



# Mission Management System Internal Audit Tactics, Techniques, and Procedures (TTP)



Force Readiness Command  
(FORCECOM)

CGTTP 4-09.5A  
May 2015

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28 MAY 2015

## COAST GUARD TACTICS, TECHNIQUES, AND PROCEDURES 4-09.5A

Subj: MISSION MANAGEMENT SYSTEM INTERNAL AUDIT

- Ref:
- (a) U.S. Coast Guard Mission Management System, COMDTINST 5200.4
  - (b) U.S. Coast Guard Mission Management System Internal Auditor (MMSIA) Performance Quality Standards (PQS)
  - (c) U.S. Coast Guard Competency Management System Manual, COMDTINST M5300.2 (series)
  - (d) U.S. Coast Guard Mission Management System Lead Auditor (MMSLA) Performance Quality Standards (PQS)

1. **PURPOSE.** To provide Prevention unit commands with Coast Guard tactics, techniques, and procedures (CGTTP) on Mission Management System (MMS) internal audit processes and management review activities at the unit level. Internal audits are a key force multiplier for the MMS staff to gather critical feedback for the Prevention System overall improvement. Prevention System includes the units, commands, personnel, resources, and all relevant components connected to the USCG Prevention Directorate. Prevention unit refers to a USCG command or component that supports the Prevention mission.
2. **ACTION.** This CGTTP publication applies to the United States Coast Guard (USCG) Prevention System. Primary audiences of this TTP publication are the unit MMS coordinators and internal audit team members. Secondary audience is the Prevention System personnel. Internet release authorized.
3. **DIRECTIVES/TTP AFFECTED.** This publication supersedes the Mission Management System (MMS) Implementation, CGTTP 4-09.5.
4. **DISCUSSION.** The MMS Program verifies USCG Prevention System compliance with International Maritime Organization (IMO) conventions, United States regulations, and relevant organizational requirements as required per reference (a), U.S. Coast Guard Mission Management System, COMDTINST 5200.4. The internal audit function and management reviews promote a quality control environment that mitigates risks, ensures control weaknesses are appropriately dealt with, and provides the Prevention System leadership with reasonable assurance of the effectiveness of, and adherence to, IMO and United States requirements.

5. MAJOR CHANGES. This revision includes the following changes:
  - a. Chapter 2: MMS Internal Audit
    - (1) Section A: Management Commitment – Provided guidance for MMS coordinator and audit members designation and qualification processes.
    - (2) Section C: Internal Audit Process – Modified internal audit process to display the cyclical nature of internal audits and indicate guidance location within the CGTTP publication.
    - (3) Sections D through L – Consolidated internal audit steps to optimize process efficiency and MMS template/form functions.
6. DISCLAIMER. This guidance is not a substitute for applicable legal requirements, nor is itself a rule. It provides guidance for Coast Guard personnel and does not impose legally-binding requirements on any party outside the Coast Guard.
7. ENVIRONMENTAL ASPECT AND IMPACT CONSIDERATIONS. While developing this publication, Integrated Process Team (IPT) members examined environmental considerations under the National Environmental Policy Act (NEPA) and determined they are not applicable.
8. DISTRIBUTION. FORCECOM TTP Division posts an electronic version of this TTP publication to the CGTTP Library on CGPortal. In CGPortal, navigate to the CGTTP Library by selecting **References > Tactics, Techniques, and Procedures (TTP)**. FORCECOM TTP Division does not provide paper distribution of this publication.
9. RECORDS MANAGEMENT CONSIDERATIONS. IPT members thoroughly reviewed this publication during the TTP coordinated approval process and determined there are no further records scheduling requirements per Federal Records Act, 44 U.S.C. Chapter 31 § 3101 et seq., National Archives and Records Administration requirements, and Information and Life Cycle Management Manual, COMDTINST M5212.12 (series). This publication does not have any significant or substantial change to existing records management requirements.
10. FORMS/REPORTS. None.
11. REQUEST FOR CHANGES. Submit recommendations for TTP improvements or corrections via email to FORCECOM-PI@uscg.mil or through the TTP Request form on CGPortal. In CGPortal, navigate to the TTP Request form by selecting **References > Tactics, Techniques, and Procedures (TTP) > TTP Request**.

Info COMCOGARD FORCECOM NORFOLK VA//FC-P// on message traffic containing lessons learned applicable to this TTP publication.

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By Direction of Commander,  
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# Chapter 1: Introduction

**Introduction** This chapter overviews the contents of this TTP publication. It also defines the use of notes, cautions, and warnings in TTP publications.

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**In This Chapter** This chapter contains the following sections:

<b>Section</b>	<b>Title</b>	<b>Page</b>
A	Introduction	1-2
B	Notes, Cautions, and Warnings	1-3

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## Section A: Introduction

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### **A.1. Introduction**

The Mission Management System (MMS) Program verifies United States Coast Guard (USCG) Prevention System compliance with International Maritime Organization (IMO) conventions, United States regulations, and relevant organizational requirements. The MMS serves as the quality management component for the USCG Prevention System. The MMS Program promotes transparency of mission performance and process execution.

Prevention System includes the units, commands, personnel, resources, and all relevant components connected to the USCG Prevention Directorate. Prevention unit refers to a USCG command or component that supports the Prevention mission.

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### **A.2. CGTTP Purpose**

The purpose of the MMS Internal Audit CGTTP publication is to clarify the MMS role of Prevention units and provide guidance for conducting internal audits and management reviews as required per reference (a), U.S. Coast Guard Mission Management System, COMDTINST 5200.4. The internal audit function and management reviews promote a sound control environment that mitigates risks, ensure that control weaknesses are appropriately dealt with, and provide the Prevention System leadership with reasonable assurance of the effectiveness of, and adherence to, IMO and United States requirements.

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### **A.3. CGTTP Target Audiences**

The primary audiences for this publication are MMS coordinators and audit team members. The secondary audience is USCG Prevention System personnel.

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## Section B: Notes, Cautions, and Warnings

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**B.1. Overview**      The following definitions apply to notes, cautions, and warnings found in TTP publications.

**NOTE:**      **An emphasized statement, procedure, or technique.**

**CAUTION:**      **A procedure, technique, or action that, if not followed, carries the risk of equipment damage.**

**WARNING:**      *A procedure, technique, or action that, if not followed, carries the risk of personnel injury or death.*

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## Chapter 2: MMS Internal Audit

**Introduction** This chapter discusses the procedures to ensure a consistent and effective MMS internal audit process.

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**In This Chapter** This chapter contains the following sections:

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## Section A: Management Commitment

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**A.1. Management Commitment**

This section discusses the roles and responsibilities of Prevention System top management, mission management system coordinator (MMSC), audit team members, and Prevention System process owners that are necessary for an effective internal audit process. Continuous performance improvement is the responsibility of management, as well as the entire organization. Establishing an internal process allows management and process owners to verify that standard operating procedures are achieving mission requirements and assist in identifying opportunities for improvement or best practices. This promotes mission execution from all levels and sets forth a firm commitment to continuous improvement. When establishing an internal audit process, ensure it conforms to the requirements listed in reference (a), U.S. Coast Guard Mission Management System, COMDTINST 5200.4.

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**A.2. Top Management**

Top management are the persons at the highest level of the unit who coordinate, direct, and control operations. For example, top management can include the sector commander, deputy, prevention department head, and sector division chiefs; or it may only include the prevention department head and prevention division chiefs.

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**A.3. Top Management Roles and Responsibilities**

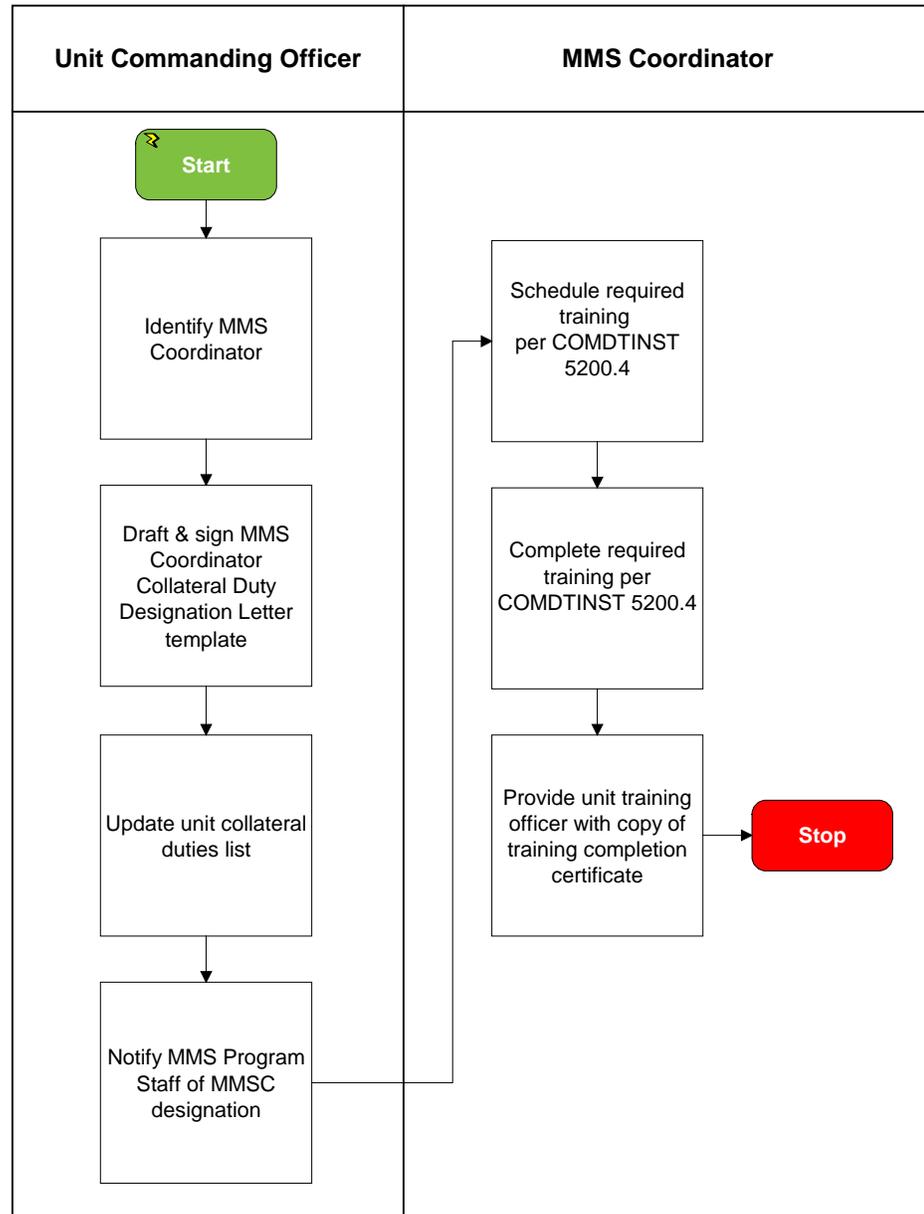
Top management/unit commanding officer (CO):

- Designate a MMSC.
- Provide adequate resources and commitment to the internal audit process and MMSC.
- Collaborate with the MMSC to identify the appropriate audit areas and audit objectives are aligned to Prevention System strategic objectives.
- Establish appropriate unit audit objectives that are aligned with strategic objectives.
- Ensure personnel are aware of and understand the unit internal audit process.
- Conduct management reviews and address issues discovered from the internal audit process.

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**A.4. MMS Coordinator Collateral Duty and Training Process**

MMSC collateral duty designation and training process:



**Figure 2-1 MMSC collateral duty designation and training process**

**A.4.a. MMS Coordinator**

The MMSC is an important component to managing the internal audit process. When selecting an individual for the MMSC role, consider the person’s Prevention System experience. Experience in Prevention activities is a key attribute for effective management of the MMS Program. Once selected, the MMSC successfully completes and documents the required training per reference (a), U.S. Coast Guard Mission Management System, COMDTINST 5200.4.

A.4.b. MMS  
Coordinator  
Collateral Duty  
Designation

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Unit commanding officer (CO):

- Select and designate an individual to serve as the unit MMSC. Refer to **MMS Coordinator Collateral Duty Designation Letter** template for guidance located on [MMS \(FC-Acmms\) CGPortal community page](#), in MMS Coordinator Resources library.
  - Maintain a copy of signed MMSC collateral duty designation letter in the Prevention Department's MMS public folder.
  - Add MMSC name to respective Prevention unit collateral duties list (as appropriate).
- Support designated MMSC to achieve MMS Program training and qualification requirements.

A.4.c. MMS  
Coordinator Roles  
and  
Responsibilities

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MMSC:

- Schedule and successfully achieve MMS Program training and qualification requirements per reference (a) U.S. Coast Guard Mission Management System, COMDTINST 5200.4. Ensure training and/or performance requirements are properly recorded by unit training officer.
  - Provide MMS Program awareness to unit personnel.
  - Coordinate and manage unit internal audit process and management reviews.
  - Maintain internal audit and management review records.
  - Review, determine, and submit internal audit non-conformances and opportunities for improvements to the MMS Program staff.
  - Guide unit process improvement opportunities and process amendment plans.
  - Maintain adequate auditor resources and competency per reference (b), U.S. Coast Guard Mission Management System Internal Auditor (MMSIA) Personnel Quality Standards (PQS).
-

A.4.d. MMS  
Coordinator  
Required Training

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MMSC:

- Schedule and achieve successful completion of required training per reference (a), U.S. Coast Guard Mission Management System, COMDTINST 5200.4.
  - Consult MMS Office ([FC-Acmms](#)) [CG calendar](#) for Quality Management System Auditor/Lead Auditor Course available training dates.
- Communicate and show successful completion of training to unit training officer per reference (c), U.S. Coast Guard Competency Management System Manual, COMDTINST M5300.2. Unit training officer is responsible for recording qualification in Direct Access and Training Management Tool (TMT).

NOTE:

**Refer to the MMS Office ([FC-Acmms](#)) [CG calendar](#) on CGPortal community site for the upcoming course(s) dates.**

**A.5. MMS  
Program  
Advanced  
Training and  
Competencies**

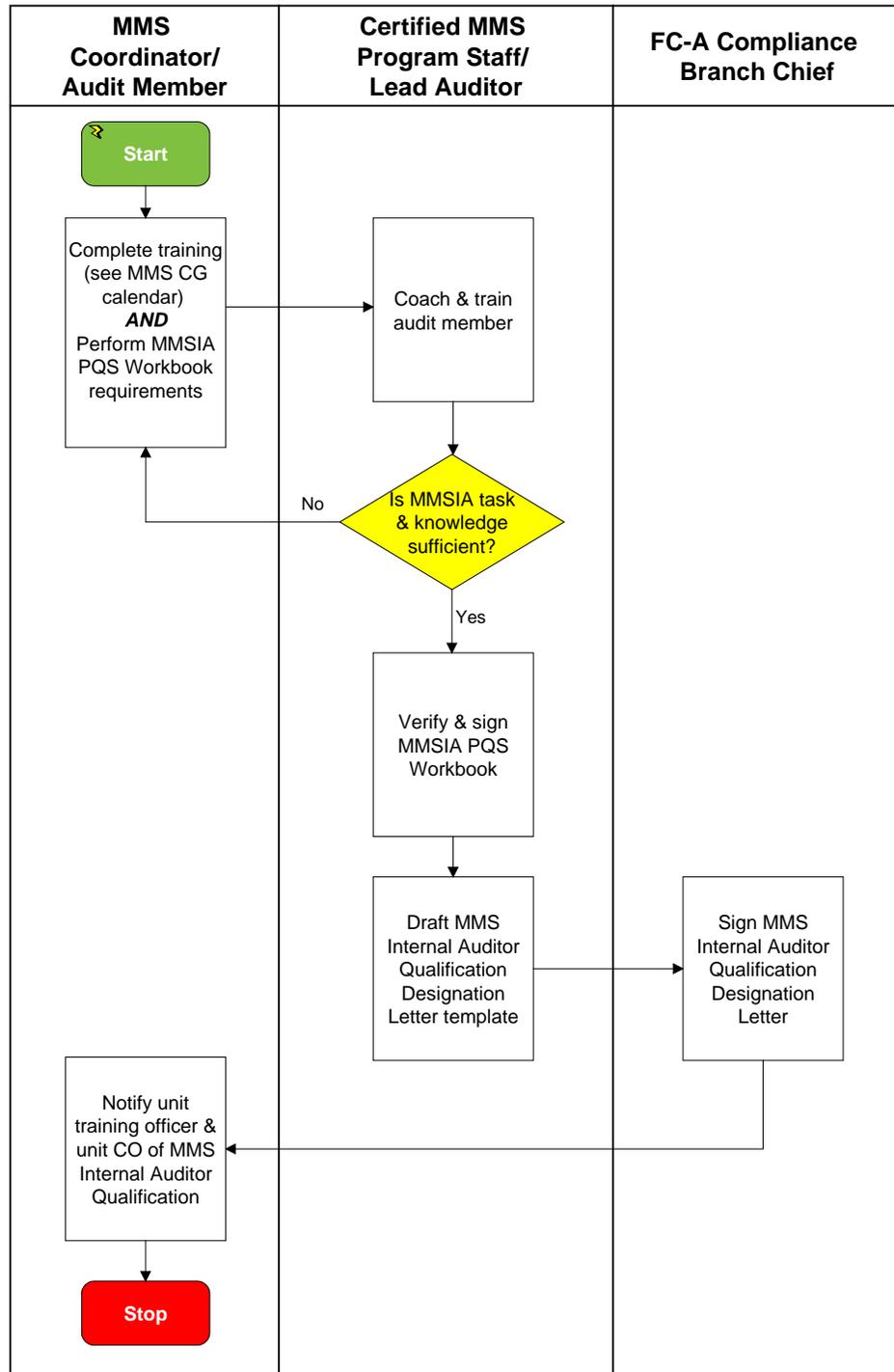
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Recommended advance training and competency for MMSC and internal audit members are:

- MMS Internal Auditor (MMSIA) competency obtained by successful completion of MMS Internal Auditor Personnel Qualification Standard (PQS). Refer to reference (b), U.S. Coast Guard Mission Management System Internal Auditor (MMSIA) Personnel Quality Standards (PQS), for guidance located on [MMS \(FC-Acmms\) CGPortal community page](#), in the MMS PQS library.
  - MMS Lead Auditor (MMSLA) competency obtained by successful completion of MMS Internal Auditor Personnel Qualification Standard (PQS). Refer to reference (d), U.S. Coast Guard Mission Management System Lead Auditor (MMSLA) Personnel Quality Standards (PQS) for guidance located on [MMS \(FC-Acmms\) CGPortal community page](#), in the MMS PQS library.
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**A.6. MMS  
Internal Auditor  
Qualification  
Designation  
Process**

MMS internal auditor qualification designation process:



**Figure 2-2 Internal auditor qualification designation process**

A.6.a. MMS  
Internal Auditor  
Qualification  
Designation  
Process

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MMSC/audit member:

- Schedule and achieve successful completion of required training per reference (a), U.S. Coast Guard Mission Management System, COMDTINST 5200.4.
  - Refer to the MMS Office ([FC-Acmms](#)) [CG calendar](#) on CGPortal community site for the upcoming course(s) dates.
- Achieve and document successful completion of MMS Internal Auditor PQS Workbook by a certified MMS Program staff and/or lead auditor.
- Obtain **Internal Auditor Qualification Designation Letter** from FC-A Compliance Branch Chief. Refer to **MMS Internal Auditor Qualification Designation Letter** template for guidance located on [MMS \(FC-Acmms\) CGPortal community page](#), in the MMS Coordinator Resource library.
  - Maintain **MMS Internal Auditor Qualification Designation Letter** in Prevention Department's MMS public folder.
- Communicate and show successful completion of the internal auditor competency to unit training officer and unit commanding officer.
  - Unit training officer is responsible for recording qualification in Direct Access and Training Management Tool (TMT).

See the following references for MMS internal auditor training and qualification requirement guidance:

- Reference (b), U.S. Coast Guard Mission Management System Internal Auditor (MMSIA) Personnel Qualification Standard (PQS).
  - Reference (c), U.S. Coast Guard Competency Management System Manual, COMDTINST M5300.2.
-

**A.7. MMS Lead Auditor Qualification Designation Process**

MMS lead auditor qualification designation process:

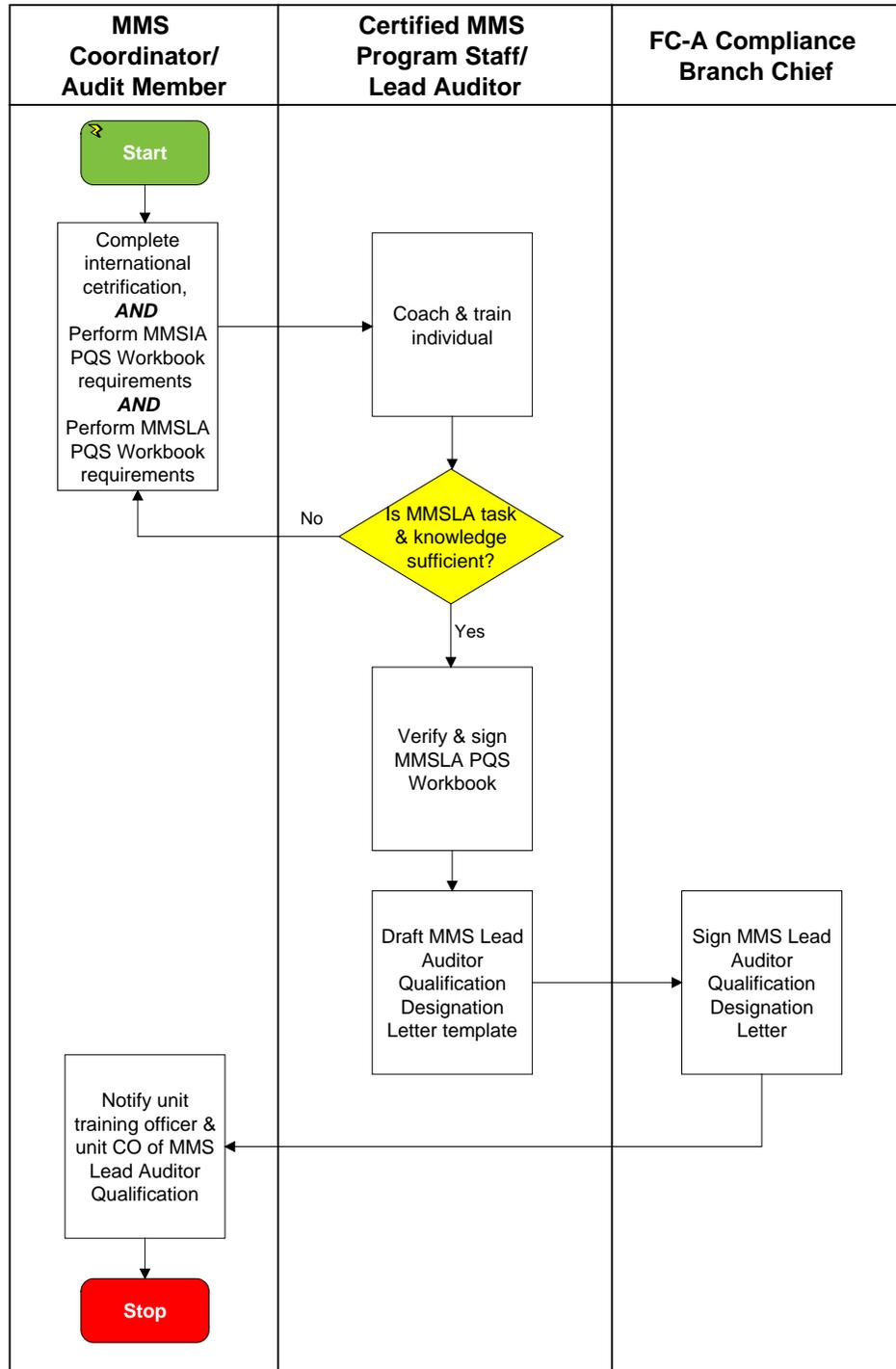


Figure 2-3 MMS lead auditor qualification designation process

A.7.a. MMS Lead Auditor Qualification Designation Process

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MMSC/auditor member:

- Schedule and achieve successful completion of required training per reference (a), U.S. Coast Guard Mission Management System, COMDTINST 5200.4.
  - Refer to the MMS Office ([FC-Acmms](#)) [CG calendar](#) on CGPortal community site for the upcoming course(s) dates.
- Achieve and document successful completion MMS Lead Auditor PQS Workbook by a certified MMS Program staff and/or lead auditor.
- Obtain **Lead Auditor Qualification Designation Letter** from FC-A Compliance Branch Chief. Refer to **MMS Lead Auditor Qualification Designation Letter** template for guidance located on [MMS \(FC-Acmms\) CGPortal community page](#), in the MMS Coordinator Resource library.
  - Maintain **MMS Lead Auditor Qualification Designation Letter** in Prevention Department's MMS public folder.
- Communicate and show successful completion of the MMS lead auditor competency to unit training officer and unit commanding officer.
  - Unit training officer is responsible for recording training and qualifications in Direct Access and Training Management Tool (TMT).

See the following references for MMS lead auditor training and qualification requirement guidance:

- Reference (c), U.S. Coast Guard Competency Management System Manual, COMDTINST M5300.2.
  - Reference (d), U.S. Coast Guard Mission Management System Lead Auditor (MMSLA) Personnel Qualification Standard (PQS).
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## Section B: Internal Audit Key Principles

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### B.1. Internal Audit Purpose

Unit-level internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the Prevention System. Internal auditing helps the USCG accomplish its Prevention System objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management and mission processes.

Per reference (a), U.S. Coast Guard Mission Management System, COMDTINST 5200.4, MMSCs and auditors shall adhere to MMS Program’s internal audit procedures to ensure auditing consistency and effectiveness. Internal audit processes are based on several key principles. The principles discussed below create an environment of credibility, transparency, and continual improvement when used correctly.

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### B.2. Internal Audit Key Principles

The internal audit process is a key component within the “check” stage of the Plan, Do, Check, Act (PDCA) cycle for an overall quality management system, per Figure 2-4 below.

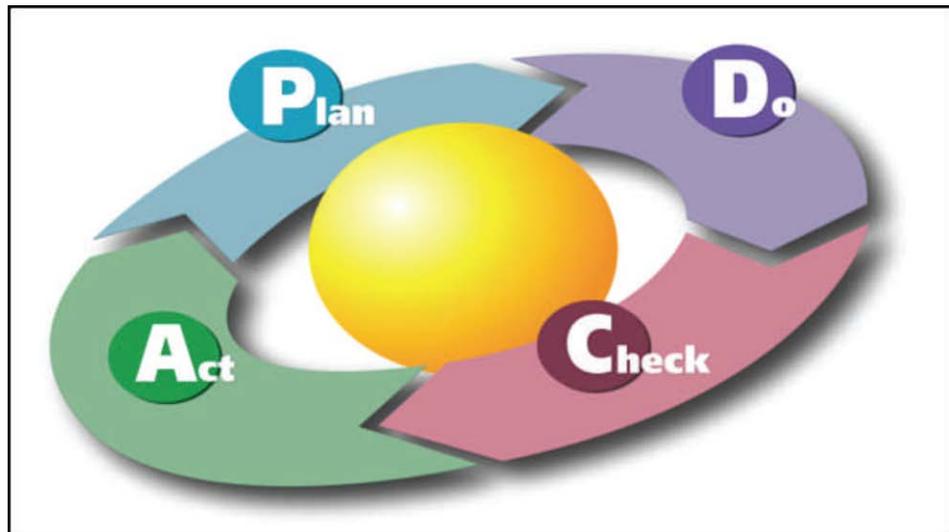


Figure 2-4 Plan, Do, Check, Act methodology for continuous improvement

MMSCs promote the following principles when planning, conducting, and managing the internal audit process:

- **Ethical conduct and professionalism.** Exercise trust, integrity, confidentiality, and discretion during the audit process. If any of these traits are compromised, the internal audit becomes compromised.

- **Fair presentation (truthful and accurate reporting).** Ensure audit findings, conclusions, non-conformities, and reports reflect evidence found during an audit and do not misrepresent the system.
- **Due professional care (appropriate judgment and diligence).** Maintain audit experience and understand the audit system and “audit importance” are essential characteristics of an effective internal audit process.
- **Independence.** Remain impartial and bias-free of the activities being audited. Do not become directly involved in the system being audited. Always use an objective approach supported by evidence, not opinions.
- **Evidence-based and system-based approach.** Ensure audit evidence is easily identifiable and reproducible. Support non-conformities with objective evidence found during an audit.

NOTE:

**Audits are finite, conducted in a specified amount of time, and therefore, must never include all processes of the system.**



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## Section D: Annual Internal Audit Schedule

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### D.1. Internal Audit Frequency

MMSC, at minimum:

- Conduct two (2) internal audits per fiscal year.

### D.2. Internal Audit Area of Importance

MMSC:

- Collaborate with top management to determine the audit area of importance, audit scope, and audit criteria. The outcome of this meeting provides the information for four (4) areas of the audit plan:
  1. Internal audit objectives.
  2. Internal audit scope – audit plan boundaries.
  3. Internal audit criteria – audit plan policy, process, or procedure requirements.
  4. Internal audit date and duration.

During the meeting with top management, consider the following process risk elements when determining audit areas of importance.

Processes that have/are:

- A history of performance problems.
- New.
- Recently changed.
- Complex.
- Establish internal audit areas of importance.
- Identify and record internal audit areas of importance (e.g., policy letters, navigation and vessel inspection circulars (NVICs), commandant directives, and IMO instruments).
- Develop and customize internal audit objective, scope, criteria, and schedule to ensure relevance to the command.

NOTE:

**The key to a successful internal audit is to keep it simple.**

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### D.3. Internal Audit Objectives

Objectives are expressed in terms of the conclusion the audit is expected to draw. The importance of objectives is to drive the audit approach and what information and recommendations are generated at the audit conclusion. Audit objectives are clearly stated and based on the question(s) the audit seeks to assess concerning Prevention unit conformance to the audit criteria. The objectives can cover a single process area or range of responsibilities, and can fall under the mandate of a single entity or multiple entities.

Internal audit objectives considerations:

- Base the audit objectives on requirements relevant to the internal audit scope (e.g., legislation, regulations, and policies).
- Ensure internal audit objectives are realistic and achievable.
- Provide sufficient information in objective statement to ensure the unit and other stakeholders are clear about the internal audit's focus.

See **Internal Audit Schedule** template for example of Prevention unit internal audit objective located on [MMS \(FC-Acmms\) CGPortal community page](#), in MMS Coordinator Resources library, under MMS Templates folder.

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### D.4. Internal Audit Scope

Scope of the audit is *what* the audit team will examine during the audit. The audit scope statement includes the parameters of information being reviewed, such as the range of the activities and/or the time period (months or years) of records that will be subjected to an audit examination.

The following are examples of typical audit scopes:

- Process or set of processes.
- Project/program.
- Regulatory requirement.
- Activity/work instruction.
- Department (requirements within a department).

See **Internal Audit Schedule** template for example of Prevention unit audit scope located on [MMS \(FC-Acmms\) CGPortal community page](#), in MMS Coordinator Resources library, under MMS Templates folder.

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## D.5. Internal Audit Criteria

Establish audit criteria based on Prevention System requirements. Auditors need a way to assess whether performance in the audited areas meet audit objectives. The audit criteria are the “reference” requirements documented in unit’s policies and regulations.

MMS Program staff maintains Prevention System criteria which are located on the [MMS \(FC-Acmms\) CGPortal community page](#), in MMS Audit Criteria library.

Consider the following sources when establishing audit criteria:

- Health and safety standards.
- USCG directive documents (e.g., policy letters, NVICs, or section of Marine Safety Manuals).
- Regulatory or statutory requirements (e.g., 46 Code of Federal Regulations (CFR) 4.05, 46 CFR 151).
- Action plans (e.g., Incident Command System Action Plans).

See **Internal Audit Schedule** template for example of Prevention unit audit criteria located on [MMS \(FC-Acmms\) CGPortal community page](#), in the MMS Coordinator Resources library.

## D.6. Internal Audit Schedule

Successful audits start with good planning.

MMSC:

- Confirm relevant process owner point of contacts (POC)/auditees of audit areas of importance.
- Obtain availability agreement from process owner POCs/auditees of internal audit date and time.
- Establish date to conduct internal audit areas of importance.
- Follow **Internal Audit Schedule** template located on [MMS \(FC-Acmms\) CGPortal community page](#), in MMS Coordinator Resources library, under MMS Templates folder.

NOTE:

**Do not overcomplicate the schedule. Minimum audit requirement is two (2) audits per fiscal year.**

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## Section E: Internal Audit Plan

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**E.1. Internal Audit Plan** The audit plan provides a strategic overview of the audit objective, scope, criteria, activities, and schedule. Several elements of the audit plan were established during the top management meeting to identify audit areas of importance and audit schedule. At this stage, the MMSC is drafting and finalizing details of the audit plan.

Use **Audit Plan** template to capture the following audit plan details:

- Audit information (locations, duration, auditor names and roles, agenda).
- Audit objective.
- Audit scope.
- Audit criteria.

See **Audit Plan** template located on [MMS \(FC-Acmms\) CGPortal community page](#), in MMS Coordinator Resources library, under MMS Templates folder.

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E.1.a. Location Identify location where the on-site audit activities will be conducted. Note safety and/or environment requirements for audit location(s).

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E.1.b. Time and Duration of the Audit Establish dates and times of the audit, including the expected time and duration of on-site activities. Unit internal audits should not take longer than four (4) hours.

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E.1.c. Roles and Responsibilities An audit team is made up of one or more auditors, one of whom is appointed to be the audit leader. The audit team can also include audit trainees and observers.

- Consider conflict of interest when assigning available auditor member to an audit plan.
  - The selected audit team member must not work in the audited area as it can create competing professional or personal interest. Such competing interests can make it difficult to fulfill his or her auditor duties impartially and undermine confidence in the internal audit process. If auditor resources are limited, and there are no other options, disclose auditor's relationship to audited area in the audit report.

- Assign role and responsibilities to the audit team.
  - Facilitate team meetings/briefings as audit assignments are changed or reallocated.
- 

E.1.d. Internal  
Audit Scope

Scope of the audit is *what* the audit team will examine during the audit. These boundaries were established during the top management audit areas of interest and audit schedule meeting (see [Section D: Annual Internal Audit Schedule for details](#)).

- Copy and paste the audit scope information from the **Internal Audit Schedule** template to the **Audit Plan** template.
- 

E.1.e. Internal  
Audit Objectives

Internal audit objectives are clearly stated and based on the question(s) the audit seeks to assess concerning Prevention unit conformance to the audit criteria.

Internal audit objectives considerations:

- Base the audit objectives on requirements relevant to internal audit scope (e.g., legislation, regulations, and policies).
  - Ensure internal audit objectives are realistic and achievable.
  - Provide sufficient information in objective statement to ensure the Prevention unit and other stakeholders are clear about the internal audit's focus.
- 

E.1.f. Internal Audit  
Criteria

The internal audit criteria are the “reference” requirements documented in unit's policies and regulations. These requirements were established during the top management audit areas of interest and audit schedule meeting (see [Section D: Annual Internal Audit Schedule for details](#)).

- Copy and paste the audit requirements from the **Internal Audit Schedule** template to the **Audit Plan** template.
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E.1.g. Internal  
Audit Agenda

The audit agenda serves as a roadmap for the audit. The audit agenda gives a sense of structure and direction to the audit (e.g., times, personnel for interviews, etc.).

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E.1.h. Contact  
Process Owner  
POCs/Auditees

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Good communication between the audit team and the auditees is essential for effective and efficient audits. MMSC/lead auditor is responsible for contacting the area of interest process owner POCs/auditees at minimum two (2) weeks before audit schedule, to discuss the following:

- Review audit plan.
  - Determine parameters, constraints, and exclusion/exemptions (as applicable).
  - Review any safety or risk issues.
  - Determine if a pre-audit visit is needed.
  - Request relevant documents for audit areas of interest.
  - Once audit plan is finalized, send audit plan copy to top management, process owner POCs/auditees, and audit team.
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## Section F: Pre-Internal Audit Activities

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### F.1. Document Review

Document review is the process in which documents are read critically to discover whether the document is relevant, correct, current, retrievable, identifiable, legible, and controlled. Most units have procedures, instructions, draft instructions, forms, checklists, and other material available to support processes.

The purpose of document review is twofold:

- To verify audit area of importance processes are aligned to audit criteria.
- To verify document control standards are established and practiced.

Refer to **Document Review Form** template to capture document information and review findings. Template is located on [MMS \(FC-Acmms\) CGPortal community page](#), in MMS Coordinator Resources library, under MMS Templates folder.

Audit team:

- Use **Document Review Form** template to record the following document information:
  - Title.
  - Location.
  - Series number or letter.
  - Revision letter or number.
  - Release date.

Audit team verify the following:

- Outcome. Indicate document verification outcome as acceptable, opportunity for improvement, or non-conformity on **Document Review Form** template.
- Relevant. Is the document related and useful to process being audited? Ask personnel if document is useful to the process being audited or used to perform process activities.
- Correct. Does the document contain sufficient requirements and procedural guidance to performed process effectively and efficiently? This can be verified by asking personnel if the document contains sufficient and/or accurate requirements and/or procedural information to perform process without errors and in timely manner.

- Current. Is this the most recent version per the document registry? Also ask personnel how they verify this is the most recent document version.
- Retrievable. Can personnel retrieve/access document when needed? Ask personnel where document is located. Is document located at point of use?
- Identifiable. Does the document display title, authority source, and purpose indicated? A simple heading may suffice. Computerized documents are sometimes given file names that don't identify its contents and this might require numerous files to be opened before you find the right one. This review can be done before the internal audit.
- Legible. Is document content readable? Review the condition of documents to determine whether they can be read or need to be replaced. Documents can take a beating in very harsh environments (covered in oil, dust, acid eaten, weather-beaten, etc.) to the point of being illegible. This task can be performed before the internal audit.
- Controlled. Ensure all approved documents are managed and controlled. Ensure that changes and the current revision status of documents are identified. Ask personnel how document changes/updates are managed.

F.1.a. Develop  
Internal Audit  
Checklist

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The internal auditor(s) prepares an audit checklist of questions before the start of the audit to ensure a thorough and focused audit.

- Prepare the checklist by reviewing the applicable guidance documents and pertinent rules, regulations, directives and document(s) of the audit objective, scope, and criteria.

**NOTE:**

**The audit checklist is for the auditors only.**

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## Section G: Internal Audit

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### **G.1. Facilitate Opening Meeting**

The opening meeting is critical for establishing a collaborative audit environment between auditors and auditees, and facilitating a productive audit. If auditees feel apprehensive about the audit, this meeting can serve as an opportunity to put everyone at ease and clarify any misconceptions.

At opening meeting, MMSC/lead auditor:

- Establish authority from top management for the audit.
- Review and confirm communication channels.
- Explain audit process.
- Establish audit expectations.
- Review and confirm audit plan.
- Provide time for questions and answers.

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### **G.2. Conduct Internal Audit**

Audit team:

- Follow the agenda in the audit plan.
- Verify system conformity to the established audit criteria within the scope of the audit.
- Use any of the following methods to assess audit process to criteria:
  - Interview.
  - Documentation review.
  - External stakeholder feedback.
  - Electronic records review (e.g., Coast Guard Business Intelligence Records).
  - Hard copy records review.
  - Correspondence.
  - Participant observation.

- Collect audit evidence and cite where audit evidence was found (e.g., Marine Information for Safety and Law Enforcement (MISLE) activity, based on interview with member).
- Immediately address potential non-conformities with respective process owner POCs/auditees. Process owner POCs/auditees are permitted to provide further evidence to support conformity to a requirement. If further evidence cannot be provided, document the non-conformity.
  - Auditors must ensure awareness and accuracy of a non-conformity with the process owner POCs/auditees responsible for correcting the non-conformity. A non-conformity must not be presented for the first time at the closing meeting.
- Before the conclusion of the audit, meet to clarify non-conformities identified, corrective action plans, opportunities for improvement, and formalized audit findings.

NOTE:

**Remember to focus on the system concerns, not individual performance.**

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## Section H: Internal Audit Non-Conformity and Corrective Action

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### H.1. Non-Conformity and Corrective Action

A non-conformity means a failure to conform to an applicable requirement has been observed and needs to be addressed. Non-conformities are addressed with corrective actions. Corrective actions are steps that are taken to prevent recurrence by eliminating the cause or causes of an existing non-conformity. The goal of the corrective action process is to ensure that existing non-conformities don't happen again. **Do not submit non-conformance items related to local policies and/or instructions.**

Submit non-conformities affecting the Prevention System performance to the MMS staff via email for inclusion in the MMS database per reference (a), U.S. Coast Guard Mission Management System, COMDTINST 5200.4 (series). An example of a non-conformity related to Prevention System performance is the unit did not meet a Marine Safety Manual requirement. This type of non-conformity is essential for the Prevention System mission success. Submitted non-conformities act as a key force multiplier for the provision of critical Prevention System information to our policy-level decision makers.

NOTE:

**Identification of non-conformities is key to Prevention System improvement efforts and should not be viewed as inherently negative. Non-conformities serve as performance indicators of the system's effectiveness to management.**

### H.2. Non-Conformity Statement

The purpose of the non-conformity statement is to inform the process owner POC/auditee how the system has failed to meet a requirement and is the starting point for continuous improvement actions. It serves as a record on which an auditor bases his or her audit conclusions.

Include the following elements in non-conformity statements:

- **Nature:** Write in a clear, concise manner, and be self-explanatory. Relate the statement to the issue; do not just restate the audit evidence or use the statement in lieu of audit evidence. This statement could be the requirement stated in a negative form.
  - **Objective evidence:** Justify the extent of evidence (e.g., number of records), what exactly was found or not found, etc., with examples.
  - **Requirement:** Document the source of the requirement.
-

### **H.3. Non-Conformity and Corrective Action Submission**

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Upon completion of internal audit report, MMSC:

- Review internal audit report for non-conformities and corrective action plans for submission to MMS staff.
  - Submit **Internal Audit Reports** containing Prevention System related non-conformities/corrective action plan to MMS staff via email (email address: [mms@uscg.mil](mailto:mms@uscg.mil)).
  - Verify the following information is completed on the **Internal Audit Report** when submitting non-conformity and corrective action plan/request:
    - Date of audit.
    - Auditor names.
    - Audit scope.
    - Audit criteria.
    - Non-conformity statement to include nature, objective evidence, and requirement for non-conformity.
    - Corrective action plans (as available). For examples of non-conformity, and corrective action request/plan see **Internal Audit Report** template located on [MMS \(FC-Acmms\) CGPortal community page](#), in MMS Coordinator Resources library, under the MMS Templates folder.
  - Obtain MMS staff confirmation email of non-conformities and corrective action request/plan received. The MMS staff will send a reply email confirming receipt of the audit items submitted.
    - If the unit does not receive a MMS staff confirmation email within a week, notify MMS staff via email at [mms@uscg.mil](mailto:mms@uscg.mil) or [MMS \(FC-Acmms\) CGPortal community page](#).
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## Section I: Internal Audit Report

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I.1.a. Prepare  
Internal Audit  
Report

Lead auditor:

- Prepare a detailed, objective, and evidence-based report to the MMSC and applicable unit personnel within **15 business days** of audit completion.
- Use the **Internal Audit Report** template located on [MMS \(FC-Acmms\) CGPortal community page](#), in MMS Coordinator Resources library, under MMS Templates folder.
  - See **Internal Audit Report** template for examples of internal audit objectives outcome statement, audit observations and recommendation, non-conformity statement, and corrective action plan.

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I.1.b. Internal  
Audit Report  
Details and  
Summary

Lead auditor:

- Copy and paste from MMS **Audit Plan**:
  - Expected Date, Time, and Duration section.
  - Roles & Responsibilities section.
  - Objective, scope, and criteria sections.
- Summarize outcome of audit objectives (i.e., if objectives were achieved or not).

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I.1.c. Internal  
Audit  
Observations and  
Recommendations

- Document observations to include system performance strengths, opportunities for improvement, and/or recommendations. The audit report summary is a general overview of the audit.

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I.1.d. Non-  
Conformity  
Statement

- Document non-conformities. Include in non-conformity statement: the nature of the non-conformity, objective evidence, and requirement source documented from the audit (see [Section H: Internal Audit Non-Conformity & Corrective Action](#) for details).

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I.1.e. Non-  
Conformity  
Corrective Action  
Plan and Follow-  
Up Date

- Document non-conformity corrective action or reason corrective action cannot be taken, POC, due date, auditor name, and follow-up date. Corrective action plan to be completed within **90 business days** post audit date.
  - Complete follow-up actions within **90 business days** of audit completion by auditor.
-

## Section J: Closing Meeting

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### **J.1. Conduct Closing Meeting**

The closing meeting is the conclusion of the audit and is a formal presentation by the team of the findings and summary of the audit. Use **Internal Audit Report** template for closing meeting (located on [MMS \(FC-Acmms\) CGPortal community page](#), in MMS Coordinator Resources, under MMS Templates folder).

The closing meeting is important to ensure the audit is finalized. Participants include the process owner POCs/auditees, auditors, and top management. For other audit situations, conduct a formal meeting to include the minutes and records of attendance.

Discuss the following in the closing meeting:

- Non-conformities and record corrective action follow-up items (include name of process owner and agreed upon due date).
  - Observations.
  - Recommendations for improvement (if warranted).
  - Best practices.
  - Summary of the audit.
  - Resolve any diverging opinions regarding the audit findings and/or summary between the audit team and the process owner POCs/auditees. Record all unresolved opinions.
  - Extend gratitude to the process owner POCs/auditees and top management.
-

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## Section K: Monitor Internal Audit Process

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### **K.1. General**

MMSC:

- Monitor the internal audit process at appropriate intervals.
- Assess internal audit evidence to determine if audit objectives are met.
- Identify opportunities for improvement and report the results to top management and respective process owners.

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### **K.2. Internal Audit Non-Conformity**

MMSC and audit team:

- Follow-up on all internal audit non-conformities, root cause analysis, and corrective action plans.

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### **K.3. Internal Audit Record Maintenance**

MMSC maintains the following records per unit life cycle policy and reference (a), U.S. Coast Guard Mission Management System, COMDTINST 5200.4:

- Internal audit plans.
  - Internal audit reports.
    - Internal audit non-conformities.
    - Recommendations for improvement.
  - Internal auditor training/qualification.
  - Internal auditor designation letters in an applicable Prevention Department's MMS public folder.
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## Section L: Management Review

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### L.1. Management Review Purpose

Top management participates in a review of the unit's quality management system at a minimum interval of 12 months. The purpose of this meeting is to review the health of the unit's quality management system and to identify improvement opportunities. Documented activities include:

- Assess the suitability, adequacy, and effectiveness of the unit's quality management system to comply with relevant legislation and regulations.
- Evaluate the need for quality management system amendments based on review of internal audit results, improvement recommendations, changing circumstances, and a commitment to continuous improvement.

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### L.2. Management Review Preparation

Management review required attendees include command staff and/or Prevention Department leadership. The management review can easily be tied into other meetings that already occur at the unit. For example, if a division chief meets with the department heads every month, incorporate the management review agenda into the existing management meeting.

MMSC:

- Draft agenda and schedule management review date (or incorporate management review agenda into existing management meeting).
  - Prepare agenda using **Management Review Agenda** template located on [MMS \(FC-Acmms\) CGPortal community page](#), in MMS Coordinator Resources, under MMS Templates folder.
- Prepare and provide the following materials to management review attendees one (1) week before meeting:
  - Results of audits since last management review.
  - Any customer feedback.
  - Department's performance and conformity to requirements.
  - Status of corrective actions.
  - Follow-up actions since last management review.

- Changes made to the management system.
  - Recommendations for improvement.
- 

**L.3. Facilitate  
Management  
Review**

MMSC facilitate management review agenda:

- Record management members and titles in attendance.
  - Review results of internal audits since last management review.
  - Review customer feedback (if any).
  - Review performance to the objectives and requirements. Is the command conforming to the management system?
  - Review internal audit non-conformance corrective actions status.
  - Review follow-up actions from last management review (e.g., summary of actions taken, improvements noted, etc.).
  - Clarify and discuss any changes to the MMS (e.g., new CGHQ policy, etc.).
  - Record action items throughout the management review meeting (e.g., deadlines for follow-up actions, improvement projects, action item/project points of contact, resource needs, etc.)
  - Summarize review; ensure meeting minutes are documented; set date for next management review; and close out management review.
  - Save copy of the meeting minutes in the Prevention Department's MMS public folder as the audit records.
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## Appendix A: Glossary and Acronyms

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<b>CFR</b>	Code of Federal Regulations.
<b>Closing meeting</b>	Closing meeting is the concluding meeting of the internal audit and is a formal presentation by the team of the findings and summary of the audit.
<b>COMDTINST</b>	Commandant instruction.
<b>Corrective Action</b>	Corrective actions are steps that are taken to prevent recurrence by eliminating the cause or causes of an existing non-conformity. The corrective action process tries to make sure that existing non-conformities don't happen again.
<b>FC-Acmms</b>	Force Readiness Command, Assessment Division, Compliance Branch, Mission Management Office.
<b>IMO</b>	International Maritime Organization.
<b>Internal audit</b>	Internal audit process is an independent review of a subject area that is reported on by one or more auditors on behalf of stakeholders.
<b>Internal audit checklist</b>	Audit checklist is a structured questionnaire or work plan that provides the direction of the audit, question to be asked, etc. It is prepared by the internal auditor(s) before the start of the audit.
<b>Internal audit criteria</b>	Audit criteria include policies, procedures, and requirements.
<b>Internal audit evidence</b>	Internal audit evidence is the information gathered from the area being audited. Internal audit evidence is used to determine how well audit criteria are being met; how well policies are being implemented; how well procedures are being applied; and how well requirements are being followed.

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<b>Internal audit finding</b>	Audit findings result from a process that evaluates audit evidence and compares it against audit criteria. Audit findings can show that audit criteria are being met (conformity) or that they are not being met (non-conformity). They can also identify best practices or improvement opportunities.
<b>Internal audit objective</b>	Internal audit objectives are normally expressed in terms of the conclusion the audit is expected to draw. The importance of internal audit objectives is to drive the audit approach and what information and recommendations are generated at the audit conclusion.
<b>Internal audit scope</b>	Internal audit scope is the boundaries of <i>what</i> the audit team will examine during the audit.
<b>Internal audit team</b>	Internal audit team is made up of one or more auditors, one of whom is appointed as the audit leader. The audit team can also include audit trainees and observers.
<b>ISO</b>	International Organization for Standardization.
<b>MISLE</b>	Marine Information for Safety and Law Enforcement.
<b>MMS</b>	Mission Management System.
<b>MMSC</b>	Mission Management System coordinator.
<b>MMSIA</b>	Mission Management System internal auditor.
<b>MMSLA</b>	Mission Management System lead auditor.
<b>NMC</b>	National Maritime Center.
<b>Non-conformity</b>	Non-conformity refers to a failure to comply with requirements.
<b>Note</b>	An emphasized statement, procedure, or technique.
<b>NVIC</b>	Navigation and Vessel Inspection Circular.
<b>PDCA</b>	Plan, Do, Check, and Act cycle.

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<b>POC</b>	Point of contact.
<b>Process Owner POC/auditee</b>	Process owner POC/auditee is the authority or responsible source for process performance of the area being audited.
<b>PQS</b>	Personnel Qualification Standards.
<b>SOP</b>	Standard operating procedure.
<b>TMT</b>	Training Management Tool.
<b>Top management</b>	Top management is the person(s) at the highest level of the unit who coordinates, directs, and controls operations. For example, top management might include the sector commander, deputy, prevention department head, and sector division chiefs; or it might only include the prevention department head and prevention division chiefs.
<b>CGTTP</b>	Tactics, techniques, and procedures.
<b>USCG</b>	United States Coast Guard.

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## Appendix B: MMS Template List

The following templates are located on [MMS \(FC-Acmms\) CGPortal community page](#), in MMS Coordinator Resource Library, under the MMS Templates folder:

### **Available MMS Templates:**

1. Internal Audit Schedule template.
2. Internal Audit Plan template.
3. Internal Audit Report template.
4. Internal Audit Document Review Form/Checklist template.
5. Management Review Packet/Agenda template.
6. MMS Internal Auditor Qualification Designation Letter template.
7. MMS Coordinator Collateral Duty Designation Letter template.
8. MMS Lead Auditor Qualification Designation Letter template.

Email questions, comments, and/or recommendations to MMS staff at [MMS@uscg.mil](mailto:MMS@uscg.mil).

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