Airport Risk Management

Scott Corzine, Managing Director

Business Continuity & Airport Emergency Plans within the GRC Framework

January 14, 2016
Operational risk is a major component of the best GRC frameworks.
## Top Concerns of the Top Brass

<table>
<thead>
<tr>
<th>C-SUITE *</th>
<th>RISK PROFESSIONALS *</th>
<th>DIRECTORS **</th>
<th>GENERAL COUNSEL**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal or Regulatory Shifts</td>
<td>Data Security / Privacy</td>
<td>Data Security</td>
<td>Regulatory compliance</td>
</tr>
<tr>
<td>Litigation or Claims</td>
<td>Economic Conditions</td>
<td>Succession Planning</td>
<td>Data Security</td>
</tr>
<tr>
<td>Regulatory Compliance</td>
<td>Brand / Reputation</td>
<td>Operational efficiency</td>
<td>Brand / Reputation</td>
</tr>
<tr>
<td>Brand / Reputation</td>
<td>Natural Disaster</td>
<td>Regulatory Compliance</td>
<td>Crisis Preparedness</td>
</tr>
<tr>
<td>Economic Conditions</td>
<td>Regulatory Compliance</td>
<td>M&amp;A transactions risk</td>
<td>FCPA</td>
</tr>
<tr>
<td>Workforce Health and Safety</td>
<td>Litigation or Claims</td>
<td><a href="#">Brand / Reputation and Crisis Preparedness</a></td>
<td>Outside Legal Fees</td>
</tr>
<tr>
<td>Business Continuity / Crisis Management Execution</td>
<td>Legal or Regulatory Shifts</td>
<td>Executive Compensation AND HR/Employment (tie)</td>
<td>M&amp;A</td>
</tr>
<tr>
<td>Talent Availability</td>
<td>Technology / Systems Failure</td>
<td>Internal Controls</td>
<td>Operational Effectiveness/Efficiency</td>
</tr>
<tr>
<td>Competitors</td>
<td>Supply Chain Vulnerability</td>
<td>Global Business Expansion</td>
<td>Succession Planning</td>
</tr>
<tr>
<td>Business Disruption</td>
<td>Business Continuity / Crisis Management execution</td>
<td>Company Culture</td>
<td>Executive Compensation</td>
</tr>
</tbody>
</table>
Reputational Risk: #1 Concern Worldwide

Of business executives rate reputation risk as more important than other strategic risks

Say that their organizations are now focusing specifically on reputation risk

Source: Deloitte, 2014 Global Survey of Reputation Risk
+300 Respondents from Americas, EMEA, and Asia Pacific. Nearly all C-Level and respondents came from all major sectors of the global economy
How Blame is Assigned

Source: Deloitte, 2014 Global Survey of Reputation Risk
Business Continuity Management Governance Model

Program Management

Emergency Management
- Incident Management Procedures

Business Resumption
- Notification Protocols

IT Disaster Recovery
- Internal Communication

Issues Management
- External Communication

Headquarters Functions Plans

Distributed Company Operations & Facilities Plans

Affiliated Operations and Facilities Plans

BCM Tools

Training, Exercise, and Continuous Improvement

Education, Awareness and Marketing Program
Current Environment
The Situation - BCP

- Many airports lack business continuity plans.
- Some municipalities/states require plans within COOP statutes.
- BCP is widely misunderstood, often not a strategic imperative.
- Critical in the context of cybersecurity risk to IP networks and industrial control systems

Progress is being made:

- ACRP Synthesis Project 11-03/Topic S01-11
- ACRP Report 93 and Automated BCP software – *Operational and Business continuity Planning for Prolonged Airport Disruptions*
- Bold Planning cloud-hosted ACP software
- Proprietary plans becoming more common
What IS Business Continuity Planning?

- Documents how all essential functions are accomplished with:
  - people
  - technology
  - plant, equipment, tools, vital records and supplies,
  - processes
- Assigns recovery priority based on criticality
- Describes how functions will work with the loss of technology/automation.
- Describes how recovery will take place, to “get back to normal”.
- Exercises the plan so everyone is familiar with the “playbook”.
Business Continuity Plan Components

**Introduction**
- Organization
- Distribution and Access
- Mission Statement
- Scope
- Objectives
- Assumptions

**Concept of Operations**
- Roles and Responsibilities
- Individual Plan for Functional Recovery
- Functional Recovery Prioritization
- Plan Activation and Deactivation

**Functional Recovery Plans**
- Functional Description
- Mission Essential Functions and Recovery Priorities
- Business Recovery Teams
- Critical Resources
- Vital Records and Data
- Alternate Facilities
- Delegations of Authority
- Succession Planning
- Alert Notification Procedures and Call Lists

**Devolution**

**Reconstitution**

**Plan Testing, Training and Exercises**
BCP Tools in the Marketplace
34 Business & Operating Functions:

- Aeronautical Operations Support
- Ramp & Hangar Operations
- Airport Maintenance & Repair
- Purchasing, Receiving and Supplies
- Groundside Transportation
- ATCT Operations & NAVAIDS
- Shared Infrastructure
- Cargo Operations
- Terminal Buildings
- Information Technology
- Financial Reporting
- Aircraft Rescue & Firefighting
- Back-Up Power Sources
- Commercial & Aviation Tenants
- Environmental Operations
- Finance & Accounting
- Fixed Base Operators
- General Aviation
- Government Security & Controls
- Government Relations
- Grants and Projects
- Human Resources
- Infrastructure & Utilities
- Legal & Contracts
- Other Property Management
- Passenger Management
- Payroll & Benefits
- Public Parking Operations
- PR & Marketing Communications
- Public Safety
- Retail Concessions
- Winter Operations
- On-Site Fuel Supply
- Co-Located Military Units
1. Enter the name of the airport, or your company name if you are a Fixed Base Operator (FBO).

Airport/FBO Name: Westchester County A
Survey Index

ACRP Business Continuity Survey / PR and Marketing Communications

37. Indicate which types of physical facilities are required by this function, the specifications of each and their source.

<table>
<thead>
<tr>
<th>Facility</th>
<th>Check all that apply</th>
<th>Source</th>
<th>Brief Specification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office/Operations Space</td>
<td></td>
<td>Airport Department</td>
<td>500 sq ft</td>
</tr>
<tr>
<td>Public Briefing Room</td>
<td></td>
<td>Airport Department</td>
<td>Chairs, podium, micro</td>
</tr>
<tr>
<td>Media Studio</td>
<td></td>
<td>Contractor</td>
<td>500 sq ft</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>--Select Value--</td>
<td>size, material, etc.</td>
</tr>
</tbody>
</table>

Clear | Save | Next
Survey Screen Shots

essential functions that are part of passenger management, rank the relative importance and recovery priority of each (using the important - 1=convenient scale), indicate who - or what airport department - provides it.

<table>
<thead>
<tr>
<th>Passenger Routing</th>
<th>Recovery Priority: 3 Critical</th>
<th>Responsibility: who/what airport dep</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passenger Transport (courtesy carts)</td>
<td>Recovery Priority: 3 Critical</td>
<td>Responsibility: who/what airport dep</td>
</tr>
<tr>
<td>Medical/First Aid/Clinic</td>
<td>Recovery Priority: 3 Critical</td>
<td>Responsibility: who/what airport dep</td>
</tr>
</tbody>
</table>

Complaint Management

Public Address System

Red Caps

Local Information/Concierge

30. For each essential staff member required to recover this function after a disruption, indicate their primary and secondary replacements, special licenses/skills/certifications they must possess, if they are or must be union members and, if they are contractors, the name of the contractor which can fill the position.

<table>
<thead>
<tr>
<th>Select</th>
<th>Item</th>
<th>Essential Staff</th>
<th>Primary Replacement</th>
<th>Secondary Replacement</th>
<th>Special Licenses/Skills/Certifications/Training</th>
<th>Organized Labor</th>
<th>Union</th>
<th>Contractor</th>
<th>Contracting Agency</th>
</tr>
</thead>
</table>

Add as many items as necessary to fully answer the question. To edit an item, select the corresponding checkbox and click "Edit". To delete an item select one or more checkboxes and click "Delete".

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Essential Staff: Name
Primary Replacement: Name
Secondary Replacement: Name
Special Licenses/Skills/Certifications/Training: List Briefly
Organized Labor: Yes
Union: Name
Contractor: Yes
Contracting Agency: Name

Create an item Cancel
Westchester County Airport

Westchester County Airport
240 Airport Road
West Harrison
New York
10604

Business Continuity Plan
Welcome to DenverMetroCOOP.org
Online Continuity Planning System

Welcome to DenverMetroCOOP.org, your on-line source for developing and maintaining your Continuity of Operations Plan (COOP).

DenverMetroCOOP.org was designed to create a standardized on-line planning environment, that not only produces a hard copy COOP document, but also a "living plan".

Using the buttons to the left, you can navigate through each section of your COOP plan.

For security purposes, please be sure to log-off when finished with your session.

For comments or questions, please contact us at help@BOLplanning.com.
Welcome to CoopChicago.com!
The City of Chicago's Continuity of Operations Planning System

Welcome, Peter Hodes.
Your username is peterhodes.
Your access level is Site Administ
My Account - User Manager
Instance: i-2f303d4d

Welcome to CoopChicago.com! This web-based planning system is the City of Chicago's on-line source for developing and maintaining Continuity of Operations Plans (COOP) for each of its city departments.

CoopChicago.com creates an easy-to-use, standardized planning environment for COOP plan development. The system not only produces a hard copy COOP document, but also a "living plan" for the City of Chicago which can be viewed, modified and printed at any time by simply having an internet connection.

Using the buttons to the left, you can navigate through each section of your COOP.

For security purposes, please be sure to log-off when finished with your session.

For technical support or to request assistance with your COOP plan development, please contact us at Help@BoldPlanning.com.
Airport Emergency Plans (AEP)
Every airport has an AEP.
AEP’s are widely understood, an airport core competency.
FAA requires these plans.
Standards are lacking:
- Among airports
- Among regional FAA inspectors
- Against NIMS and ICS

ACRP 04-19 – Airport Emergency Planning Template: NIMS – Incident Command System Compliance
- FAA AC 150/5200-31C aligned
- NIMS and ICS “compliant”
ACRP 04-19 Current Status

- Panel is established.
- Contract is in place.
- Kick-off has occurred.
- 20-24 assorted AEP’s will be reviewed.
- Massive federal guidance will be incorporated.
- Results will be available in approximately 20 months.
5 airports represented – from major hubs to general aviation.

Functional representation – public safety, operations, aviation communication, and emergency management.

Liaison:
- FAA
- TRB
- ACI-NA - (Chris Bidwell and Sean Cusson).
FTI Consulting, Inc.
- Airport Integrated Systems (AIS)
- DY Consultants
Research Plan

Administrative

Research

Preliminary Design

Development

Final Report
ACRP 04-19 31C Template Functionality

- Airport-specific input via sequential interactive inquiries.
- Custom text and variables input.
- Regulatory cross-referencing.
- Scalable.
- Accommodate regional differences.
- Graphic object insertion.
- Progress bar.
- Multi-format output.

Support:
- Instructions
- User Guide
- Learning Curriculum
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