DON'T WORRY, WE HAVE A DISASTER PLAN.
The Value Of Planning

A practical perspective!

“Plans are nothing!

But planning is everything!”

Gen. Dwight D. Eisenhower
Historical Perspective
A Strategic Perspective
Clear Up Some Confusion
How Prepared is the U.S.?
According to the *Brookings Institute*, 15% of the value of an enterprise resides in tangible assets, while 85% rests in intangible assets - the largest part of those intangibles being information.
President Bush Signs "Implementing Recommendations of the 9/11" into Law

Today, I signed into law the "Implementing Recommendations of the 9/11 Commission Act of 2007." This legislation builds upon the considerable progress we have made in strengthening our defenses and protecting Americans since the attacks of September 11, 2001. In the largest restructuring of our government since World War II, we created the Department of Homeland Security to better coordinate the protection and response capabilities of our government. The Director of National Intelligence leads a restructured intelligence community that is better able to uncover, understand, and counter threats from terrorists. To implement the recommendations of the 9/11 Commission, I have issued numerous Executive Orders, Presidential Directives, and National Strategies. I have also signed into law the Intelligence Reform and Terrorism Prevention Act of 2004, the PATRIOT Act, and other important pieces of legislation.

I am pleased that the legislation I signed today protects Americans from being unduly prosecuted for reporting activity that could lead to acts of terrorism. I also appreciate the steps taken to modernize the Visa Waiver Program, particularly the additional security measures, but I will continue to work with Congress to advance our security and foreign policy objectives by allowing greater flexibility to bring some of our closest allies into the program. I will also continue to work with Congress to ensure the workability of the cargo screening provisions in a way that increases our vigilance on homeland security while ensuring the continuance of vital commerce. And I appreciate the willingness of Congress to remove several provisions that had previously generated concern.

There is still other work to be done. I continue to believe that Congress should act on the outstanding 9/11 Commission recommendations to reform the legislative branch's oversight of intelligence and counterterrorism efforts.
Two Federal Register Announcements

Noteworthy Dates

- Dec 24, 2008
- Oct 16, 2009
- Jun 5, 2010
  - Letter from Congress
- June 15, 2010
PS Prep Timeline

2002


- 9/11 Attack
- 9/11 Commission Report

2004

2006

- PL 110-53 Proposed
- PL 110-53 Signed In Law
- Sloan Report
- S & P Comment
- ANAB Selected
- Fed Reg Notice
- Initial Standard Comment

2008

- Fed Reg Notice
- 3 Proposed Standards
- Letter from Congress
- Final Standards Announced
- ANAB Opens Registration
- Auditor Training & 1st Audits

2010

- PS-Prep Program Implemented
<table>
<thead>
<tr>
<th>Title</th>
<th>Description</th>
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<tr>
<td>TITLE I</td>
<td>Homeland Security Grants</td>
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<tr>
<td>TITLE II</td>
<td>Emergency Management Performance Grants</td>
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<td>TITLE III</td>
<td>Ensuring Communications Interoperability for First Responders</td>
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<td>TITLE IV</td>
<td>Strengthening Use of the Incident Command System</td>
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<tr>
<td>TITLE V</td>
<td>Improving Intelligence and Information Sharing Within the Federal Government and with State, Local, and Tribal Governments</td>
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<tr>
<td>TITLE VI</td>
<td>Congressional Oversight of Intelligence</td>
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<td>TITLE VII</td>
<td>Strengthening Efforts to Prevent Terrorist Travel</td>
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<td>TITLE VIII</td>
<td>Privacy and Civil Liberties</td>
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<td>TITLE IX</td>
<td>Private Sector Preparedness</td>
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<tr>
<td>TITLE X</td>
<td>Improving Critical Infrastructure Security</td>
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<tr>
<td>TITLE XI</td>
<td>Enhanced Defenses Against Weapons of Mass Destruction</td>
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<tr>
<td>TITLE XII</td>
<td>Transportation Security Planning and Information Sharing</td>
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<td>TITLE XIII</td>
<td>Transportation Security Enhancements</td>
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<td>TITLE XIV</td>
<td>Public Transportation Security</td>
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<td>Surface Transportation Security</td>
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<td>Aviation</td>
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<td>TITLE XVII</td>
<td>Maritime Cargo</td>
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<td>TITLE XVIII</td>
<td>Preventing Weapons of Mass Destruction Proliferation and Terrorism</td>
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<td>TITLE XIX</td>
<td>International Cooperation on Antiterrorism Technologies</td>
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<td>TITLE XX</td>
<td>9/11 Commission International Implementation</td>
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<td>TITLE XXI</td>
<td>Advancing Democratic Values</td>
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<td>TITLE XXII</td>
<td>Interoperable Emergency Communications</td>
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<td>TITLE XXIII</td>
<td>Emergency Communications Modernization</td>
</tr>
<tr>
<td>TITLE XXIV</td>
<td>Miscellaneous Provisions</td>
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</tbody>
</table>
What Title IX Calls For

- Selection of one *or more* Business Resiliency Standards
  - NFPA 1600 is specifically cited
  - Flexibility for industry-specific standards
  - Mention is made that consideration should be given to the needs of SMBs

- A credentialing agency will be named
  - 210 Day guideline (2008)

- This agency in turn, will credential *Service Providers* (CB/Rs)
  - Conflict of Interest guidelines mentioned

- Business passing the audit will be posted on a special ANAB site
What Title IX *Does Not* Call For

- Mandatory audits – No! They are voluntary, but there is market pressure!

- Audit by “Certified” Service Provider. Watch out - anyone can offer to do them, but ANAB *will not* recognize them

- Imply that a business will receive a benefit for this action
  - Insurers are being asked to factor the audit into risk determinations
  - Rating agencies are planning to sell a new form of “credit” information
  - Executives are being told that an audit might be an “affirmative defense”
  - Lawyers are mixed in their reaction and warn that it might increase exposure
  - Internal auditor are concerned about the cost and increased complexity
  - Business resiliency professionals are hopeful this will lend them support

- There is Federal funding for these efforts. No! An unfunded mandate
Gaining Momentum (Finally)

- ANAB holds meeting with interested Certification Bodies
  (American National Standards Institute/American Society for Quality - ANSI/ASQ)
  ANSI National Accreditation Board => ANAB

- ANAB solicits information on training program

- ANAB begins accepting applications - Oct. 2010??

- Training and audits begin - CY - Q4/ 2010

- Will gain market attention and acceptance - FY – Q1/ 2011
Who Sets Standards?

- Industry Groups
  - 18 CIKR
- Standard Development Organization (SDOs)
- Various Government Agencies
- Many, many others
Standards development

In this section you can find out more about the standards development processes and procedures to be followed by ISO committees for the development and drafting (and subsequent maintenance) of International Standards and other ISO deliverables.

You can also find the list of all ISO technical committees with links to their respective working areas on the ISOTC server. Detailed information about the structure, scope of work, participation, etc., of each committee is accessible from this list.

Governance of the technical work explains the principles and rules applicable to the standards development process and gives details about intellectual property rights in standards.

The section also gives access to the various tools and related supporting services available to facilitate the work of standards developers.
How It Works

International Group of Accreditation Bodies

Peer Review

Accreditation Bodies

Usually a *national organization* that administers the certification process including appointment of Certifying Bodies/Registrars (CBR)

Certified Body/Registrar

An *independent*, commercial firm that hires qualified auditors, markets to clients, and conducts the audit, then ongoing surveillance and issues the certification documents

International Accreditation Forum (IAF)

Multilateral Recognition Agreement (MRA)

End Clients
The ANSI-ASQ National Accreditation Board provides accreditation services under the ACLASS and ANAB brands.

Under the ACLASS brand, the organization accredits ISO/IEC 17025 testing and calibration laboratories, ISO/IEC 17020 inspection bodies, and ISO Guide 34 reference material producers.

Under the ANAB brand, the organization is the U.S. accreditation body for management systems and accredits certification bodies for:

- ISO 9001 quality management systems (QMS)
- ISO 14001 environmental management systems (EMS)
- ISO/IEC 27001 information security management systems (ISMS)
- ISO 22000 food safety management systems (FSMS)
- ANSI/AHA Z10, CSA Z1000, and BS OHSAS 18001 occupational health and safety management systems (OHSMS)
- ISO 28000 supply chain security management systems (SCSMS)
- ISO/IEC 20000-1 information technology service management systems (ITSMS)
- Recycling Industry Operating Standard (RIOS)
- e-Stewards Standard
- Responsible Recycling
- Numerous industry-specific requirements

The ANSI-ASQ National Accreditation Board is a member of the International Laboratory Accreditation Cooperation (ILAC) and the International Accreditation Forum (IAF), and is a signatory of the ILAC and IAF multilateral recognition arrangements. Through these arrangements, the ANSI-ASQ National Accreditation Board cooperates with other accreditation bodies around the world to provide value to the organization it has accredited and their clients, ensuring that accredited certificates are recognized nationally and internationally. The global conformity assessment system ensures confidence and reduces risk for customers engaging in trade worldwide.

Notice: QSI Accreditation Withdrawn
QSI Auditing and Certification Services, LLC, is no longer accredited by ANAB. Any ANAB-accredited certificates issued by QSI are no longer valid. For more information, please send e-mail to anab@anab.org or call 414-347-9658, ext. 7827.

Court Rules in Favor of ANAB
The U.S. District Court of Massachusetts has ruled in ANAB’s favor in a summary judgment against American Global Standards (AGS). The court found that AGS had used the accreditation mark of the ANSI-RAB National Accreditation Program (ANSI-RAB NAP, the predecessor of ANAB) without permission to deceive customers into believing that AGS was still accredited by ANAB (the ANSI-RAB NAP).
<table>
<thead>
<tr>
<th>Accredited Certification Body</th>
<th>Reg No</th>
<th>QMS</th>
<th>BCM</th>
<th>H&amp;S</th>
<th>FSMS</th>
<th>PROD</th>
<th>EMS</th>
<th>EMAS</th>
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**Company**

**Area of Certification**
Don’t confuse Standards with Methodologies

All are valid and have value
DHS Selected Standards

Framework for Voluntary Preparedness

January 18, 2008

Briefing Regarding Private Sector Approaches to Title IX of H.R. 1 And Public Law 110-53
“Implementing Recommendations of the 9/11 Commission Act of 2007”

By representatives of
ASIS International (ASIS)
Disaster Recovery Institute International (DRII)
National Fire Protection Association (NFPA)
Risk and Insurance Management Society, Inc. (RIMS)

Appendix C
CROSSWALK OF STANDARDS, GUIDELINES AND BEST PRACTICES

Common Elements

<table>
<thead>
<tr>
<th>Standards</th>
<th>Guidelines</th>
<th>Best Practices</th>
<th>Management of Incident Prevention, Preparedness, Response, Continuity and Recovery</th>
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<tbody>
<tr>
<td>Project Initiation, Scope, Policy, Principle and Management Commitment</td>
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<tr>
<td>Establish the project to address preparedness management.</td>
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<td>Establish a policy to provide a framework for setting objectives and the project.</td>
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<td>Define and provide a decision-making process for development and implementation of the preparedness management program.</td>
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Reference Material

The Sloan Report:

Audit Procedures (ISO 19011):

NFPA 1600:

SPC.1:
http://www.asisonline.org/

BS 25999:
<table>
<thead>
<tr>
<th>Key Issue</th>
<th>NFPA 1600: 2007</th>
<th>BS 25999 Pt 2</th>
<th>SPC 1: 2009</th>
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<tbody>
<tr>
<td>Major Focus</td>
<td>Emergency Management and Tactical Activities</td>
<td>Business Continuity and Operations</td>
<td>Organizational Resiliency and Operations</td>
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<td>International Perspective</td>
<td>Popular, primarily in North America</td>
<td>Popular outside the US. Good penetration in Asia/Pacific</td>
<td>Very new standard. Little market penetration</td>
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<td>Unique Elements</td>
<td>DRI International: 10 Professional Practices</td>
<td>Business Continuity Institute Professional Practices</td>
<td>No specific methodology alignment</td>
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<td>Safety Act Approved Contemplates 1st and 2nd party reviews. Some Chain of Custody issues</td>
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<td>Yes, through UKAS accredited CBRs</td>
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</table>
Short Hand Version

- NFPA 1600: 20XX – Focus is on emergency management and crisis control

- BS 25999 – Focus is on business continuity

- SPC.1 – Focus is on Operational Preparedness

And there are more coming!
No single standard addresses all the issues in a unified, holistic way

- Security Issues (Physical and Cyber)
- Emergency Management and ICS
- Facility Security
- Human Resources
- Business Continuity Planning
- Environmental Issues
- Logistics Management
- Governance (well some at least)
- Spoliation and Chain of Custody

DHS/FEMA even put out their own “wish list.”
What About Smaller Firms?

- Special consideration are under discussion for smaller firms

- Concept of 1\textsuperscript{st}, 2\textsuperscript{nd}, and 3\textsuperscript{rd} Party Certifications
  - 1\textsuperscript{st} Party is a self-assessment
  - 2\textsuperscript{nd} Party is a review by someone with a vested interest in the firm under review. Example, a business partner
  - 3\textsuperscript{rd} Party goes back to the CB/R. An accredited organization by ANAB or another national body (example: UKAS or JAB)
6 Executive Topics

- Governance
- Risk Management
- Compliance
- Liability
- Valuation
- Supply/Demand Chains
Compliance

- EPA
- OSHA
- Maritime Law
- Zoning Regulations
- Privacy Rules
- State Regulations
- Pending Changes
  E.G., Healthcare

Regulators

Policies and Procedures
Who will decide if...

... you have a quality business continuity plan?
... you trained your fellow employees adequately?
... you met the “standard of care?”
... you have any liability?

A. The Shareholders?
B. The Board of Directors?
C. The Regulators?

Answer “D”
Are your procedures adequate?

- Legally, we don’t know!
- When there is doubt, courts may turn to acknowledged standards and best practices
- This is one reason why you should be aware on current and emerging standards
- The courts can make some strange determinations!
6th Issue - Business Chains

Diagram showing the components of a business chain:
- Manufacturer (OEM)
- Retailer
- logistics
- Customer
- Supplier
- Distributor/Reseller
Don’s Definition

It’s the shock absorber in your business plan!
Resiliency: Said Another Definition

If a disruption occurs and it is transparent to your clients and other stakeholders!
8 Elements Of Management Systems

- Management Support and Responsibilities
- A Clear Organizational Structure
- Assigned Roles and Responsibilities
- Documented Procedures
- Structured Processes
- Allocated Resources
- Focus on Customer Satisfaction
- Continuous Improvement
SUMMARIZE means to retell the major ideas or events in a text in your own words. It is much shorter than the original.
PS-Prep: An Executive Briefing

Donald Byrne: dbyrne@NorthRiverSolutions.com
603.265.0000