

Environmental and Sustainability Management System (ESMS) Internal Audit

Report #: 2025-12

Executive Summary

In accordance with Clause 9.2 of the ISO 14001:2015 Environmental Standard, organizations must conduct internal audits at defined intervals to evaluate the performance and effectiveness of their environmental management systems. These audits play a critical role in verifying conformance with ISO requirements and supporting continued compliance with environmental standards.

This audit is completed annually by Sound Transit's Internal Audit team to evaluate compliance with established requirements and to confirm that the environmental management system continues to be effectively implemented and consistently maintained.

Audit Objective

Our audit objective was to independently review the agency's processes with established policies and procedures under the Environmental & Sustainability Management System (ESMS). We also aimed to ensure the agency's Environmental Affairs and Sustainability (EAS) team effectively manages risks and opportunities by integrating environmental management programs into the core business processes.

Audit criteria included processes and programs captured by Sound Transit's Environmental Policy, ESMS manuals, processes, and procedures; along with federal, state, and local requirements. As part of our scope, we also assessed the agency's alignment with the ISO 14001:2015 standard and reviewed findings from previous internal and external audit results.

The audit period spanned the timeframe between **April 2024 to May 2025**.

Conclusion

An internal audit identified **no (0) findings** of non-compliance and **one (1) recommendation**; these are summarized below and discussed in more detail beginning on page 3 of this report.

We also reviewed the previous year's audit results. **Four (4)** issues will continue to be tracked after the audit, **one (1)** we are verifying and closing.

Summary of results:

Ref #	Issue Title	Risk Rating
R.1	We recommend that agency leadership designate an executive sponsor for the Environmental and Sustainability Management System (ESMS).	N/A

Background

Environmental Policy, authority, and governance

Sound Transit's Environmental Policy (R2004-06) and Sustainability Initiative (R2007-12) serve as the foundation for implementing and enhancing the ESMS, as well as driving improvements in the agency's environmental and sustainability performance.

The ESMS requires support from an executive sponsor who advocates for the system, ensures adequate resources for implementation, and is accountable for its overall effectiveness. In prior audit years, this responsibility was held by the Executive Director, Planning, Environment and Project Development (PEPD).

ESMS Steering Committee meets as needed to oversee the system's implementation, management, and monitoring, helping drive ongoing improvements in environmental performance.

Methods of evaluation and verification

To assess compliance during the audit, the auditors completed the following steps:

- Interviewed Strategy and Capital Delivery Departments' staff to verify their understanding of ESMS process.
- Compared agency ESMS related procedures and plans against ISO 14001:2015 requirements.
- Sampled and reviewed records.
- Conducted site visits to observe environmental compliance and mitigation activities.

Audit Standards

The Internal Audit Division conducted this internal audit in accordance with Internal Audit Division policies & procedures, which are governed by our Internal Audit Charter; and meet applicable federal, state, and local auditing standards.

These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objectives. The evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objectives.

The Internal Audit Division follows best practices when performing internal audits for management standards like ISO. All team members involved in this audit are ISO 14001:2015 Lead Auditor trained.

Audit Phases

Each internal audits starts by examining the current processes in place relative to (1) laws or regulatory requirements, (2) agency policies and procedures and (3) industry best practices.

During the audit planning phase, we assess the engagement-specific conditions and risks, informing and confirming the audits’ objectives and scope. Relevant controls to mitigate these risks are reviewed and identified.

The audit field work phase then examines the design of the identified controls to determine if the intent meets the regulations, policies, etc. If the controls are designed to adequately mitigate the risk (control environment), we move on to assess the degree to which the controls are mitigating the risk (control activities). Any areas identified where the control environment or activities do not adequately mitigate the identified risk are identified as an exception.

Exceptions are then defined as either findings or recommendations.

- **Findings** are the results of the evaluation and verification of evidence against audit criteria showing non-compliance with a policy, procedure, manual, or standard.
- **Recommendations** are issues that may be compliant with requirements; however, the auditor has determined that the issue poses the potential risks of becoming a finding in the future if recommended changes are not put in place.

Recommendations will not be assigned a formal “Management Action Plan” during the audit reporting process. However, auditors will continue to advise the responsible parties to consider appropriate actions regarding the recommendations. Submission of a formal response is optional.

Audit Results

The following table summarizes our findings and recommendations according to the clauses of the ISO 14001:2015 standard. This final report reflects the current state of environmental practices and processes at Sound Transit during the audit period.

ISO 14001 Clause	Number of findings	Number of recommendations
4.0 – Context of the Organization	0	0
5.0 – Leadership	0	1
6.0 – Planning	0	0
7.0 – Support	0	0
8.0 – Operation	0	0
9.0 – Performance & Evaluation	0	0
10.0 – Improvement	0	0
Totals	0	1

Audit topics reviewed

This section of the report encompasses audit areas we reviewed this audit cycle, and organized by each clause of the ISO 14001:2015 standard:

a. 4.0 – Context of the organization:

Clause 4 requires identification of relevant internal and external stakeholders. This section requires methods for ongoing monitoring and evaluation of factors that can impact environmental management system implementation, including regulatory requirements, local, regional, or global environmental conditions.

Areas subject to review under this section include:

- Understanding the organization and its context
- Understanding the needs and expectations of interested parties
- Determining the scope of the environmental management system

To evaluate, the audit team:

- Interviewed staff responsible for direction and oversight of ESMS policy, procedures, and processes.
- Reviewed evidence the ESMS scope is clearly defined in agency and departmental documents and communicated with relevant parties.

i. Section (a) findings:

We found no instances of non-compliance with Clause 4 of the ISO standard.

ii. Section (a) recommendations:

There are no recommendations for Clause 4 of the ISO standard.

b. 5.0 – Leadership

Clause 5 requires evidence that top management is committed and supports the environmental and sustainability program. It requires that agency goals are in alignment with the objectives and that roles and responsibilities for management system implementation are well communicated to staff.

Additionally, this clause requires the agency's environmental policy be defined that guides the development of environmental goals.

Areas subject to review under this section include:

- Leadership and commitment
- Environmental Policy

- Organizational roles, responsibilities and authorities

To evaluate, the audit team:

- Interviewed staff responsible for leadership support for the environmental and sustainability program.
- Reviewed documented evidence leadership supports ESMS, and the agency's environmental policy aligns with clause 5.2 requirements.

i. Section (b) findings:

We found no instances of non-compliance with Clause 5 of the ISO standard.

ii. Section (b) recommendations:

R.1 - We recommend that agency leadership designate an executive sponsor for the Environmental and Sustainability Management System (ESMS).

Environmental programs and functions are distributed across two distinct agency cabinet departments: Capital Delivery and Strategy. This divided structure makes it unclear who serves as the executive sponsor of ESMS, especially when it comes to:

- Defining accountability and authority for system performance
- Demonstrating leadership commitment to environmental goals and compliance

c. 6.0 – Planning

Clause 6 requires the establishment of well-defined processes to determine whether the environmental management system achieves its intended outcomes through risk identification and analysis.

It also requires planning for potential environmental impacts from planned projects and activities, unplanned events, and environmental incidents.

Areas subject to review under this section included:

- ESMS risk management processes
- Planned environmental objectives

To evaluate, the audit team:

- Interviewed staff responsible for planning and risk identification of the environmental and sustainability program.
- Reviewed procedures to ensure ESMS achieved its intended goals.

i. Section (c) findings:

We found no instances of non-compliance with Clause 6 of the ISO standard.

ii. Section (c) recommendations:

There are no recommendations for Clause 6 of the ISO standard.

d. 7.0 – Support

Clause 7 requires the organization to provide enough resources for the management system, and to clearly identify and record staff competencies and training.

This clause requires the agency to share information about the management system with both internal and external stakeholders and to have a process in place for managing documentation.

Areas subject to review under this section include:

- Resources
- Competencies
- Awareness
- Communication
- Records management

To evaluate, the audit team:

- Interviewed staff responsible for supporting the environmental and sustainability program.
- Reviewed evidence the ESMS has the necessary resources, is clearly communicated, and properly documented.

i. Section (d) findings:

We found no instances of non-compliance with Clause 7 of the ISO standard.

ii. Section (d) recommendations:

There are no recommendations for Clause 7 of the ISO standard.

e. 8.0 – Operation

Clause 8 requires the agency to develop plans and processes that address risks and opportunities related to environmental objectives. The agency must manage planned changes, prepare for unexpected changes, and establish processes for responding to emergency situations.

Areas subject to review under this section include:

- Operational planning and control

- Emergency preparedness and response

To evaluate, the audit team:

- Interviewed staff responsible for operating and maintaining the environmental and sustainability program.
- Reviewed multiple plans and procedures supporting emergency preparedness, and environmental protection.
- Conducted site visits to observe environmental compliance and mitigation activities at the following locations:
 - Operation Maintenance Facility (OMF) East
 - OMF East – North Wetland
 - Spring District Wetland
 - South Bellevue Station – Swayolocken Park

i. Section (e) findings:

We found no instances of non-compliance with Clause 8 of the ISO standard.

ii. Section (e) recommendations:

There are no recommendations for Clause 8 of the ISO standard.

f. 9.0 – Performance & evaluation

Clause 9 requires the agency to monitor, measure, analyze and evaluate its environmental performance. The agency must decide what to measure, how to measure it, and when to analyze and report the data.

Further, internal audits must be performed to check whether the environmental management system meets ISO standards.

Areas subject to review under this section include:

- Monitoring, measurement, analysis and evaluation
- Internal audit
- Management review

To evaluate, the audit team:

- Interviewed staff responsible for performance and evaluation of ESMS.
- Reviewed environmental performance reports and data from 2024 to 2025.

i. Section (f) findings:

We found no instances of non-compliance with Clause 9 of the ISO standard.

ii. Section (f) recommendations:

There are no recommendations for Clause 9 of the ISO standard.

g. 10.0 – Improvement

Clause 10 requires the agency to identify and implement way to improve the environmental management system. It also calls for corrective actions to fix any non-conformities and to prevent reoccurrence. This clause also requires that previously implemented improvements be reviewed for their effectiveness.

Areas subject to review include:

- General
- Nonconformity and corrective action
- Continual improvement

To evaluate, the audit team:

- Interviewed staff responsible for leadership commitment for the environmental and sustainability program.
- Reviewed reports and data supporting environmental restoration of natural habitats affected by Sound Transit capital projects.

i. Section (g) findings:

We found no instances of non-compliance with Clause 10 of the ISO standard.

ii. Section (g) recommendations

There are no recommendations for Clause 10 of the ISO standard.2021

Audit issues reviewed

This section outlines the open prior audit findings and recommendations¹ reviewed during this audit. Previous audit issues are monitored and followed up monthly. If issues are still open during the next audit, we review them and provide a status update.

The table provides the update of each item, along with relevant details.

Issue ID	Status	Description	Actions Taken	Next Steps
F-EMS-21-01	Closed	Construction Project Document Control is inconsistent for each project.	Reviewed procedures and controlled documents in SharePoint.	Issue Closure Letter/update audit database.

¹ Issue IDs with and 'F' are findings, issues IDs with "O" are observations/recommendations that are being monitored and followed up by Internal Audit staff

Issue ID	Status	Description	Actions Taken	Next Steps
O-EMS-22-01	Open	“Life Cycle Thinking” is not integrated into policies and processes	Reviewed current policy and procedures.	Continue to monitor progress.
O-EMS-22-02	Open	Inconsistent risk rating Process	Work is still in progress.	Continue to monitor progress.
O-EMS-22-03	Open	Oversight of contractor's Hazardous materials/spill response training.	Work is still in progress.	Continue to monitor progress.
O-ESM-24-02	Open	Inconsistent tracking of documentation review dates.	Work is still in progress.	Continue to monitor progress.

Appendices

Appendix A: List of interviewed staff

The audit team interviewed the following individuals during their audit of Environmental & Sustainability Management System (ESMS). Staff will be listed by position titles only:

- Sound Transit
 - Capital Delivery Department (CDD)
 - *Acting* Deputy Executive Director, Capital Project Development
 - Director, Environmental Planning
 - Director, Environmental Compliance
 - Manager, Environmental Compliance
 - Manager, Ecosystems
 - Senior Environmental Specialist
 - Strategy Department
 - Director, Sustainability – Community Development
 - Manager, Sustainability

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Appendix B: List of documents and records reviewed

The audit team reviewed the following documents and records during the safety audit.

- **Sound Transit plans and policies**
 - Environmental and Sustainability Management System (ESMS) Manual, version dated August 20, 2020.
 - 2025 Environmental and Sustainability Targets
 - 2019 Sustainability Plan
 - ST Board Policy: Establishing a Sound Transit Environmental Policy (R2004-06)
 - ST Strategic Plan 2023-2027
- **Sound Transit procedures**
 - Governing Procedures
 - Sound Transit 2025 ESMS Staff and General Work Plan
 - Sound Transit Board Policy R2004-06
 - ESMS procedures ESMS-03, ESMS-105
 - ESMS Agency Procedures
 - ESMS Agency Procedures – ESMS 100, ESMS 101, ESMS 102, ESMS 300, ESMS 301, ESMS 303
 - Aspects Analysis Matrix
 - 2019 Sustainability Plan
 - ESMS Internal Procedures
 - 2019 Sustainability Targets
 - 2025 Environmental Sustainability Targets
 - Aspects Analysis Matrix
 - Construction Compliance Matrix
 - Facilities Compliance Matrix
 - Spill Response Call-Out Procedure, version dated August 29, 2023.
- **Communications and records sampled**
 - ESMS Environmental Policy Poster (sample)
 - ESMS Steering Committee Minutes (2024-2025)
 - ESMS Training Outline
 - Environmental Policy Contract Language (sample)
 - 2022 Sustainability Progress Report
 - ESMS Dashboard Report (Sample, Q2 2025)
 - ST Board of Directors Executive Committee Minutes from January 7, 2025.
 - East Link Environmental Mitigation PowerPoint from March 8, 2022.
 - ESMS training materials and LMS recordkeeping (sample)
 - Environmental Commitments Tracking System (sample)
 - 2024 Q1 E-CARs dashboard
 - FWLE Environmental Impact Statement, Section 9 – “Comment Summary”

Sound Transit's Title VI notice of rights

Sound Transit conducts Title VI equity analyses for service and fare decisions to ensure they are made as equitably as possible.

More information on Sound Transit's Title VI notice of rights and the procedures to file a complaint may be obtained by:

- Phone: 888-889-6368; TTY Relay 711;
- Email: stdiscriminationcomplaint@soundtransit.org;
- Mailing to Sound Transit, Attn: Customer Service, 401 S. Jackson St. Seattle, Washington 98104-2826; or
- Visiting our offices located at 401 S. Jackson St. Seattle, Washington 98104.

A complaint may be filed directly with the Federal Transit Administration Office of Civil Rights, Attention: Complaint Team, East Building, 5th Floor – TCR, 1200 New Jersey Avenue, SE, Washington, DC 20590 or call 888-446-4511.

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