
Dangerous Goods Advisory Council

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**The Legal Case for
Internal Audits
to Assure Compliance with the
Hazardous Materials
Transportation Laws**

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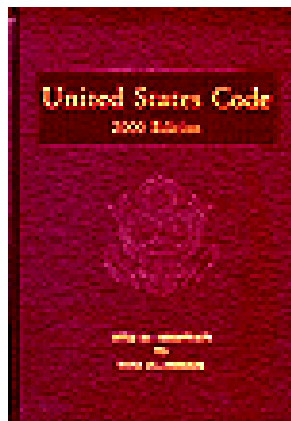
Introduction

Role of DGAC Counsel

- “Preferred Provider” to DGAC members on hazmat law & regulatory issues
- Advice to DGAC Board of Directors & officers (corporate & other matters)

Introduction (cont'd)

Sources of HazMat Transportation Law



Introduction (cont'd)

Scope of Presentation: The Legal Case for HazMat Audits

Who should be subject to hazardous materials transportation audits?

What should an internal audit accomplish?

When should audits be done?

Where should audit results go?

Why will audits pay for themselves several times over?

How can a company obtain a thorough audit at a reasonable price?

The Legal Case for HazMat Audits

Who ... should be subject to hazardous materials transportation audits?

- You!
- Everybody in the corporate food chain between you and the CEO.
- Everybody with access to a FedEx slip.

The Legal Case for HazMat Audits (cont'd)

What ... should an internal audit accomplish?

- Establish good, old-fashioned discipline.
- Prevent enforcement actions.
- Avoid litigation.
- Save lives and avoid injuries.

The Legal Case for HazMat Audits (cont'd)

When ... should audits be done?

- Periodically ...
- ... But Not Predictably.
- After new requirements have gone into effect.
- When memories of training are fading.

The Legal Case for HazMat Audits (cont'd)

Where ... should audit results go?

- CEO
- General & outside counsel.
- Other risk management executives.
- Wherever hands touch the process.
- Contractors/service providers.
- Full circle.

The Legal Case for HazMat Audits (cont'd)

Why ... will audits pay for themselves several times over?

- Audits test a crucial internal communications process.
- Audits test the testers & test-takers.
- Avoid the stupid mistakes that most often lead to enforcement action.
- Avoid litigation & liability.

The Legal Case for HazMat Audits (cont'd)

How ... can a company obtain a thorough audit at a reasonable price?

- Decide what's reasonable.
- Pick truly **independent** auditors who think like folks with badges, not folks responsible for making a profit.
- Word of mouth.
- DGAC staff and members.

Summary (In Plain English Packaging)

Raise a big tent.

Fill it with corporate consciousness.

Realize that stupidity happens.

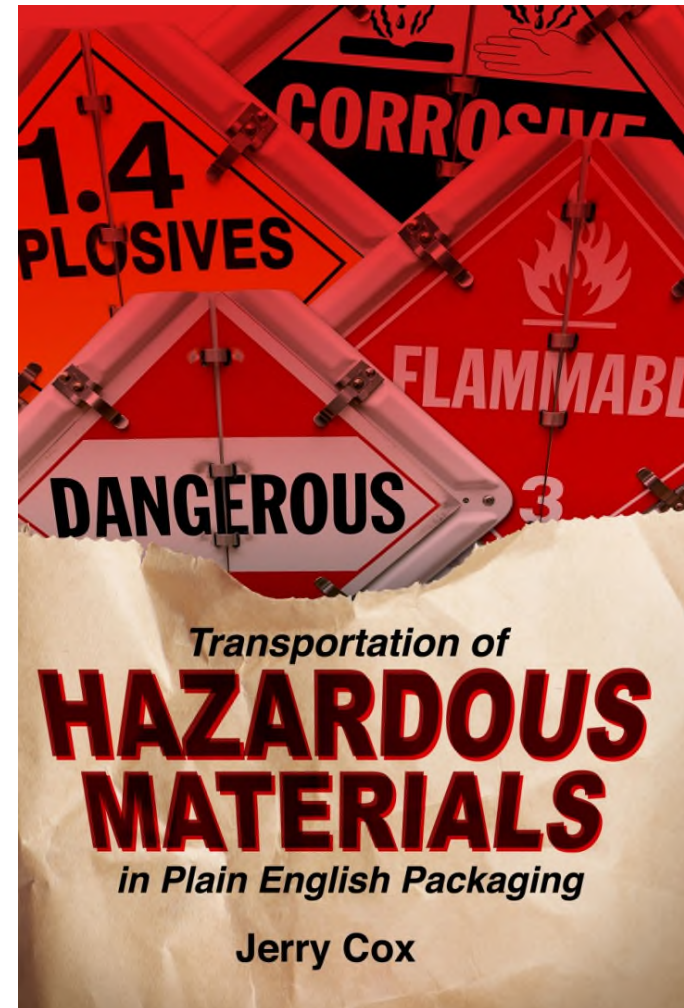
Regularity is a good thing, but everybody can use a little surprise now and then.

Let the circle be unbroken.

The First Practical Guide to the Shipment of Dangerous Goods . . .

. . . is available at

<http://www.lulu.com/content/paperback-book/transportation-of-hazardous-materials/7836468>



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