3.8 Identified EMS and Compliance nonconformances and OFI's will be communicated via a NCR created by the City's ISO data management system. If the audited department does not have access to the City's ISO data management system, written nonconformance/observation notices will be provided.

6.3.9 Disputes over audit findings will be resolved by the Managing Director of OEQ based on facts and evidence.

#### 6.4 **Reporting Nonconformance and Opportunities for Improvement**

6.4.1 EMS and compliance audit findings will be entered into the City's ISO data management system. When reporting nonconformances and OFI's, the applicable auditor will include:

6.4.1.1 **The requirement:** a reference to a standard criteria, requirement, or regulation that was not met. The statement of the requirement can be as simple as a reference citation and text of the relevant clause.

6.4.1.2 **The evidence:** the evidence reported should be sufficiently detailed to enable the audited department to find and confirm what the auditor observed.

6.4.1.3 **The statement of nonconformity:** the auditor concisely defines the problem. A well-articulated nonconformity statement should provide enough direction and clarity that the person charged with investigation can use it to initiate root cause analysis and eventually develop a viable corrective action plan.

6.4.1.4 **Date reported:** The auditor must ensure that the correct date is selected.

6.4.1.5 **Assigned to:** auditor must select the audited department representative that is responsible for the investigation into the finding.

 <b>City of Dallas</b>	Document Number:	COD-EMS-PRO-012	Revision Number:	4
	Approved By:	OEQ Managing Director	Effective Date:	12/01/2017
	Description of Last Change:	Annual review and changes to bring procedure up to date with ISO 14001:2015 standard.		
Document Title:	<b>Nonconformity and Corrective Action</b> ISO 14001:2015 10.1, 10.2			

- 6.4.1.6 **Target date:** The auditor selects the target due date for the completion of the department investigation.
- 6.4.1.7 **Final approver:** The auditor assigns the responsibility for closing out completed Nonconformance and/ or Corrective reports. The final approver will typically be the auditor that issued the finding.

## 6.5 Investigation of Nonconformance

6.5.1 Once reported in the City's ISO data management system, a finding will be communicated via e-mail to the person assigned responsibility for the investigation.

6.5.2 Results of the investigation must be recorded in the City's ISO data management system. See the COD-EMS-PRO-016 Entropy User Manual for instructions on how to enter information into the system. The following information shall be completed:

6.5.2.1 **Root Cause Analysis:** The "5 whys" root cause analysis.

6.5.2.2 **Investigation Results:** the department should summarize the results of the root cause analysis keeping the following in mind:

- Is the problem indicated by the evidence an isolated incident or indicative of a larger, systemic issue? What is the probability of reoccurrence?
- What environmental impact resulted from the nonconformance? How have these impacts been mitigated?
- How did the department correct the evidence stated in the nonconformance? (Please Note: a correction is not the same as a corrective action. See section 4.0 Definitions).

6.5.2.3 **Corrective Action Plan:** Develop and document all corrective measures necessary to control and correct the nonconformity, mitigate adverse environmental impacts and prevent recurrence.

6.5.3 Once the department has completed the investigation including the corrective action plan, it must be submitted to OEQ for approval. Investigations resulting from OEQ internal audit findings should be sent to the OEQ internal auditor. Investigations conducted in response to external audit findings should be submitted to their designated OEQ EMS liaison or the OEQ EMS manager.

6.6 **Approval of Investigation.** The OEQ person assigned to approve the investigation will evaluate the submission. Investigations submitted without a stated root cause, or without corrections or corrective action that match the stated root cause **WILL BE REJECTED**. An investigation can be approved prior to the completion of corrective actions.

## 6.7 Investigation of Opportunities for Improvement

6.7.1 For OFI's, the department should describe how it evaluated the need for corrective action.

 <b>City of Dallas</b>	Document Number:	COD-EMS-PRO-012	Revision Number:	4
	Approved By:	OEQ Managing Director	Effective Date:	12/01/2017
	Description of Last Change:	Annual review and changes to bring procedure up to date with ISO 14001:2015 standard.		
Document Title:	<b>Nonconformity and Corrective Action</b> ISO 14001:2015 10.1, 10.2			

6.7.2 If the department determines a need for preventative measures, the process is the same as a corrective action. Refer to 6.5 above for a description of the process for investigation and closure.

**6.8 Approval/Closure of the Nonconformance and/or Corrective Action.** Once the investigation is approved and corrections and corrective actions are complete, the OEQ auditor will review and close the internal nonconformance or OFI. For third-party findings, the OEQ EMS manager will serve as final approver of nonconformances. Designated OEQ department liaison will review and close OFI's. The final approver may only close nonconformances if there is sufficient objective evidence that the actions of the department are implemented.

**6.8.1 Reviewing the effectiveness of corrective actions.**

6.8.1.1 Corrective actions implemented because of an internal audit nonconformance will be evaluated for effectiveness during the next internal audit.

6.8.1.2 Corrective actions implemented because of a third-party audit nonconformance will be evaluated for effectiveness during the next internal audit or prior to the next external audit.

**6.9 Elevation of Past-Due Nonconformances**

6.9.1 Notification of overdue nonconformances, investigations, and corrective actions, will be generated by the City's ISO data management system. E-mail notification will begin with EMRs two weeks prior to the due dates and escalate to the OEQ EMS Manager two weeks after the due date.

6.9.2 OEQ will send e-mail notification to department directors when nonconformances have not been addressed within 6 months of the approval of the corrective action plan by OEQ. The EMR will receive a "cc:" of this notice.

6.9.3 If, when preparing for annual Top Management Review (**see COD-PRO--EMS-014, "Top Management Review Procedure"**), OEQ discovers a nonconformance still open *one year after entry into the City's ISO data management system*, OEQ shall report the nonconformance directly to top management.

6.9.3.1 This report can be separate from the Top Management Review.

6.9.3.2 OEQ may alert the department and provide them the opportunity to correct the nonconformance prior to the Top Management Review. If the department successfully closes out the nonconformance prior to the management review, communication to top management is not required.

**7. REFERENCES:**

COD-EMS-PRO-008 Documents and Records Management Procedure

COD-EMS-PRO-013 EMS Audits Procedures

 <b>City of Dallas</b>	Document Number:	COD-EMS-PRO-012	Revision Number:	4
	Approved By:	OEQ Managing Director	Effective Date:	12/01/2017
	Description of Last Change:	Annual review and changes to bring procedure up to date with ISO 14001:2015 standard.		
Document Title:	<b>Nonconformity and Corrective Action</b> ISO 14001:2015 10.1, 10.2			

COD-EMS-PRO-017 Evaluation of Compliance Procedure

COD-EMS-PRO-016 Entropy User Manual

Administrative Directive 3-73 Environmental Management Program

Administrative Directive 3-74 Spill Response Procedure

City of Dallas Spill Identification and Internal Notification Guidelines (Rev. 1)