

**2006**  
**Internal Audit**  
**Reports**

**Compiled 12-22-06**

# Table of Contents

<b>Escanaba (June 6-9) .....</b>	<b>1-13</b>
<b>Shingleton (June 27-29) .....</b>	<b>14-21</b>
<b>Grayling (June 27-29) .....</b>	<b>22-28</b>
<b>Newberry (July 18-20) .....</b>	<b>29-38</b>
<b>Crystal Falls (July 25-27) .....</b>	<b>39-54</b>
<b>Roscommon (August 1-3) .....</b>	<b>55-71</b>
<b>Traverse City (August 15-17) .....</b>	<b>72-83</b>

**Michigan DNR Forest Certification Internal Audit  
Escanaba Internal Audit Report**

Forest Management Unit (FMU): Escanaba  
Lead Auditor: Jeff Stampfly

Internal Audit Dates: June 6-8, 2006  
Internal Auditors: Kerry Fitzpatrick  
Tom Haxby

Introduction: The internal audit of the Escanaba FMU was held the week of June 6-8, 2006; with auditors actually beginning work on June 5<sup>th</sup>. The scope of the audit was State Forest Land (SFL) within the Escanaba FMU. The audit criteria were the Feb. 7, 2006 version of the Work Instructions (WIs) and all supporting DNR policy, procedures, rules, management guides, guidance documents, plans, and handbooks that were relevant to the management of SFL. On Monday, June 5, a detailed list of audit sites was selected and an audit route established based on a search of records and interviews with staff. The route covered Northern Delta County on Tuesday and Menominee County on Wednesday. An opening meeting with the participants was held on both Tuesday (Escanaba) and Wednesday (Stephenson) and short meetings were held at the end of each field day to plan and debrief. The team met each evening to review findings and plan the next day's activities. A closing meeting was held on Thursday, June 8, 2006. The audit team gathered evidence to determine work instruction conformance through interviews, document review and field observation.

All personnel participating in the audit were very cooperative during the audit. It was obvious to the audit team that efforts were being made to implement the work instructions and they have made some commendable efforts in many areas. The audit team would like to thank personnel for their active participation.

Report Content: This report consists of an introductory page with Definitions, Opportunities For Improvements (OFIs) and Corrective Action Requests (CARs). Questions can be directed to Jeff Stampfly, Lead Auditor, Shingleton Field Office, PO Box 67, M-28, Shingleton, MI 49884 (906) 452-6227 or to [Stampflj@Michigan.gov](mailto:Stampflj@Michigan.gov).

**Definitions:**

Major Non-Conformances: One or more of the Michigan Department of Natural Resources (MDNR) Sustainable Forest Certification Work Instruction requirements has not been addressed or has not been implemented to the extent that a systematic failure of the MDNR to meet a Sustainable Forest Certification (Sustainable Forestry Initiative or Forest Stewardship Council) principle, objective, performance measure or indicator occurs (Adapted from the Sustainable Forestry Initiative Standard 2005-2009 Edition definitions).

Minor Non-Conformances: An isolated lapse in MDNR Sustainable Forest Certification Work Instruction implementation which does not indicate a systematic failure to consistently meet a Sustainable Forest Certification (SFI or FSC) principle, objective, performance measure or indicator.

Opportunities For Improvements: These are areas that do not warrant a CAR at this juncture, but effort should be put into resolving the issue or developing a procedure to deal with the issue before it does become a CAR.

		Rev.# 1 May 25, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				NCR #:	
Escanaba Forest Management Unit				33-2006-01	
Lead Auditor:		Team Member(s):			
Jeff Stampfly		Kerry Fitzpatrick, Tom Haxby			
Date:		Work Instruction or Standard and Clause#:			
6/6-8/06		1.2 Management Review Process for Continual Improvement in the Management of Forest Resources			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
X		_ Mgt Review final 4-11-06.doc Internal Audit Work Instruction Summary 6/4/06 Latest Certification Timetable with Deadlines and Leads		Various	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
<p>The following is an excerpt from Work Instruction 1.2: Field Management Review:</p> <ul style="list-style-type: none"> <li>c. Schedule the management review to follow annual forest certification audits.           <ul style="list-style-type: none"> <li>i. Management Review will consist of a review of audit results by peninsula. Audits will evaluate field operations and Department programs.</li> <li>ii. Conduct an annual management review in the UP and the NLP. Meeting will be hosted and chaired by the field coordinators of FMFM and WLD. Fisheries Division will participate in the meeting. Ecoteams will also be represented at the annual management reviews.</li> <li>iii. UP and LP field coordinators will prepare a joint draft report addressing conformance with the forest certification standards and recommendations for improvement. The draft report will be submitted to DNR division chiefs for review. Field Coordinators will incorporate division management team review comments and submit a final report to the Statewide Council and the Forest Certification Implementation Team (FCIT).</li> <li>iv. <b>The conformance report will include a report of management actions immediately taken to address audit results, will site non-conformance issues, and report other significant findings.</b></li> </ul> </li> </ul>					
<b>OBSERVED NONCONFORMITY:</b>					
<p>There were numerous deadlines and processes that were to be implemented both as part of forest certification and as part of the management review. Some examples include: The development of monitoring protocols for SCAs, HCVA's and ERAs and an annual review of research needs and activities is to be conducted, a report written, posted to web, and distributed to employees. Report was to be published by December 15, 2005. An action plan has been created to address forest certification issues and management review decisions. Numerous certification action items that were developed in response to the certification audit in December 2005 are overdue and this is inhibiting the Unit from meeting all of the elements of the Work Instructions. For a complete list of the overdue action plan items, please contact the Forest Certification specialist.</p>					
<p><b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem</p> <p>Other levels of the organization did not accomplish assigned tasks within the established timeline.</p>					
<p><b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions)</p> <p>The observed non-conformity did not note any Unit level assignments. Corrective action needs to be completed at higher levels of the organization before the elements of the work instruction can implemented at the Unit level.</p>					

Proposed Completion Date:	FMFM Unit Manager and date:	FMFM District Supervisor and date: ML Paluda 10-6-2006
Corrective Action Plan Accepted Lead Auditor Approval: _____ Date: _____		
Actual Completion Date:	FMFM District Supervisor:	Date:
Follow Up Comments:		

		Rev.# 1 May 25, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				NCR #:	
Escanaba Forest Management Unit				33-2006-02	
Lead Auditor:		Team Member(s):			
Jeff Stampfly		Jeff Stampfly			
Date:		Work Instruction or Standard and Clause#:			
6/6-8/06		Work Instruction 2.1 Reforestation Work Instruction 3.1 Forest Operations			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	X			Eric Thompson	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
<ul style="list-style-type: none"> <li>Stand examiners need to make comments in the narrative section of Operations Inventory (OI) reflecting an acceptable species mix should the stand not regenerate to the management objective and this must be agreed to at compartment review.</li> <li>All of the plantings must be summarized annually using the Planting Summary (<a href="#">R4046</a>).</li> <li>Whenever a timber cutting report is generated, the contract administrator will update OI.</li> <li>Operations review: FMFM, Fisheries, and Wildlife Divisions will review and approve all intrusive operations performed or permitted by any DNR division on State Forest lands at appropriate level(s), and these approvals will be documented. Examples of intrusive operations include cutting or removal of vegetation (including negotiated sales), dredging, and road construction. Where timely, operations will be reviewed in the annual compartment review process. In the absence of an appropriate form or letter that provides an opportunity for FMFM, WLD, and FSHD to sign off, the Forest Treatment Proposal may be used to document approvals. Completion of operations will also be documented in a form available to the approving divisions (the Forest Treatment Completion Report may be used for this purpose).</li> </ul>					
<b>OBSERVED NONCONFORMITY:</b>					
<ul style="list-style-type: none"> <li>There is some inconsistency in recording alternate mgmt objectives in the 2008 YOE. It must be noted that these have not been through review or any error checking, so this may be corrected by the time of review. This was observed in OI records in multiple 2008 YOE compartments.</li> <li>There does not appear to be a mechanism to incorporate Wildlife Division planting efforts into the Planting Summary (R4046). District TMS does not receive completion reports from Wildlife Division plantings.</li> <li>There is inconsistency in the updating of OI from timber cutting reports or FTP completion reports. OI may be updated from timber cutting reports as much as 6 months later and in some cases it appears OI is not updated until next cycle. There was no evidence found of FTP completion reports or regeneration count information being added to OI comments.</li> <li>While many forest operations are reviewed by the land managing and enforcement divisions, the documentation of the review and follow up is lacking in some cases. Use permits did contain all of the appropriate review. However there were several, examples of a lack of forest treatment proposals for intrusive operations (i.e. oak wilt cultural work) and a lack of FTP completion reports.</li> </ul>					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem					
Item 1, inconsistency in recording alternate MO 2008 YOE. Root cause of the problem comments regarding alternate management objective are not captured at time of inventory, but are considered at pre-review.					
Item 2, does not appear to be a mechanism to incorporate WD planting into Planting Summary. Root cause of the problem, WD does not send completion reports to the TMS.					
Item 3, inconsistency in the updating of OI. Root cause of the problem, lack of a tracking mechanism to determine if OI is being updated following timber sales, FTP completions, etc.					
Item 4, review of forest operations. Root cause of the problem is forest treatment proposals were not prepared for vibratory plow work to control oak wilt.					

**CORRECTIVE ACTION** (Proposed corrective action. To be completed by the Unit and relevant Divisions)

Item 1, Compartment pre-review will be held on July 31, 2006 where all treatments will be discussed with FD, WD, and FMFM. Alternate management objectives will be determined and agreed to by all divisions. OIPC will be updated to reflect these agreements following the pre-review. 2009 YOE compartments will include alternate management objective at time of inventory.

Item 2, Wildlife Division will submit a planting completion report to the FMFM Management Unit. The planting completion report will be forwarded to the TMS for inclusion in the planting summary.

Item 3, Unit Manger will create a tracking mechanism which will be checked periodically to determine if OI is being updated. Unit foresters will have a performance objective stating: "Update OIPC on a regular basis (at a minimum bi-annually) from timber sale completions. Work towards updating sales as soon as they are closed."

Item 4, All intrusive operations will have the appropriate review and will be documented using the required form. FTP's will be prepared for vibratory plow oak wilt control. Completion reports will be prepared when the all FTP's are completed.

Proposed Completion Date:	FMFM Unit Manager and date:	FMFM District Supervisor and date: ML Paluda 10-6-2006
---------------------------	-----------------------------	---

Corrective Action Plan Accepted	
Lead Auditor Approval:	Date:

Actual Completion Date:	FMFM District Supervisor:	Date:
-------------------------	---------------------------	-------

Follow Up Comments:

		Rev.# 1 May 25, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				<u>NCR #:</u>	
Escanaba Forest Management Unit				33-2006-03	
Lead Auditor:		Team Member(s):			
Jeff Stampfly		Jeff Stampfly			
Date:		Work Instruction or Standard and Clause#:			
6/6/06		2.2 Use of Pesticides and Other Chemicals on State Forest Lands			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	X			Bob Doepker	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
Notification (Policy 592): The need for public notification is determined at the Forest Management Unit and reviewed by the FMFM District Supervisor...					
<b>OBSERVED NONCONFORMITY:</b>					
The herbicide application was conducted by Wildlife Division. There was conformance with the Work Instruction with the exception that the Forest Management Unit was not consulted on the need for public notification and the FMFM District Supervisor did not review the Unit's recommendation. Because this was a Wildlife Division project, an inquiry was made to determine if the Wildlife Unit Manager had reviewed the need for public notification. The applicator indicated that no supervisory review for notification was conducted.					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem Wild Division thought that posting signs was sufficient for public notification in this case.					
<b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions) The need for public notification needs to be determined by the Forest Management Unit Manager with FMFM District Supervisor review. Wildlife Division is now consulting with the Unit Manager to determine the need for public notification.					
Proposed Completion Date: June 30, 2006		FMFM Unit Manager and date:		FMFM District Supervisor and date: ML Paluda 10-6-2006	
Corrective Action Plan Accepted					
Lead Auditor Approval:				Date:	
Actual Completion Date:		FMFM District Supervisor:		Date:	
Follow Up Comments:					

		Rev.# 1 May 25, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				NCR #:	
Escanaba Forest Management Unit				33-2006-04	
Lead Auditor:		Team Member(s):			
Jeff Stampfly		Jeff Stampfly			
Date:		Work Instruction or Standard and Clause#:			
6/06-8/06		6.2 Integrating Public Recreational Opportunities with Management on State Forest			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	X			Eric Thompson	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
Recreational opportunities on State Forest lands are integrated with forest management programs . Ongoing communications with Forest Unit Managers and District Supervisors also assure recreational facility development, enhancements, or reductions are integrated and made compatible with forest operations. Public and Tribal participation regarding recreational facilities is encouraged during the Compartment Review process and other meetings held in the State.					
<b>OBSERVED NONCONFORMITY:</b>					
Multiple stands contained recreational trails and there was no indication from stand comments that the trails traversing the stand or that the impacts to the trails from the proposed treatments were considered. It did not appear, from OI records, that recreational impacts are being considered in silvicultural prescriptions.					
<b>ROOT CAUSE ANALYSIS: Describe the cause of the problem</b> Root cause of the problem is lack of documentation of the pre-review discussion of the treatments along the Days River Pathway.					
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions)</b> Minutes will be taken at pre-review to ensure that discussions about recreational trails are incorporated into OIPC comments.					
Proposed Completion Date:		FMFM Unit Manager and date:		FMFM District Supervisor and date:	
July 31, 2006				ML Paluda 10-6-2006	
Corrective Action Plan Accepted					
Lead Auditor Approval:				Date:	
Actual Completion Date:		FMFM District Supervisor:		Date:	
Follow Up Comments:					

		Rev.# 1 May 25, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				<u>NCR #:</u>	
Escanaba Forest Management Unit				33-2006-05	
Lead Auditor:		Team Member(s):			
Jeff Stampfly		Jeff Stampfly, Kerry Fitzpatrick, Tom Haxby			
Date:		Work Instruction or Standard and Clause#:			
6/6/06		3.2 Best Management Practices Non-Conformance Reporting Instructions 6.2 Integrating Public Recreational Opportunities with Management on State Forest Lands 7.2 <u>Legal Compliance and Administration of Contracts</u>			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	X			Various	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
Multiple work instructions refer to ORV damage and enforcement of ORV laws and regulations. Management review from 2005 and other audits have also identified illegal ORV use and the subsequent resulting environmental damage as a significant issue for MDNR. Reporting of damage under W.I. 3.2 and W.I. 7.2 is required as it is discovered. Known areas of illegal ORV use are to be monitored for enforcement and damage.					
<b>OBSERVED NONCONFORMITY:</b>					
During the audit there were numerous examples of illegal ORV use and environmental damage/BMP violations visited. Several areas were also observed along the route to planned stops. While action is being taken to stop this activity, it may not be sufficient to lessen the overall threat to certification. There are some inconsistencies in documenting this damage in OI records when it is discovered during the entry year cycle. The Unit is reporting BMP violations per Work Instruction 3.2; however it's obvious it will take some time to document all of the instances. Staff is also repairing BMP problem sites as funding and time allows.					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem					
The publics lack of knowledge of the ORV laws and the lack of resources to enforce ORV laws. BMP reports have not been added to all affected compartment maps. Comments have not been added to OIPC for all BMP reports.					
<b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions)					
Continue to report problem areas to the Unit Manager and local LED officers. Continue to seek funding as needed to make necessary repairs. Continue to post and monitor problem areas using Forest Officers where appropriate. BMP reports will be added to compartment maps and OIPC as they are reported.					
Proposed Completion Date:		FMFM Unit Manager and date:		FMFM District Supervisor and date:	
				ML Paluda 10-6-2006	
Corrective Action Plan Accepted					
Lead Auditor Approval:			Date:		
Actual Completion Date:		FMFM District Supervisor:		Date:	
Follow Up Comments:					

		Rev.# 1 May 25, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				<u>NCR #:</u>	
Escanaba Forest Management Unit				33-2006-06	
Lead Auditor:		Team Member(s):			
Jeff Stampfly		Jeff Stampfly			
Date:		Work Instruction or Standard and Clause#:			
6-8-06		7.1 Timber Sale Preparation and Administration Procedures			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	X			Eric Thompson	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
Ensure timber sale specifications match OI prescriptions.					
<b>OBSERVED NONCONFORMITY:</b>					
Lotta Aspen Sale (30-03), Compartment 13 Stand 7 had comments stating to leave some large maple along the road for aesthetics. While there were other trees left along a lower area of the stand, no large maple trees by the road were retained. This was only observed on this one sale and the two other sales inspected during the audit followed the prescriptions in OI.					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem Timber sale preparer and unit manager missed the comment in OIPC about leaving some large maples along the road.					
<b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions) Timber sale preparers have been using the Timber Sale pre-sale checklist (R4031-6) for all sales since June 21, 2005. Unit manager has been reviewing timber sale specifications to ensure sure that all comments in OIPC have been addressed.					
Proposed Completion Date: June 21, 2005		FMFM Unit Manager and date:		FMFM District Supervisor and date: ML Paluda 10-6-2006	
Corrective Action Plan Accepted					
Lead Auditor Approval:			Date:		
Actual Completion Date:		FMFM District Supervisor:		Date:	
Follow Up Comments:					

		Rev.# 1 May 25, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				NCR #:	
Escanaba Forest Management Unit				33-2006-07	
Lead Auditor:		Team Member(s):			
Jeff Stampfly		Kerry Fitzpatrick, Tom Haxby			
Date:		Work Instruction or Standard and Clause#:			
6/6/06		W.I. 1.1 Strategic Framework for Sustainable Management W.I. 1.3 Eco-Regional Plan Development			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	X			Various	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
To be knowledgeable of strategic guidance document and guidance contained therein and to ensure guidance is reflected in operations. General knowledge of work instructions. All DNR personnel within an Ecoregion participate in the planning process as a resource to the Eco-regional planning team.					
<b>OBSERVED NONCONFORMITY:</b>					
Key staff at the Unit and Eco-Regional level could not describe how State Forest Plan and Eco-regional Plan will provide guidance for Unit Operations. Unit personnel are also unfamiliar with the Western Upper Peninsula (WUP) Eco-Regional Planning Process during the plan development phase. Eco-regional staff feel the expectation that the WUP will be able to meet the deadlines in the planning timeline are unrealistic given the current level of resources dedicated to planning. Unit staff also are unclear as to how or if the Eco-Regional Plan will provide operational or tactical guidance. It was not apparent to the audit team whether the Conservation Officers have had training on the Work Instructions.					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem The unit is not part of the planning process.					
<b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions) Eco-regional planning team could send out updates. Eco-regional planning team could meet with management units periodically to provide an update and solicit comments from unit staff.  Conservation Officers will be invited to the next Work Instruction training.					
Proposed Completion Date:		FMFM Unit Manager and date:		FMFM District Supervisor and date:	
				ML Paluda 10-6-2006	
Corrective Action Plan Accepted					
Lead Auditor Approval:				Date:	

		Rev.# 1 May 25, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				NCR #:	
Escanaba Forest Management Unit				33-2006-08	
Lead Auditor:		Team Member(s):			
Jeff Stampfly		Tom Haxby			
Date:		Work Instruction or Standard and Clause#:			
6/6/06		W.I. 1.7 State Forest Timber Harvest Trends			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	X			Various	
REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:					
Knowledge of Forest Conditions and Harvest Trends Report. Knowledge is a requirement of the eco-regional staff and an implied requirement of key unit level staff.					
OBSERVED NONCONFORMITY:					
Eco-regional staff was not aware of the Forest Conditions and Harvest Trends Report. Key unit staff were also unaware of the report.					
ROOT CAUSE ANALYSIS: Describe the cause of the problem Work Instruction 1.7 does not specifically state nor does it imply that the Unit should be aware of any such report, therefore Unit staff did not have any knowledge of the report. Eco-regional staff may have been unaware of the report due to the fact that one was never distributed and cannot be found online.					
CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions) Forest Conditions and Harvest Trends Report should be distributed to all appropriate staff. Forest Conditions and Harvest Trends Report should also be post online. <b><u>(Both reports and sources of information are on line and have been for a long time. New instructions to access the information has been recently distributed. (M. Paluda))</u></b>  Work Instruction 1.7 should state specifically who should have knowledge of this report.					
Proposed Completion Date:		FMFM Unit Manager and date:		FMFM District Supervisor and date:	
				ML Paluda 10-6-2006	
Corrective Action Plan Accepted					
Lead Auditor Approval:			Date:		
Actual Completion Date:		FMFM District Supervisor:		Date:	
Follow Up Comments:					

		Rev.# 1 May 25, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				NCR #:	
				33-2006-9	
Lead Auditor:		Team Member(s):			
Jeff Stampfly		Tom Haxby			
Date:		Work Instruction or Standard and Clause#:			
6/6/06		W.I. 3.3 Best Management Practices Road Closures			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	X			Eric Thompson	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
Road closures appropriately implemented for safety or significant environmental concerns.					
<b>OBSERVED NONCONFORMITY:</b>					
Work instructions directing road closure reports to be sent to District Supervisor were not followed. It is the observation of the audit team that there is confusion in the Unit regarding reporting to the WUP Eco-team for planning direction and the EUP District Supervisor for operational direction.					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem Evidence could not be produced at time of audit.					
<b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions) Documentation was produced after the audit indicating that the correct reporting to the District Supervisor and review by the correct Eco-team had been followed. Documentation is attached.					
Proposed Completion Date: June 30, 2006		FMFM Unit Manager and date:		FMFM District Supervisor and date: ML Paluda 10-6-2006	
Corrective Action Plan Accepted					
Lead Auditor Approval:			Date:		
Actual Completion Date:		FMFM District Supervisor:		Date:	
Follow Up Comments:					

## Opportunities for Improvement

- There are opportunities for FMFM and WLD Divisions to improve their communications regarding prescriptions and implementation of those prescriptions. While communication is occurring, it appears at times to be later in the approval process when involved personnel exhibit more 'ownership' of what has been accomplished to that point. This is causing more stress and frustration in the system later in the process and it might be lessened with more communication earlier in the process.
- Completion reports for intrusive operations not completed.
- Better documentation of decisions, changes, etc. in O.I.
- Better understanding of the post compartment review process for biodiversity areas; including the addition of protection and management objectives in the OI database.
- More involvement and a better understanding of the eco-regional planning process and how the plan will direct the Unit.
- An awareness that training records are ultimately the responsibility of each individual employee. Civil Service training and trainings coordinated via division training officers are being entered into staff records. Of staff questioned, most indicated that their records were not up to date. These seemed to center on those trainings not coordinated through their training officers. Records should be updated in a timely manner, preferably at the completion of the training or soon thereafter.
- Staff are vaguely familiar with the 800 number to report problems with BMP issues (described in WI 3.2). Staff who were questioned did not know about the SFI Inconsistent Practices phone numbers (described in WI 6.3). The two services are executed through the same number (1-800-474-1718).
- Fisheries division pesticides are procured on a long timeline and thus are stored for longer than usual periods. Extra care should be taken to store these chemicals properly, particularly having adequate space/volume to accommodate potential leakages.

**Michigan DNR Forest Certification Internal Audit  
Shingleton Internal Audit Report**

Forest Management Unit (FMU): Shingleton  
Lead Auditor: Mike Donovan

Internal Audit Dates: June 26-29, 2006  
Internal Auditors: Pat Hallfrisch  
Tom Haxby  
Kevin LaBumbard

Introduction: The internal audit of the Shingleton FMU was held the week of June 26-29, 2006. The scope of the audit was operations that occur on State Forest Land within the Shingleton Management Unit. The audit criteria were the Feb. 7, 2006 version of the Work Instructions (WIs) and all supporting DNR policy, procedures, rules, management guides, guidance documents, plans, and handbooks that are relevant to the management of State Forest Land. On the afternoon of Monday, June 26, field audit routes were established for Tuesday and Wednesday based on a detailed list of audit sites that were identified in pre-audit planning. The auditors worked in teams of two each day. On Tuesday, one team of auditors visited sites northeast of Shingleton. The other team visited sites in the Seney Area. On Wednesday, a team of auditors visited sites on the Garden Peninsula and the other team visited sites north of Manistique. A short meeting was held Tuesday morning at the Shingleton Office and Wednesday morning at the Wyman Nursery in Manistique. A closing meeting was held on Thursday, June 29, 2006. The audit team gathered evidence to determine work instruction conformance through interviews, document review and field observation.

All personnel participating in the audit were very cooperative during the audit. It was obvious to the audit team that efforts were being made to implement the work instructions and they have made some commendable efforts in many areas. The audit team would like to thank personnel for their active participation.

Report Content: This report consists of an introductory page with Definitions and Corrective Action Requests (CARs). Questions can be directed to Mike Donovan, Lead Auditor, Wildlife Division, Lansing, MI (517) 373-7027 or to [Donovanm@Michigan.gov](mailto:Donovanm@Michigan.gov).

**Definitions:**

Major Non-Conformances: One or more of the Michigan Department of Natural Resources (MDNR) Sustainable Forest Certification Work Instruction requirements has not been addressed or has not been implemented to the extent that a systematic failure of the MDNR to meet a Sustainable Forest Certification (Sustainable Forestry Initiative or Forest Stewardship Council) principle, objective, performance measure or indicator occurs (Adapted from the Sustainable Forestry Initiative Standard 2005-2009 Edition of definitions).

Minor Non-Conformances: An isolated lapse in MDNR Sustainable Forest Certification Work Instruction implementation which does not indicate a systematic failure to consistently meet a Sustainable Forest Certification (SFI or FSC) principle, objective, performance measure or indicator.

		Rev.# 1 May 08, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				NCR #:1	
Shingleton Forest Management				Unit Code- # – 41-2006-01	
Lead Auditor:		Team Member(s):			
Mike Donovan		Kevin Labumbard, Pat Hallfrisch, Tom Haxby			
Date:		Work Instruction or Standard and Clause#:			
6/27/2006		1.4 Biodiversity Management on State Forest Lands			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	XX			Jeff Stampfly	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
5. Determine how proposed management action may impact the areas and identify specific elements that protect,snags cwd					
<b>OBSERVED NONCONFORMITY:</b>					
Unit wide lack of emphasis on the value of within stand diversity. Especially noted is a lack of large diameter tree retention.					
<p><b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem</p> <p>It is very difficult to determine a root cause when there are no specific sites identified. Further discussion with the auditors led to some clarification. This CAR appears to be generated from discussion with some Unit staff, traveling along the Petrel Road and a site visit on High Bend Hardwoods (41-043-04-01) timber sale. The root cause is an apparent inconsistency in the value of within stand diversity being asked for in 2006 and that being asked for in 2004 when the sale was prepared. An additional cause is Department guidelines that are currently employed may not put enough emphasis on the value of within stand diversity to satisfy internal auditors. None of the guides define what a “large diameter” tree is.</p>					
<p><b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions)</p> <p>The subject sale is a 2004 YOE reviewed in 2002 and well before the biodiversity work instruction cited was written. At this time there would have been two guides used to aid in biodiversity management in addition to our normal compartment review process; which includes a full review by MNFI. Those guides would be the Compleat Marker and the “Dead wood” memo written by Theide &amp; Burgoyne. Three comments to increase biodiversity were mentioned in the OIPC comments and there is no indication from the auditors that these measures aren’t being taken or are inappropriate. All Shingleton contracts contain the standard VMS clauses to protect snags and there is nothing in the sale inspection log indicating the loggers were removing snags.</p> <p>Ancillary data collected on 8/18/06 in Unit 3 of the subject sale indicates there are 6.9 trees/acre over 20 inches dbh. Other stands along the Petrel Road have been inspected by Timber Management Specialists Ferris and Kuhr, meeting with similar approval. Fourteen percent of the residual stand is composed of Black Cherry and 17 percent is red maple, further maintaining the existing stand diversity. All of this information indicates compliance with the current guidance.</p> <p>The corrective action for this CAR is to implement the vegetative management and retention guidelines that are being developed as part of the Department’s forest certification effort. In the interim, we will continue to implement the existing management guidelines unless superseded with sound, quantifiable and approved prescriptions resulting from the compartment review process.</p>					
Proposed Completion Date:		Responsible Manager and date:		Next Level Supervisor and date:	

Actual Completion Date	Next Level Supervisor	Date
Corrective Action Plan Accepted Lead Auditor Approval: _____ Date: _____		
Follow Up Comments: Retention guideline training has been set up for October 17, 2006 in Escanaba.		

		Rev.# 1 May 08, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				<u>NCR #:2</u>	
Shingleton Forest Management				Unit Code – #41-2006-02	
Lead Auditor:		Team Member(s):			
Mike Donovan		Kevin Labumbard, Pat Hallfrisch, Tom Haxby			
Date:		Work Instruction or Standard and Clause#:			
6/27/2006		1.6 Forest Management Unit Analysis			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
XX				Jeff Stampfly	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
FMU Analysis will be reviewed by TMU, Planner, Wildlife Biologist and staff prior to inventory					
<b>OBSERVED NONCONFORMITY:</b>					
Lack of a pre-inventory review meeting and only a single value (timber)was identified.					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem					
The meeting could not be scheduled before field examination started for several reasons. The data available to the TMS was incomplete for at least one YOE because of the timing of the inventory cycle. The District planner had been called to active military duty and the emphasis of the limited term position currently filling the slot has been the eco-plan. Many of the issues discussed at a pre-inventory meeting would have been similar to the pre-review meeting which was held for the previous YOE about the same time as the pre-inventory meeting would have needed to be held. Because of the timing, these meetings would have occurred very close to each other and the redundancy was deemed unnecessary. Because of this a meeting was not scheduled. The information provided by TMS Kuhr was distributed to all examiners on 12/14/05 and they were instructed to discuss their compartments with Wildlife and Fisheries.					
<b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions)					
The pre-inventory meeting for the 2009 YOE is being set up by the District Timber Management Specialist. This meeting will either occur in December of 2006 or January of 2007. Fisheries and the District Wildlife Ecologist have been invited to the meeting to present their information to the stand examiners.					
Proposed Completion Date:		Responsible Manager and date:		Next Level Supervisor and date:	
Actual Completion Date		Next Level Supervisor		Date	
Corrective Action Plan Accepted					
Lead Auditor Approval:				Date:	
Follow Up Comments:					

		Rev.# 1 May 08, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				<u>NCR #:3</u>	
Shingleton Forest Management				Unit Code - # 41-2006-03	
Lead Auditor:		Team Member(s):			
Mike Donovan		Kevin Labumbard, Pat Hallfrisch, Tom Haxby			
Date:		Work Instruction or Standard and Clause#:			
6/27/2006		3.2 Water Quality Best Management Practices Non-Conformance Reporting Instructions.			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
XX				Jeff Stampfly	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
DNR Employees are required to watch for and report water quality BMP problems in State Forests.					
<b>OBSERVED NONCONFORMITY:</b>					
Repeated failure to fill out NCR reports on open deck bridges, some staff without forms in vehicles, general sense that the problem is so extensive that it is not worth reporting.					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem Personnel have been prioritizing the reporting of BMP issues. Open deck bridges are a static problem and data has been collected on these bridges to allow the completion of NCR reports. Work Instruction 3.2 does not require that BMP NCR forms be kept in vehicles.					
<b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions) Since the internal audit a web based system for reporting BMP-NCRs has been developed. Calculators that estimate the repair cost and project priority have also been developed. Both the web based reporting and calculators have been fully implemented by Unit staff.					
Proposed Completion Date:		Responsible Manager and date:		Next Level Supervisor and date:	
Actual Completion Date		Next Level Supervisor		Date	
Corrective Action Plan Accepted					
Lead Auditor Approval:				Date:	
Follow Up Comments:					

		Rev.# 1 May 08, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				<u>NCR #</u> :4	
Shingleton Forest Management				Unit Code - # 41-2006-04	
Lead Auditor:		Team Member(s):			
Mike Donovan		Kevin Labumbard, Pat Hallfrisch, Tom Haxby			
Date:		Work Instruction or Standard and Clause#:			
6/27/2006		W.I. 3.3 Best Management Practices – Road Closures			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
XX				Jeff Stampfly	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
DNR employees who identifies existing road or trail meeting criteria for emergency road closure should immediately inform their supervisor and inform the FMFM Unit Manager. The Unit Manager will evaluate for safety concerns and immediately close the road.					
<b>OBSERVED NONCONFORMITY:</b>					
Failure to exercise emergency road closures on Haymeadow Creek and Smith Creek Bridge. Haymeadow Bridge is currently in stream with no physical barrier to close the road.					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem Haymeadow bridge is the only bridge that is closed and the work instruction has been implemented. While Haymeadow is partially in the stream, it is not causing any erosion and the road is blocked with a sign. The work instruction does not require a barricade. Smith Creek has not been closed. It has been signed unsafe to prevent use by heavy vehicles but remains open for passenger vehicle traffic. In both cases work instructions were followed and implemented as appropriate. The District Supervisor has been aware of both issues since their inception and is supportive of the action taken to date.					
<b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions) The Unit can not fix the problems associated with requesting Engineering Services or with the grants program. A road and bridge inventory <i>may</i> help with anticipating potential bridge failures, but there is not a system in place to do such an inventory. Regardless of an inventory, these problems will occur and the intent of the work instructions will be followed given the management considerations of the Unit and District Supervisor.					
Proposed Completion Date:		Responsible Manager and date:		Next Level Supervisor and date:	
Actual Completion Date		Next Level Supervisor		Date	
Corrective Action Plan Accepted Lead Auditor Approval: _____ Date: _____					
Follow Up Comments:					

		Rev.# 1 May 08, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				<u>NCR #:5</u>	
Shingleton Forest Management				Unit Code - - # 41-2006-05	
Lead Auditor:		Team Member(s):			
Mike Donovan		Kevin Labumbard, Pat Hallfirisch, Tom Haxby			
Date:		Work Instruction or Standard and Clause#:			
6/27/2006		7.1 Timber pre-sale checklist and sale administration procedures			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	XX			Jeff Stampfly	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
Cleanup of of Area. Check to be sure that any spills have been cleaned up according to the requirements of the General Sale Condition 5.6.1. Additionally the site should be kept clean of trash generated by the harvest operations.					
<b>OBSERVED NONCONFORMITY:</b>					
Failure to enforce cleanup of spills at West Branch Marsh Sale and Just Off the Road Sale, trash at Just Off the Road Sale					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem					
Inspection records for Just off the Road sale indicate the oil spill was first discovered during the internal audit. The sale has not been closed and we are taking escalating enforcement action to deal with the spill and the bridge debris that remains on the site. Inspection frequency is adequate for the sale.					
West Branch Marsh Sale was harvested during the winter and the first time it had been visited on bare ground was during the audit. When on the site, none of the staff present remembers an oil spill being discussed with the group. Since the audit the sale has been inspected and the marsh crossings opened back up. The sale inspector was not on the audit tour and because the spot was not pointed out to anyone else, he could not confirm the spot had been cleaned up. He did inspect all of the road system and knew of this CAR, but could not find the oil spill. With the remaining contract conditions met, the sale has been closed.					
<b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions)					
There have been staff discussions on the oil spills a couple of times since the internal audit. The "Final Guidance Spill Kits" e-mail has been redistributed to staff. The e-mail discusses what constitutes a spill and what has to be done when a spill occurs. It's hoped to incorporate some field training on identifying spills the next time we have a management unit field trip.					
Proposed Completion Date:		Responsible Manager and date:		Next Level Supervisor and date:	
Actual Completion Date		Next Level Supervisor		Date	
Corrective Action Plan Accepted					
Lead Auditor Approval:				Date:	
Follow Up Comments:					

		Rev.# 1 May 08, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				<u>NCR #:</u> 6	
Shingleton Forest Management				Unit Code - #- 41-2006-06	
Lead Auditor:		Team Member(s):			
Mike Donovan		Kevin Labumbard, Pat Hallfrisch, Tom Haxby			
Date:		Work Instruction or Standard and Clause#:			
6/27/2006		8.1 Michigan Department of Natural Resources Staff Training for State Forest Management			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	XX			Jeff Stampfly	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
Provide training to empower employees to perform their jobs to the level required by DNR policies. Utilize the training database to routinely monitor that training is up-to-date.					
<b>OBSERVED NONCONFORMITY:</b>					
Biodiversity training is critical to the performance of job duties and it is the observation of the audit team that unit staff have not participated in this training. Staff have not consistently monitored training database records. Inconsistencies between multiple records for individual employees.					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem Kim Herman's biodiversity class was not scheduled for Unit staff. Personnel training records, historically kept by the Unit were not consistent with the official training records kept in Lansing.					
<b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions) For FMFM, all personnel will be scheduled to attend Kim Herman's biodiversity class. In addition, FMFM staff will request a copy of their training records from Lansing before their performance appraisal and review it for accuracy. They will work with the training officer to update their training record. Personnel training records will no longer be kept by the Unit Secretary. A copy of the latest training record for each employee as provided by the training officer will be kept on file at the Unit. This will be updated annually with the copy that is requested for the performance appraisal by the individual.					
Proposed Completion Date:		Responsible Manager and date:		Next Level Supervisor and date:	
Actual Completion Date		Next Level Supervisor		Date	
Corrective Action Plan Accepted					
Lead Auditor Approval:				Date:	
Follow Up Comments:					

**Michigan DNR Forest Certification Internal Audit Draft Report  
Grayling Internal Audit Report (Draft 6-29-06)**

Forest Management Unit (FMU): Grayling  
Lead Auditor: Richard Stevenson

Internal Audit Dates: June 27-29, 2006  
Internal Auditors: Greg Gatesy, Steve Milford  
Dr. Gary Roloff

Introduction and Observations: The Grayling internal audit was held during the week of June 27-29, 2006, with auditors collecting background information on June 26. The scope of the audit was the state forest land in the Grayling Unit, excluding the lands under long-term lease to the Michigan National Guard. The audit criteria were the Forest Certification Work Instructions and all DNR policies, procedures and references which pertain to the management of the state forest land in the unit. The DNR staff directly responsible for work on the state forest lands within the Grayling Unit were considered the auditees. An opening meeting was held beginning at 0815 AM, Tuesday 27. The internal audit team then split up to conduct interviews and begin site inspections. Summary meetings and opening meetings were held each day of the audit. The internal audit team had morning briefings and a meeting each afternoon to review preliminary findings. The audit team collected evidence to determine work instruction conformance through conducting interviews, reviewing documents, and field observations at 49 sites. The internal audit team collected enough information to conduct a closing meeting by 8:15 AM, Thursday, June 29, 2006. The audit team agreed to issue Non-Conformances for work instructions even if the non-conformance was covered under statewide Corrective Action Requests from the third party auditors. It was further agreed to note through Observations or Opportunities for Improvement where performance could be improved. The audit team also generated an informal internal audit report for the unit's use.

The DNR staff, managers, and specialists associated with the Grayling Unit were very cooperative and supportive of certification. Cooperation obviously exists between Divisions at this unit, although we were not able to meet with or question the Lake Michigan Fisheries Biologist. Overall, the performance as compared to the work instructions was very good.

Report Content: This report consists of an introductory section, definitions, observations, opportunities for improvement and Non-Conformance Reports. Questions can be directed to Lead Internal Auditor, Richard Stevenson, Newberry OSC, 906-293-5131 ext. 4043, [stevenrd@michigan.gov](mailto:stevenrd@michigan.gov).

Definitions:

Major Non-Conformances: There were no Unit-level Major Non-Conformances in Grayling. A major non-conformance is where one or more of the forest certification work instructions have not been implemented.

Minor Non-Conformances: An isolated lapse in DNR Forest Certification Work Instruction implementation. This does not indicate a systematic failure to consistently meet a Forest Certification principle, objective, performance measure, or indicator. See Non-Conformance Report Forms (attached).

Conformances: Work instruction has been satisfactorily implemented. All items are in conformance unless otherwise noted.

Observations: These are constructive examples, either negative or positive, of implementing work instructions.

Opportunity for Improvement: These are areas where the letter of the work instruction is being fulfilled, but improvements in work processes are suggested.

Work Instruction	Findings
1.1 Strategic Framework for Sustainable Management	<b>Observation:</b> “The Operational Management Guidance for State-Owned Forest Lands” document, which is intended to fulfill work instruction 1.1, is not referenced by its proper name in the work instruction.
1.2 Mgmt Review	<b>Opportunity for Improvement:</b> Parks and Recreation Managers may need training in the work instructions that apply to them as they work on state forest lands. <b>Opportunity for Improvement:</b> The annual Management Review should be renamed to include the word “Annual”, so that people know that this report is produced each year. <b>Opportunity for Improvement:</b> Consider a bulletin board on the Certification Website for new documents and forms. This may help people stay up to date. <b>Minor Non-Conformance</b> W.I. 1.2 Clause 3 Management Review.
1.3 Eco-regional plan development	<b>Opportunities for Improvement:</b> Although the Unit had representation on the Ecoteams, and development of Eco-Regional planning documents was proceeding as scheduled, several Unit personnel indicated that increased communication among the Ecoteam and field personnel would be beneficial to ensure that the expertise and data from Unit-level field personnel were considered in plan development
1.4 Biodiversity Management on State Forest Land	<b>Conformance</b>
1.5 Social impact considerations	<b>Conformance</b>
1.6 FMU Analyses	<b>Conformance</b>
1.7 State Forest harvest trends	<b>Opportunity for improvement:</b> Staff should be aware that the Timber Harvest Trend Report is posted on the Forest Certification website.
2.1 Reforestation	<b>Opportunity for Improvement:</b> There is a potential conflict between Work Instruction 2.1, clause 4, and Work Instruction 2.2, clause 1. Timing conflicts exist between the choices of burning to aid artificial regeneration and the potential increased use of pesticides. Details of this have been sent to the auditees and the Forest Certification Implementation Team.
2.2 Use of pesticides and chemicals on State Forest Land	<b>Conformance</b>
2.3 Integrated pest mgt and forest health (FH)	<b>Conformance</b>
3.1 Forest Operations	<b>Observations:</b> Unit is making outstanding efforts to address water quality issues in all phases of their operations. <b>Minor Non-Conformance:</b> W.I. 3.1, Operations Review
3.2 Water Quality BMP Non-Conformance Reporting	<b>Observations:</b> Unit is using the form and spreadsheet. LED Officers for Crawford County have made particular good use of the Report Forms. The statewide data base is not completed. Additional funding and personnel to handle ORV restoration projects seems needed.
3.3 Road Closures	<b>Observations:</b> Unit is familiar with instruction, but has not had an opportunity to use it yet.
5.1 Coordinate Nat Res Mgt Research	<b>Minor Non-Conformance:</b> 5.1 Research
6.1 Implementing Pub Info and Educational Opportunities on State Forests.	<b>Observations:</b> Excellent examples of cooperative trash cleanups in Unit through Adopt-A-Forest. Public outreach and education are well done through Fire Prevention programs, community events, conservation groups, educational displays, and school programs. <b>Opportunity for Improvement:</b> Recommend placing all public contact information concerning a timber sale into the timber sale file
6.2 Integrating Pubic Recreational Opportunities with mgt on State Forest lands	<b>Observations:</b> Many examples of public interaction through public meeting documentation. Excellent recreational programs with examples of documentation and major maintenance projects.
6.3 SFI involvement and SFI State Imp. Committee	<b>Conformance</b>
7.1 Timber sale and contract administration	<b>Minor Non-Conformance:</b> W.I. 7.1, II clause 3
7.2 Legal Compliance	<b>Conformance</b>
8.1 Training	<b>Opportunity for Improvement:</b> All training records requested, but Fisheries and Wildlife Division would need to improve awareness of how to access training records.
9.1 Tribal Issues	<b>Conformance</b>

		Rev.# 1 May 25, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				NCR #:	
Grayling Unit, office evaluation				72 - 2006 - 01	
Lead Auditor:		Team Member(s):			
Stevenson		S. Milford, G. Gatesy, G. Roloff			
Date:		Work Instruction or Standard and Clause#:			
6/28/2006		1.2 Clause 3 Management Review			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	X			Division Chiefs / FMFM, WLD, FSHD	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
The Statewide Council will identify changes and improvements necessary at all Department levels to continually improve conformance with work instructions via a written annual communication to <u>all</u> employees [emphasis added].					
<b>OBSERVED NONCONFORMITY:</b>					
Unit personnel were unaware of the Management Review Summary published on January 6, 2006. Also, evidence of using outdated work instructions was noted suggesting that communications regarding work instruction revisions were not transcending all levels of the organization.					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem Staff were unaware of updates to the work instruction until shortly before the internal audit. In discussing this with other Division staff, no one was aware of the most recent batch of updates. Also, confusion existed over what the Management Review Summary was.					
<b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions) Susan will obtain a copy of the management review summary and will go over it with staff at their next unit meeting scheduled in August so everyone has an awareness of the document. Forest Certification Coordinator Dennis Nezych was sent a note asking if units could be sent notices when work instructions are updated and to highlight the annual management review instead of relying on units to check the webpage continually.					
Proposed Completion Date:		FMFM Unit Manager and date:		FMFM District Supervisor and date:	
7/7/07		Susan Thiel, July 7, 2006			
Corrective Action Plan Accepted					
Lead Auditor Approval:				Date:	
Actual Completion Date:		FMFM District Supervisor:		Date:	

		Rev.# 1 May 25, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				NCR #:	
Grayling Management Unit, office evaluation				72 - 2006 - 02	
Lead Auditor:		Team Member(s):			
Richard Stevenson		Gary Roloff, Greg Gatesy, Steve Milford			
Date:		Work Instruction or Standard and Clause#:			
6/28/2006		WI 3.1, Operations Review			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	x			FMFM, WLD, FSHD managers	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
FMFM, Fisheries, and Wildlife Divisions will review and approve all intrusive operations performed or permitted by any DNR division on State Forest Lands at appropriate levels and these approvals will be documented.					
<b>OBSERVED NONCONFORMITY:</b>					
Forest Treatment Proposals C-72-530 and C-72-531 are proposals for trenching and planting of jack pine in stands that were scheduled for natural regeneration at the compartment review, no cultural activities were identified in OIPC. Both FTP's required local fisheries biologist approval as well as approvals by FMFM and Wildlife Supervisors. All required signatures had not been acquired.					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem					
This FTP was processed when the work instructions were newly implemented and unit had not yet been having fisheries biologists sign off on non-water related FTPs at that point.					
<b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions)					
Fisheries representatives currently sign off on all FTPs, Use Permits, Sale proposals, etc. I believe the lack of signing was a gap during implementation of a new process. We had the fisheries biologist sign the remiss FTPs right after the audit. I believe the unit is following protocol and no changes need to be implemented in this arena to meet certification work instructions.					
Proposed Completion Date:		FMFM Unit Manager and date:		FMFM District Supervisor and date:	
6/29/06		Susan Thiel June 29, 2006			
Corrective Action Plan Accepted					
Lead Auditor Approval:				Date:	
Actual Completion Date:		FMFM District Supervisor:		Date:	
Follow Up Comments:					

		Rev.# 1 May 25, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				NCR #:	
Grayling Unit, office evaluation				72 - 2006 - 03	
Lead Auditor:		Team Member(s):			
Stevenson		S. Milford, G. Gatesy, G. Roloff			
Date:		Work Instruction or Standard and Clause#:			
6/28/2006		5.1 Research			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	X			Research Coordinators/FMFM, WLD, FSHD, Parks	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
<p>Research coordinators must compile a summary of research activities and expenditures. The first annual research report was scheduled for publishing on Dec. 15, 2005 and annually thereafter (corresponding to the timing of annual Management Review) and was to be made available to all DNR staff.</p>					
<b>OBSERVED NONCONFORMITY:</b>					
Unit personnel were unaware of the research summary reports or where to locate them.					
<p><b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem  Unit staff are unaware of a research summary being distributed for review.</p>					
<p><b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions)  Susan notified her District Manager of the problem and also sent an email to Forest Certification Coordinator Dennis Nezych and Research Coordinator Ron Murray inquiring as to the status of the report. Once a report is obtained, it will be distributed to all Division staff on the unit. Susan also indicated if a report did not exist at this point in time, that one is needed to be able to comply with Forest Certification work instructions.</p>					
Proposed Completion Date:		FMFM Unit Manager and date:		FMFM District Supervisor and date:	
7/7/06		Susan Thiel, July 7, 2006			
Corrective Action Plan Accepted					
Lead Auditor Approval:				Date:	
Actual Completion Date:		FMFM District Supervisor:		Date:	

		Rev.# 1 May 25, 2006		<b>MDNR Internal Audit Nonconformance Report</b>	
Unit Name and Site:				NCR #:	
Grayling Management Unit, multiple field sites				72 - 2006 - 04	
Lead Auditor:		Team Member(s):			
Richard Stevenson		Greg Gatesy, Gary Roloff, Steve Milford			
Date:		Work Instruction or Standard and Clause#:			
6/27/2006		WI 7.1, II clause 3			
Major	Minor	Other Documents (if applicable):		Responsible Manager(s)	
	x			FMFM Unit Manager	
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>					
At a minimum fill out a timber sale contract –field inspection report (R-4050) when each payment unit is complete based on the accumulated notes recorded during previous inspections. A final inspection report will be completed when the sale is completed or closed and attached to the timber sale completion report.					
<b>OBSERVED NONCONFORMITY:</b>					
Staff is not doing final inspection reports for each payment unit as they are completed. Inspection report notes cover multiple payment units.					
<b>ROOT CAUSE ANALYSIS:</b> Describe the cause of the problem Staff were unaware of the need to fill out a separate final inspection per payment unit and had just been merging these with all of the other inspections.					
<b>CORRECTIVE ACTION</b> (Proposed corrective action. To be completed by the Unit and relevant Divisions) Staff have been instructed to fill out a separate inspection form labeled “final payment unit inspection” for each final payment unit inspection starting immediately so they are identifiable from the other inspection reports.					
Proposed Completion Date: 6/29/06		FMFM Unit Manager and date: Susan J. Thiel, June 29, 2006		FMFM District Supervisor and date:	
Corrective Action Plan Accepted					
Lead Auditor Approval:			Date:		
Actual Completion Date:		FMFM District Supervisor:		Date:	
Follow Up Comments:					

## **Opportunity for Improvement**

There is a potential conflict between Work Instruction 2.1, clause 4, and Work Instruction 2.2 , clause 1. WI 2.1 states that a stand must be regenerated within two years of the cutting report when using artificial regeneration. WI 2.2 states that the department should minimize pesticide use to achieve management objectives.

Prescribed fire is one method for site prep to reduce competition but it often takes one to two years before enough fuels have accumulated to allow burning at an intensity to accomplish objectives. Scheduling of burns in appropriate windows often ends with the opportunity not being presented for a burn to occur in a given year. Both of these factors makes using RX fire for site prep within the two year requirement for planting unlikely.

With RX fire not an option the Timber Management Specialist is forced into the use of pesticides for site prep in order to comply with WI 2.1. This then conflicts with WI 2.2 requiring the minimization of chemical use.

One suggestion is that a method be implemented in which an extension to the two year requirement in WI 2.1 be given in instances where RX fire is being used for site prep.

## **Opportunity for Improvement**

Work Instruction 6.1 - Implementing public information and education opportunities on state forest.

Clause 5 – Per NRC Policy 1005, attention to citizen questions, inquiries, complaints, and requests shall be considered a principle duty by employees at all levels. DNR personnel shall promptly follow up on concerns and complaints from the public regarding forest management by:

- Directly resolving complaint if possible,
- Directing to appropriate specialists or managerial levels if necessary, and
- Following compartment review decision appeals process

Grayling staff has been making contact with nearby landowners regarding timber sales in proximity to there lands. In most cases they are documenting these contacts, however, incidental contacts are not always recorded. Recommend placing all contact information into timber sale file to show compliance with work instruction.

## **Michigan DNR Forest Certification Internal Audit Newberry Internal Audit Report**

Forest Management Unit (FMU): Newberry  
Lead Auditor: Jim Ferris

Internal Audit Dates: July 17-20, 2006  
Internal Auditors: Kerry Fitzpatrick  
Jack Pilon  
Eric Thompson

Introduction: The internal audit of the Newberry FMU was held the week of July 17-20, 2006. The scope of the audit was State Forest Land (SFL) within the Newberry FMU. The audit criteria were the Feb. 7, 2006 version of the Work Instructions (WIs) and all supporting DNR policy, procedures, rules, management guides, guidance documents, plans, and handbooks that were relevant to the management of SFL. On Monday, July 17, a detailed list of audit sites was selected and an audit route established based on a search of records and interviews with staff. The route sampled much of the State Forest lands within Luce County. An opening meeting with the participants was held on Tuesday at Newberry with short debriefing meetings held at the end of each field day. The team met each evening to review findings and plan the next day's activities. A closing meeting was held on Thursday, July 20, 2006. The audit team gathered evidence to determine work instruction conformance through interviews, document review and field observation.

Personnel participating in the audit were professional and cooperative during the audit. The audit team observed a high level of awareness of the Forest Certification Work Instructions accompanied by effective implementation on the ground. The audit team would like to thank personnel for their active participation.

Report Content: This report consists of an introductory page with Definitions, Non-conformance Reports (NCR's) and Opportunities For Improvements (OFIs). Questions can be directed to Jim Ferris, Lead Auditor, 906-249-3667, [ferrisj@michigan.gov](mailto:ferrisj@michigan.gov).

Luce County Lease Lands. The audit team reviewed the Luce County Lease program to determine if the lands managed under that program are within the scope of forest certification requirements. A final decision on this issue has not been made. The lead auditor will consult with the forest certification coordinator and others as needed to make that determination. A decision will be forthcoming within the next two weeks.

### **Definitions:**

Major Non-Conformances: One or more of the Michigan Department of Natural Resources (MDNR) Sustainable Forest Certification Work Instruction requirements has not been addressed or has not been implemented to the extent that a systematic failure of the MDNR to meet a Sustainable Forest Certification (Sustainable Forestry Initiative or Forest Stewardship Council) principle, objective, performance measure or indicator occurs (Adapted from the Sustainable Forestry Initiative Standard 2005-2009 Edition definitions).

Minor Non-Conformances: An isolated lapse in MDNR Sustainable Forest Certification Work Instruction implementation which does not indicate a systematic failure to consistently meet a Sustainable Forest Certification (SFI or FSC) principle, objective, performance measure or indicator.

Opportunities For Improvements: These are areas that do not warrant a CAR at this juncture, but effort should be put into resolving the issue or developing a procedure to deal with the issue before it does become a CAR.

## **Report and Review Procedure following the Internal Audit:**

1. Lead Auditor will compile the Draft Internal Audit Report (DIAR) from Audit team (NCR Reports and cover memo). Complete at closing meeting.
2. Lead Auditor will send the DIAR to FMU Manager for formulation of corrective actions. Send copy to Forest Cert Specialist and District FMFM Supervisor within 1 week.
3. FMU Manager will submit NCR with corrective actions to District Supervisor following consultations with other Divisions.
4. FMFM District Supervisor will approve and date the NCR. The FMFM District Supervisor will send the approved NCR to the Lead Auditor who will review and approve the NCR corrective action and sign the NCR Report. Complete within 4 weeks of closing meeting date.
5. Lead Auditor compiles the audit summary and completed NCRs into a final Internal Audit Report and submits report to the Forest Cert Specialist. Submit within 6 weeks of closing meeting date.
6. Forest Cert Specialist will forward Final Internal Audit Report to FCIT, FMFM Mgt Team, FMFM District Supervisors, all FMU Managers, and representatives from other Divisions as identified by the FCIT Division representatives.
7. Corrective Actions will be cleared either through the Management Review Process or in the next internal audit.



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Newberry		NCR Number (Unit Code - yyyy - #): 42-2006-1	
Lead Auditor: James Ferris		Team Member(s): John Pilon, Kerry Fitzpatrick, Eric Thompson	
Date (mm/dd/yyyy): 7/20/2006		Work Instruction or Standard and Clause Number: 1.4	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Various
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> 1.4 Appoint Regional Biodiversity Conservation Planning Teams so progress is made on designating areas comprising a network of areas managed to conserve special conservation areas (SCA), high conservation value areas (HCVA), and ecological reference areas (ERA). The Ecoregional Teams must implement by January 31, 2006.			
<b>OBSERVED NONCONFORMITY:</b> Biological Conservation Planning Team has not been formed yet.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Guidelines have taken time to develop and be reviewed. They are just now being finalized. Ecoregional core design teams could have been appointed but would not have functioned effectively without these guidelines to work from.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> As soon as the guidelines are approved, they will be provided to the ecoregion. The ecoregional managers will then appoint core design teams and provide them with the necessary guidance documents to enable them to begin designing the biodiversity networks.			
Proposed Completion Date (mm/dd/yyyy): 09/30/2006	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval:	Date
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Newberry		NCR Number (Unit Code - yyyy - #): 42-2006-2	
Lead Auditor: James Ferris		Team Member(s): John Pilon, Kerry Fitzpatrick, Eric Thompson	
		Work Instruction or Standard and Clause Number: 1.4	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Various
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> 1.4 Identify stand level biodiversity guidelines for treated stands and record in OI comments using in-stand retention and silvicultural guidelines.			
<b>OBSERVED NONCONFORMITY:</b> In stand retention guidelines have not be finalized yet.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> In-stand retention guidelines have taken time to develop and review. They are now being reviewed at the management team level and will be sent to the field as soon as approved. Guidelines could have been provided to the field earlier, but without good review, confusing direction may have been provided to guide field operations.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> Finish the management team review of the in-stand retention guidelines, make any necessary changes, and provide those guidelines to the field.			
Proposed Completion Date (mm/dd/yyyy): 8/31/2006	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval:	Date
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Newberry Forest Management Unit		NCR Number (Unit Code - yyyy - #): 42-2006-3	
Lead Auditor: Jim Ferris		Team Member(s): Kerry Fitzpatrick, Jack Pilon, Eric Thompson	
Date (mm/dd/yyyy): 07/20/2006		Work Instruction or Standard and Clause Number: 3.2 BMP Non-conformance Reporting Instructions	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable): Management Review Summary	Responsible Manager(s): Les Homan
<p><b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> DNR employees must report problems using a non-conformance report form. This information will be sent to the FMFM Unit Manager who is responsible for the site.</p>			
<p><b>OBSERVED NONCONFORMITY:</b> Not all employees are using the BMP reporting form. There appears to be confusion as to what should be reported on this form. Some BMP problems were observed that had not been reported even though, in some cases the staff acknowledged that the situation had been observed and had not been reported. Examples include the "gator hole" on a county road, illegal ORV problems, a perched culvert, and open deck bridges. BMP reporting form should also be used to report illegal ORV problems, not just water quality problems.</p>			
<p><b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> There was a misunderstanding about whether or not to file an actual BMP form or if listing it on the BMP log was enough. At a unit staff meeting held on 7/25/2006, there was considerable discussion around the issue of BMPs that revealed another misunderstanding about what constituted a BMP problem. Several staff felt that if the problem did not involve water, or was a wet pothole on a county road, it did not qualify.</p>			
<p><b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> At a unit staff meeting on 7/25/2006, all staff were informed that filling out the form was a requirement to log a BMP problem. Staff have begun filling out the forms for all BMP sites listed on the log at the time of the audit. That should be completed by 8/11/2006. Staff will also be logging other erosion problem sites that are not water related to conform with work instructions. As a unit we are trying to come up with a system to prioritize and separate those that can be addressed by different funding sources (eg FDF, ORV, snowmobile).</p>			
Proposed Completion Date (mm/dd/yyyy): 8/11/06	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval:	Date:
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



**INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)**

Unit Name and Site: Newberry		NCR Number (Unit Code - yyyy - #): 42-2006-4	
Lead Auditor: Jim Ferris		Team Member(s): John Pilon, Eric Thompson, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 07/20/2006		Work Instruction or Standard and Clause Number: 5.1 - Coordinated Natural Resources Management Research	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Various
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> Each division must compile a summary of research activities. The summary will include in-house, collaborative, and contracted research. An annual research summary will be published by December 15, 2006.			
<b>OBSERVED NONCONFORMITY:</b> A research project (Muskrat Lakes Surrogate Study) was not included in the FMFM portion of the draft summary. Although there is a draft document, the document has not been "published" to date.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Unit Manager forgot about the need to notify the FMFM research liaison about the existence of the research study. The project began before the existence of work instructions.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> FMFM research liaison Ron Murray has been notified about the project and provided a copy of the original proposal on 7/26/2006. Unit manager has informed staff of the need of all personnel who become aware of research on state forest land to inform their respective liaisons.			
Proposed Completion Date (mm/dd/yyyy): 7/26/2006	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval:	Date:
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Newberry Forest Management Unit		NCR Number (Unit Code - yyyy - #): 42-2006-5	
Lead Auditor: Jim Ferris		Team Member(s): Kerry Fitzpatrick, Jack Pilon, Eric Thompson	
Date (mm/dd/yyyy): 07/20/2006		Work Instruction or Standard and Clause Number: 7.1 Timber Sale Preparation and Administration Procedures 7.2 Legal Compliance & Administration and Contracting	
Major: <input type="checkbox"/>	Minor: <input checked="" type="checkbox"/>	Other Documents (if applicable): Management Review Summary	Responsible Manager(s): Les Homan
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> DNR encourages safe working conditions... Management Review: Unit Manager must enforce and comply with safety requirements (PPE) as outlined in work instruction 7.1. WI 7.2 1) MDNR will comply with all applicable Federal, State, and local laws and regulations including those that govern employment practice and worker safety.			
<b>OBSERVED NONCONFORMITY:</b> Forwarder operator working on forwarder at landing site was not wearing a hardhat or safety glasses. Harvester operator did not put on his hardhat when he exited the harvester. DNR campground workers were cutting hazard trees at the Pretty Lakes Campground were not wearing hardhats and safety glasses. (Person operating the chainsaw did have PPE on).			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> 1) Operators are not yet in the habit of wearing safety equipment when outside their equipment on a logging job (operator was wearing safety glasses). 2) Campground crew sawyer was wearing all proper safety equipment, but the rest of the crew did not realize they needed it as well when in proximity of running equipment			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> 1) Operators will be continually reminded that they need to wear PPE when outside their equipment to meet both MIOSHA regulations and state timber sale contract requirements. Violations of the PPE requirements will be recorded against the "7 warnings" allowed on applicable contracts. 2) Campground crew has been instructed to wear all PPE whenever working in vicinity of Chainsaw.			
Proposed Completion Date (mm/dd/yyyy): 7/26/2006	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval:	Date
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
<b>Follow Up Comments:</b> Corrective Actions have been put in place, but the continual reminders will be ongoing.			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Newberry Forest Management Unit		NCR Number (Unit Code - yyyy - #): 42-2006-6	
Lead Auditor: Jim Ferris		Team Member(s): Kerry Fitzpatrick, Jack Pilon, Eric Thompson	
Date (mm/dd/yyyy): 08/1/2006		Work Instruction or Standard and Clause Number: 3.1 Forest Operations 7.1 Timber Sale Preparation and Administration Procedures	
Major: <input type="checkbox"/>	Minor: <input checked="" type="checkbox"/>	Other Documents (if applicable): Management Review Summary	Responsible Manager(s): Les Homan
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> 3.1. Operations review: FMFM, Fisheries, and Wildlife Divisions will review and approve all intrusive operations performed or permitted by any DNR division on State Forest lands at appropriate level(s), and these approvals will be documented. 7.1. Pre-sale checklist, timber sale inspections process, safety, training requirements for loggers.			
<b>OBSERVED NONCONFORMITY:</b> 3.1. Luce County Lease lands are not subject to operations review and multi-division sign off of intrusive activities. 7.1. Timber sales on Luce County Lease lands are not conducted following the procedures outlined in work instruction 7.1. Note: Luce County Lease lands while included as "certified" lands managed by MDNR. They are represented in the forest inventory, are discussed during compartment reviews and are included in the EUP planning process. However, they are not being managed in accordance with the work instructions. The citations given are examples of non-conformances but are not an exhaustive list.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Luce county lease lands were created by an act of the Michigan Legislature in response to an economic hardship placed on the county when the state psychiatric hospital closed. This act provided a free 15 year lease to the county (renewable for an additional 15 years) to manage the timber on a portion of state forest land and keep the revenues generated to use for county purposes. The act also provided that all management would be guided by a management plan approved by the department at the outset, but there was no provision in the act requiring the county to follow our normal inventory and review procedures. Certification is now questioning mgt review of this.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> The original and 15 year revised forest plans have been reviewed and approved by the DNR, although not the public, at inception. The Newberry Unit Manager is an ad hoc member of the Luce County Forestry Committee which has oversight responsibilities for the Luce county Lease Lands, so there is regular review of activities at the committee meetings. The Newberry Wildlife Biologist has requested to attend these meetings and will be doing so at any future meetings that her schedule allows. Regular notice of all treatments is provided by the county contract forester to the unit office, and treatment specifications have been modified, although there is no requirement to do so if the plan is being followed. In addition to these things already being done, there are a couple ways proposed to resolve the conflict with the work instructions. 1) Classify the lease lands as an SCA with its own particular management governed by the lease agreement (which at this point is the corrective action I recommend). 2) Remove the lands from the state forest land base, placing them out of scope and leaving them uncertified for the duration of the lease period. 3) Negotiating with Luce County to have their treatments come under annual review and approval per our standard procedures for the duration of the lease. 4) Assume that the current regular review of treatments as proposed in the plan is sufficient and do nothing further.			
Proposed Completion Date (mm/dd/yyyy):	FMFM Unit Manager and Date:	FMFM District Supervisor and Date:	
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval:	Date
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:

## Opportunities for Improvement

1. Staff are not familiar with the state forest management plan. This is an inter-divisional document that will be made available for public review before many DNR staff have seen it. (ref work instruction 1.1)

**Response:** The plan is on a very tight development timeline to meet certification requirements. There was very little time available to provide for internal staff review beyond those involved in its development and management approval. It is now out for general public review. It is the intention of the Newberry Unit Manager to review the plan, outline the highlights that specifically pertain to Forest Unit management and make them the subject of a unit staff meeting. Hopefully, this will happen before the review period is completed, and any suggestions for improvement will be forwarded to the statewide planning team.

2. Sequence and timing for review of EUP ecoregional plan is unreasonable. It does not allow sufficient time for staff to review before it is made available to the public. (ref work instruction 1.3)

**Response:** Selective staff have been involved in drafting portions of the plan and reviewing it already. So, while it has not been out for general internal staff review, there has been some field input. Currently the draft plan has been completed and made available. The Newberry Unit Manager has the intention of reviewing it, highlighting areas that give particular guidance to Forest Unit management, and making the Ecoregional plan the subject of a unit staff meeting. If this can happen during the scheduled review period, and suggestions for improvement are noted, they will be forwarded to the ecoteam.

3. Changes of stand management objective in the OI database in compartments prior to YOE 2007 should be updated using the variance procedures contained in chapter 7 of the OI manual. This is in reference to work instruction 2.1 and observations made in a stand on the east side of the Blind Sucker Creek Flooding where a mixed stand of aspen, jack pine and spruce-fir was regenerating to types other than jack pine. (ref work instruction 2.1)

**Response:** The stand that was visited has regenerated to suitable stocking level of a variety of suitable species. It was a mixed stand before the sale, having an equal mix of Jack Pine and Paper Birch, as well as a strong component of Aspen and some Balsam Fir, Red Maple, and Spruce, and it is returning to that mix. Jack pine in north Luce County often takes 6-8 years to see the full results of regeneration, so there may still be some coming into the stand. The limitation of the Operations Inventory system does not permit the specification of a mix of species for an MO, and there was no good way to specify that mix before the new procedures. We are quite happy with the mix coming back and will re-evaluate the appropriate one letter MO at the next inventory cycle in 2 years when we inventory the 2010 compartments. At that point also, we will specify an alternative species mix in OI comments or a multiple species mix in IFMAP, per the current OI procedures.

4. Public reporting of BMP problems is encouraged in work instruction 3.2, “Public reports should be received and recorded at any DNR office and directed to the local FMFM office for archiving and response. Additionally, private citizens may report BMP problems through a DNR website (under development), or by using a toll free telephone number (1-800-474-1718). Contact information for public reporting will be made available to the public in appropriate manners.” BMP reporting by groups such as recreational trail grant sponsors and others should be promoted to a greater extent. The public could be encouraged to use the toll free call in number while the web reporting process is being developed. Additionally, the toll free reporting number should be posted on internet web sites sponsored by the department and individual forest management units.

**Response:** A unit staff meeting was held on 7/25 to review the results of the audit. At that meeting staff were encouraged to inform members of the public that they deal with about the toll free telephone number to report BMP problems. They were also asked to advise organizations they work

**with, such as loggers and grant sponsors about the number. The Unit manager has asked for an update of the unit website to include the addition of the BMP telephone number.**

5. Management Review Summary for work instruction 9.1 encourages one-on-one contacts with key environmental tribal officers for units where tribal chairs are located within the unit boundaries. Although the Newberry unit does not have a tribal chair located within its boundaries we still recommend that the unit manager establish a contact with the environmental tribal officer for tribes that have interest in the Newberry unit.  
**Response: The Newberry Unit Manager has been in contact with the EUP Ecoregional planners who are beginning tribal contact in the EUP. They are investigating a joint meeting with the tribes and EUP unit managers. No contact will be initiated until this meeting can be confirmed. If it will not occur in the near future, then the Newberry Unit Manager will initiate contact with appropriate tribal officials. In addition, per new policy, all notices of open house and compartment review activities will be sent to all 12 registered tribes in Michigan.**

**Michigan DNR Forest Certification Internal Audit  
Crystal Falls Internal Audit Report**

Forest Management Unit (FMU): Crystal Falls  
Lead Auditor: Kim Herman

Internal Audit Dates: July 25-27, 2006  
Internal Auditors: Robert Burnham  
Donald Mankee  
Gary Roloff

Introduction: The internal audit of the Crystal Falls Forest Management Unit was held the week of July 24-27, 2006; with auditors actually beginning work on July 24. The scope of the audit was State Forest Land (SFL) within the Crystal Falls FMU. The audit criteria were the Feb. 7, 2006 version of the Work Instructions (WIs) and all supporting DNR policy, procedures, rules, management guides, guidance documents, plans, and handbooks that were relevant to the management of SFL. On Monday, July 24, a detailed list of audit sites was selected and an audit route established based on a search of records and interviews with staff. The audit team divided into two and covered routes in North Dickinson and South Iron County on Tuesday and North Iron and South Dickinson County on Wednesday. An opening meeting with the participants was held on both Tuesday (24 staff) and Wednesday (18 staff) and short meetings were held at the end of each field day to plan and debrief. The team met each evening to review findings and plan the next day's activities. A closing meeting was held on Thursday, July 27, 2006 with the internal audit team and 15 staff. The internal audit team gathered evidence to determine work instruction conformance through interviews, document review and field observation.

All personnel participating in the audit were very cooperative during the audit. It was obvious to the audit team that the Crystal Falls FMU staff were implementing the work instructions and have made some commendable efforts in many areas. The audit team would like to thank personnel for their active participation and professionalism. Staff were courteous and went out of their way to make the audit team feel welcome.

Report Content: This report consists of an introductory page with Definitions, Good Management Practices, Opportunities For Improvements (OFIs) and Corrective Action Requests (CARs). Questions can be directed to Kim Herman, Lead Auditor, MDNR Marquette OSC, 1990 US-41 South, Marquette, MI 49855, Phone 906-226-1348, email: hermank@michigan.gov.

**Definitions:**

Major Non-Conformances: One or more of the Michigan Department of Natural Resources (MDNR) Sustainable Forest Certification Work Instruction requirements has not been addressed or has not been implemented to the extent that a systematic failure of the MDNR to meet a Sustainable Forest Certification (Sustainable Forestry Initiative or Forest Stewardship Council) principle, objective, performance measure or indicator occurs (Adapted from the Sustainable Forestry Initiative Standard 2005-2009 Edition definitions).

Minor Non-Conformances: An isolated lapse in MDNR Sustainable Forest Certification Work Instruction implementation which does not indicate a systematic failure to consistently meet a Sustainable Forest Certification (SFI or FSC) principle, objective, performance measure or indicator.

Opportunities For Improvements: These are areas that do not warrant a CAR at this juncture, but effort should be put into resolving the issue or developing a procedure to deal with the issue before it does become a CAR.

## Good Management Practices

### WI 1.4 Biodiversity on State Forest Lands

- Implementation of the within-stand biodiversity interim guidelines was evident in evaluated harvest units. Numerous examples of retained structures were observed, including retention of live green trees (white pine, birch, ash), snags, and downed woody debris.
- The Crystal Falls FMU staff are commended for their work in implementing mesic conifer restoration in northern hardwoods as exemplified by within stand retention, under-planting, and under-burns.
- The Crystal Falls FMU staff are doing a good job following raptor guidelines. Also, we documented an excellent example of cooperation between FMFM and Wildlife on identifying and protecting a previously unknown goshawk territory. A forester observed a stick nest and informing appropriate wildlife personnel and MNFI. As a result, a new goshawk territory was identified. The Unit Manager agreed to defer harvest until the next Compartment Review.

### WI 3.2 BMP Reporting

- Law Enforcement Division is actively reporting BMP violations.

### WI 6.2 Recreational Opportunities on State Forest Lands

- The campground inspection and maintenance program was effective and well organized.

### WI 7.2 Legal Compliance

- Crystal Falls FMU demonstrated good follow up on trespass tracking and non-timber trespass violations are being handled aggressively and in a timely matter as evidenced by the Trail #2 trespass case.

## **Opportunities for Improvement**

### Worker Safety:

- Auditors' interviews revealed perimeter fences around mines on state forest land are in need of repair. Unit Manager should follow up on DNR procedures to fund repairs to perimeter fences and signs on mines on state forest lands; review contractor safety language regarding mines with the Lansing office; protection staff should consider adding known mine sites to annual fire plan hazard maps.

### WI 3.1 Forest Operations:

- Unit manager should check the MNFI database and contact the State Historic Preservation Officer to advise of road construction use permit applications prior to approval recommendation.
- Staff need to begin reporting known special sites to the State Historic Preservation Officer.

### WI 8.1 MDNR Staff Training F or SF Management

- Unit Manager needs to send a list of employee training needs to FMFM Training Officer.



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Crystal Falls - Office Review and Staff Interviews		NCR Number (Unit Code - yyyy - #): 12-2006-1	
Lead Auditor: Kim Herman		Team Member(s): Gary Roloff, Bob Burnham, Don Mankee	
Date (mm/dd/yyyy): 07/27/2006		Work Instruction or Standard and Clause Number: 1.1 Plan Monitor and Review	
Major: <input type="checkbox"/>	Minor: <input checked="" type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Steve Milford
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> All MDNR Land Management Staff should have "knowledge of document (Statewide Forest Management Guidance document) and guidance therein and to ensure guidance is reflected in operations".			
<b>OBSERVED NONCONFORMITY:</b> Crystal Falls Unit staff were aware of and discussed the strategic guidance document but were not completely familiar with what the document contained or how the document will influence or guide land management operations. Also, Unit staff were unaware of the abridged version of the strategic guidance document, which was developed specifically for the land management staff.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Staff were aware of Strategic Guidance Document and had been sent the Abridged Guidance Document on 12/16/2005 (e-mail attached). Staff did not have time to thoroughly familiarize themselves with either document though due to the tremendous amount of documents being forwarded to them as a result of forest certification as well as their normal workload.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> The Abridged Guidance Document was given in hardcopy to the land management staff on 8/4/2006 along with the attached letter requiring them to read and understand the Abridged Guidance Document. The Abridged Guidance Document will also be discussed at an upcoming unit meeting on August 17, 2006 in which all land management staff will be present.  There is also a copy of the Strategic Guidance Document and Abridged Guidance Document in a 3-ring binder that contains multiple Forest Certification Documents. Each office on the unit has a copy of the 3-ring binders for reference by staff.			
Proposed Completion Date (mm/dd/yyyy): 08/17/2006	FMFM Unit Manager and Date: Steve Milford – Signed on 9/6/06	FMFM District Supervisor and Date: Debbie Begalle – Signed on 9/11/06	
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval: Kim Herman	Date 10/05/06
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Crystal Falls - Staff Interviews		NCR Number (Unit Code - yyyy - #): 12-2006-2	
Lead Auditor: Kim Herman		Team Member(s): Gary Roloff, Bob Burnham, Don Mankee,	
Date (mm/dd/yyyy): 07/27/2006		Work Instruction or Standard and Clause Number: 1.4; 1.4(4); 1.6(2) Biodiversity Management on State Forest Lands	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable): Operations Inventory Data Base Biodiversity Data Layer	Responsible Manager(s): Steve Milford
<p><b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b></p> <p>1) The purpose of this work instruction is to “provide direction for cataloging areas within the state forest that have been identified for a variety of biodiversity values.” In order to effectively implement this work instruction, “it is the responsibility of DNR land management staff to understand the intent of the SCA identification as well as the implications for management activities”.</p> <p>2) “Prior to the initiation of field inventory, determine if area contains occupied habitat for threatened, endangered, or special concern species (plants and animals), or Species of Greatest Conservation Need (SGCN) (animals and fish).”</p> <p>4) “FMUs will conduct a pre-inventory review of the next year-of-entry (Y.O.E.) compartments”.</p> <p>5) In reference to a GIS layer of SCAs distributed by Lisa Dygert to all Units, the 2006 Management Review noted that “Anomalies in the OI database must be corrected by March 1, 2006 by District Planners” thereby resulting in an updated SCA layer for Unit use. The SCA layer currently used by the Crystal Falls Unit FMFM staff is dated August, 2005. It was noted that some staff were currently in IFMAP training and they recognized that up-to-date data would be available in IFMAP.</p>			
<p><b>OBSERVED NONCONFORMITY:</b></p> <p>1) Unit staff received SCA training. Unit staff was aware that an SCA nomination process existed and that the Biodiversity Conservation Planning Team would help implement the SCA/HCVA/ERA work instruction, but inconsistent interpretation of what constitutes an SCA (or potential SCA) and how the O.I. code 8 should be used (e.g., deer yards, high quality trout streams) has hindered identification and implementation.</p> <p>2) MNFI data on rare and protected plants and animals were not queried in support of the pre-inventory meeting as required by the Work Instruction (1.4(4)). Also, MNFI stand specific comments do not consistently occur in the O.I. database in the locked portion of “stand comments” per the O.I. manual. We observed general MNFI comments in the “compartment header” field , but stand specific comments were not consistently entered into the stand comments.</p> <p>3) Evidence indicated that the Y.O.E. 2008 pre -inventory review occurred in January of 2006 but the official inventory start date for the Crystal Falls Unit was October 1, 2005. Thus, the pre-inventory meeting occurred approximately 3 months after the official start of inventory (1.6(2)).</p> <p>4) Unit staff is not using an updated SCA layer and as a result no evidence of a correction effort was observed.</p>			
<p><b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b></p> <p>1.) Due to the complexity of the biodiversity WI and SCA’s, additional training for staff is needed.</p> <p>2.) WI (1.4(4)) requires a query of MNFI data prior to field inventory not prior to pre-inventory meeting. Also, some staff may not have realized the need to put stand specific comments in the locked comments. Others may have inadvertently left MNFI comments out of OIPC.</p> <p>3.) Work instruction 1.6(2) does not define when the pre-inventory FMU analysis is to occur.</p> <p>4.) An updated SCA layer does not exist on CD but is available to the staff through IFMAP. Attached is Lisa Dygerts e-mail describing the inability to produce such a CD. Staff was not sufficiently trained in IFMAP prior to the unit beginning inventory for 2008 YO.E.</p>			

**CORRECTIVE ACTION** (Proposed corrective action. To be completed by the Unit and relevant Divisions):

- 1.) Kim Herman has been contacted to provide additional training to land management staff with an emphasis being placed on the inconsistent interpretation of what constitutes an SCA and how the OI code 8 should be used. September 12, 2006 is the date that has been selected for the training.
- 2.) WI 1.4(4) requires MNFI data be queried prior to initiation of field inventory but does not require a query prior to the pre-inventory meeting. The unit was not in non-conformance with the WI as written. The compartments where the MNFI comments were not entered properly in the OI database were not identified by the audit team so it would be difficult for the unit to correct. If the compartments are identified the unit will make the corrections to be in compliance with the OI manual and the WI. Also, an e-mail to staff directing them to document all MNFI comments in the locked comments on future inventory has been sent out and a copy is attached.
- 3.) The District Inventory Planner Specialist has stated that there is no "official inventory start date". Unit staff did not realistically start inventory until after the pre-inventory meeting. No final decisions from any inventory were done until well after the pre-inventory meeting and all information from the meeting was available to be used in the decision making process as intended.
- 4.) No updated SCA layer is available on CD. Staff will use data provided from IFMAP per Lisa Dygerts instruction. Two staff members are IFMAP trained, Deb Goupell and Cynthia Cooper, they will be responsible for queries for the unit staff.

Proposed Completion Date (mm/dd/yyyy):	FMFM Unit Manager and Date:  Steve Milford – Signed on 9/6/06	FMFM District Supervisor and Date:  Debbie Begalle – Signed on 9/11/06
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval:  Kim Herman  Date: 10/05/06
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:	Date:
Follow Up Comments:		



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Crystal Falls --Office records review and several hardwood management field sites.		NCR Number (Unit Code - yyyy - #): 12-2006-3	
Lead Auditor: Kim Herman		Team Member(s): Don Mankee, Gary Roloff, Bob Burnham	
Date (mm/dd/yyyy): 7/27/06		Work Instruction or Standard and Clause Number: 2.1 Reforestation Monitoring	
Major: X	Minor:	Other Documents (if applicable): Operations Inventory Database	Responsible Manager(s): Steve Milford
<p><b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b></p> <ol style="list-style-type: none"> <li>1. Unit Managers are responsible for tracking artificial and natural regeneration to ensure adequate regeneration is achieved.</li> <li>2. The work instruction requires that all plantings must be summarized annually and documented on the form R4046.</li> </ol>			
<p><b>OBSERVED NONCONFORMITY:</b></p> <p>1.a. There is a complex problem with regeneration of the Northern Hardwood timber type on this Unit. Conventional silvicultural treatments have historically failed to move stands from an even aged or two aged condition, to a true uneven-aged condition. Staff are well aware of this problem, but have been instructed by Operations Inventory QA, QC leads to code treatments as selection cuts (regeneration cuts) in spite of the fact that the expected result will simply be a thinning (stand improvement cut).</p> <p>When the desired future condition of a stand is not expected to be achieved by the conventional means applied, the treatment coded in OI should be consistent with the expected result. The method of cut code (8) for selection cuts is then inappropriate, and a method of cut code (4) should be used.</p> <p>b. Currently, there is not a tracking mechanism for artificial or naturally regenerating stands including mesic conifer under-plantings. In addition, the protocol for measuring the success of mesic conifer under-plantings is not established.</p> <p>2. Wildlife Division has an extensive planting program under the Mesic Conifer initiative and plantings are not summarized annually on the form R4046.</p>			
<p><b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b></p> <ol style="list-style-type: none"> <li>1.) (a) QAQC leads in the past have directed staff to code harvests in Northern Hardwoods as selection even though regeneration was not expected. Stands should have been coded for thinnings. The primary problem in these stands is the lack of regeneration occurring following a harvest. Research is needed into reasons for and possible solutions to regeneration problems in Northern Hardwood stands in Iron and Dickinson Counties. (b) Unit was tracking artificial and natural regeneration but not on the official "Forest Regeneration Timeclock" form. There is not currently an accepted protocol for measuring the success of mesic conifer under-plantings.</li> <li>2.) Wildlife Division staff were unaware that plantings were to be tracked on the form R4046.</li> </ol>			

**CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):**

- 1.) (a) Staff will be directed to code Northern Hardwood stands as 4-Thinning when natural regeneration is in question. A cross-division team (Cervid Herbivory Team) has been charged to assess the effects of browsing by ungulates. The team is in progress and on schedule. When the assessment is available the process of determining causal factors for hardwood regeneration failure and corrective actions will begin.
- (b)The “Forest Regeneration Timeclock” tracking sheet will be used on the unit starting now. The mesic conifer underplanted in stands that are logged on the regeneration tracking sheet will be surveyed as part of the overall stand regeneration under work instruction 2.1(5). Work Instruction 2.1 has no requirement that mesic confers be monitored separately from other regeneration. It is the opinion of the District TMS that SFI objective 2.1 is being met with the regeneration tracking process. As a process improvement, a monitoring process for mesic conifer under plantings should be developed to assess the effectiveness of the program.
- 2.) Wildlife staff have put their mesic conifer plantings onto form R4046 and will continue to do so for future plantings. Copy of recent planting on R4046 attached.

Proposed Completion Date (mm/dd/yyyy): 8/17/2006	FMFM Unit Manager and Date: Steve Milford – Signed on 9/6/06	FMFM District Supervisor and Date: Debbie Begalle – Signed on 9/11/06
CORRECTIVE ACTION PLAN ACCEPTED:	Lead Auditor Approval: Kim Herman	Date 10/05/06
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:	Date:
Follow Up Comments:		



**INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)**

Unit Name and Site: Crystal Falls - Fence River Bridge and interviews with staff in field.		NCR Number (Unit Code - yyyy - #): 12-2006-4	
Lead Auditor: Kim Herman		Team Member(s): Don Mankee, Bob Burnham, Gary Roloff	
Date (mm/dd/yyyy): 07/26/2006		Work Instruction or Standard and Clause Number: 3.2 Best Management Practices Non-Conformance Reporting Instructions	
Major: <input type="checkbox"/>	Minor: X	Other Documents (if applicable): BMP tracking spreadsheet	Responsible Manager(s): Steve Milford
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> DNR employees are required to watch for and report BMP problems in State Forests (see water quality management practices checklist). Reporting responsibilities include water quality and site productivity issues. Employees should endeavor to monitor problem prone areas on a systematic basis.			
<b>OBSERVED NONCONFORMITY:</b> 1. Although staff demonstrated a general good working knowledge of BMP issues, they were unaware of the BMP problems associated with gap decked bridges. Fence River Bridge was re-decked in 2004. Deck timbers were placed with three inch gap spacing, perpendicular to road, and covered with two sets of running plank to accommodate wheel base of bridge traffic. Staff immediately completed a Resource Damage Report (R 4501). 2. Staff have begun to fill our BMP NCR forms, the BMP tracking log is being maintained, and the issues are being addressed where reported, auditors observed BMP violations where forms had not been filled out.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> 1.) All bridges on the unit had been designed and built to acceptable DNR guidelines which included gap decks which were designed to lengthen the life of the bridges. Staff were unaware of BMP problems associated with gap decking. There currently are no engineered bridge design standards available to staff to use during bridge construction. 2.) The unit has a large number of BMP sites due to the number of old roads, crossings, culverts, bridges, etc. The staff has been submitting BMP report forms but have not identified all the sites as yet.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> 1.) All the gap deck bridges on the unit will have BMP report forms filled out for them by September 30, 2007. The unit has already secured some funding to start addressing the problem and work to re-deck some of the bridges will begin this year. The department needs to look for a long term solution to bridge decking through a request for engineering services to determine a design that will comply with the BMP requirement while providing for a reasonable lifespan on the bridges. 2.) The staff will continue to fill out BMP report forms on sites with BMP problems as they are found. The continued need to identify and address BMP issues will be addressed at unit meetings.			
Proposed Completion Date (mm/dd/yyyy): 12/31/2007	FMFM Unit Manager and Date: Steve Milford – Signed on 9/6/06	FMFM District Supervisor and Date: Debbie Begalle – Signed on 9/11/06	
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval: Kim Herman	Date: 10/05/06
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Crystal Falls - Zimmerman Aspen, Staggar Grade Rec Trail 2, and many other locations.		NCR Number (Unit Code - yyyy - #): 12-2006-5	
Lead Auditor: Kim Herman		Team Member(s): Bob Burnham, Gary Roloff, Don Mankee	
Date (mm/dd/yyyy): 07/27/2006		Work Instruction or Standard and Clause Number: 2.3 Integrated Pest Management and Forest Health 5b Invasive Species	
Major: <input type="checkbox"/>	Minor: <input checked="" type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Robert Heyd
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> <ol style="list-style-type: none"> <li>1. FMFM Forest Health Specialists will provide directions and advice to the FMU's in regard to control of invasive exotic species.</li> <li>2. Consideration should be given to the potential spread or increase of invasive exotic species in the planning and operational stages of all treatments.</li> </ol>			
<b>OBSERVED NONCONFORMITY:</b> <ol style="list-style-type: none"> <li>1. Though foresters are aware of invasive exotics, i.e, buckthorn, and are sending forest health forms to the forest health specialists, fire officers had minimal awareness of invasive exotics and staff were not aware of upcoming training.</li> <li>2. There is no direction or plan to control the spread of invasive exotic species in the unit.</li> </ol>			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> <ol style="list-style-type: none"> <li>1.) Fire officers had not been formally trained in identification of invasive exotics or the threats they pose to the health of the forest.</li> <li>2.) There is no statewide guidance or funding source to control pervasive exotics such as spotted Knapweed.</li> </ol>			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> <ol style="list-style-type: none"> <li>1.) All unit staff, Foresters and Fire Officers, are scheduled for the Invasive Species Workshop scheduled for August 30, 2006. All staff have been advised of the upcoming training (see attached e-mail).</li> <li>2.) The unit has been working with the forest health specialist to identify the extent of the Glossy Buckthorn problem and Linda Lindberg along with Bob Heyd have proposed some trials to attempt to control the Buckthorn on state land. The staff are also identifying Oak Wilt sites and notifying the forest health specialist so control measures can be performed. As staff identify other forest health issues the forest health specialist has been contacted and will continue to be in the future. Linda Lindberg has been assigned as the unit coordinator for exotic/invasives and will work with forest health specialist and unit staff to better identify and address exotic/invasives on the unit.</li> </ol>			
Proposed Completion Date (mm/dd/yyyy): 8/30/2006	FMFM Unit Manager and Date: Steve Milford – Signed on 9/6/06	FMFM District Supervisor and Date: Debbie Begalle – Signed on 9/11/06	
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval: Kim Herman	Date: 10/05/06
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



**INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)**

Unit Name and Site: Crystal Falls - Office Interview and Northern Michigan University Woodcock Research Area		NCR Number (Unit Code - yyyy - #): 12-2006-6	
Lead Auditor: Kim Herman		Team Member(s): Gary Roloff, Bob Burnham, Don Mankee,	
Date (mm/dd/yyyy): 07/27/2006		Work Instruction or Standard and Clause Number: 5.1 Coordinated Natural Research Management Research	
Major: <input type="checkbox"/>	Minor: <input checked="" type="checkbox"/>	Other Documents (if applicable): TSP-105	Responsible Manager(s): Steve Milford
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> This work instruction requires that a "summary report must be made available to all DNR staff" that "describes the development and implementation of research projects and incorporation of findings into DNR activities and programs".			
<b>OBSERVED NONCONFORMITY:</b> Unit staff were unaware of the report location. Better integration of research and land management is needed. Several Unit staff commented on not receiving research results, not knowing which research projects were occurring on their Units, and having limited input on which studies were funded.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> The report, if it was available, was difficult to find, one auditor spent 20 minutes looking for the report and could not produce it for staff. The report, now that it has been located, is not very descriptive of the type of research nor where exactly it is being done.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> The location of the report has been sent to unit staff on 9/5/2006 and all are now aware of it's location. See attached e-mail to staff. The report should be made more descriptive to give staff the location, type of research, details of research, and a mechanism for staff to find results.			
Proposed Completion Date (mm/dd/yyyy): 9/5/2006	FMFM Unit Manager and Date: Steve Milford – Signed on 9/6/06	FMFM District Supervisor and Date: Debbie Begalle – Signed on 9/11/06	
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval: Kim Herman	Date: 10/05/06
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Crystal Falls - Groveland Mine Dike between East and West Ponds (The Tire Dike) and road to unofficial landing, state land along the Norway Truck Trail.		NCR Number (Unit Code - yyyy - #): 12-2006-7	
Lead Auditor: Kim Herman		Team Member(s): Bob Burnham, Gary Roloff, Don Mankee	
Date (mm/dd/yyyy): 07/27/2006		Work Instruction or Standard and Clause Number: 6.2 Integrating Public Recreational Opportunities with Management on State Forest Lands 5b and Monitoring Section	
Major: X	Minor: <input type="checkbox"/>	Other Documents (if applicable): Campground Inspection Report	Responsible Manager(s): Steve Milford, Ron Yesney, Richard Ahnen
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> Resource impacts are reported, monitored and addressed.			
<b>OBSERVED NONCONFORMITY:</b> Auditors observed excellent monitoring and maintenance of established campgrounds and trails. However, they also observed numerous examples of resource damage from camping, four wheeldrive pickups and ORVs including: severe soil erosion on the road system, BMP violations, many unofficial boat launches, campsites, illegal ORV trails. And there may be public health concerns. Staff aware of a draft management for the Groveland Mine Compartment; however, they were not sure of its completion status.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> The Groveland Mine area is heavily used by area residents as well as tourists and is popular as a fishing location. In 1993 a Draft "General Management Plan" for the area was developed but was never approved nor fully implemented. The lack of improved launch sites has resulted in many illegal launch sites used by fishermen that are contributing to some of the BMP problems. There are no state forest campgrounds at any of the sites surrounding the ponds which has resulted in dispersed camping in the area which is allowed but could be having an impact in heavily used areas.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> LED staff have been working on the problems in the Groveland Mine area for the past few years and have issued numerous tickets for violations of the State Land Rules including camping longer than 15 days as well as illegal ORV and off road use. They have applied for and received RIF grants to aide in the patrols. LED is fully aware of the problems and will continue to patrol the area and issue tickets when violations are found.  The unit is working with PRB to develop additional access sites at Groveland Mine. The intent will be to put in developed launch sites on the three remaining ponds and at that time large rocks will be used to block all the unauthorized launch sites. Many of the erosion and BMP problems sited in the NCR are a direct result of the public trying to access the ponds with vehicles. A developed launch on each pond would significantly reduce the problem.  The dispersed camping in the area will need to be evaluated by the District Recreation Specialist in conjunction with the unit staff to determine if there is a problem and if so what possible solutions can be proposed. Some possible solutions could include, a developed campground, blocking heavily used campsites with rocks, or a directors order closing the area to camping. An outhouse at a developed access site would also help reduce the problems with human waste.  The illegal trails and unimproved roads in the area will be evaluated and if determined to be surplus will be proposed for closure by the unit using the Road Closure procedure per the Work Instructions.			
Proposed Completion Date (mm/dd/yyyy):	FMFM Unit Manager and Date: Steve Milford – Signed on 9/6/06	FMFM District Supervisor and Date: Debbie Begalle – Signed on 9/11/06	

CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval: Kim Herman	Date: 10/05/06
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



Michigan Department of Natural Resources - Forest, Mineral and Fire Management  
**INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)**

Unit Name and Site: Crystal Falls - Scott Lake Aspen Schultz Survey, Pear Wolf, Jamima's Limas, and Line Drive Timber Sales		NCR Number (Unit Code - yyyy - #): 12-2006-8	
Lead Auditor: Kim Herman		Team Member(s): Don Mankee, Bob Burnham, Gary Roloff	
Date (mm/dd/yyyy): 07/27/2006		Work Instruction or Standard and Clause Number: 7.1 Timber Sale Preparation and Administration, II.4.a. iii Soil Protection, 4(b) Safety	
Major: X	Minor:	Other Documents (if applicable):	Responsible Manager(s): Steve Milford
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>			
<ol style="list-style-type: none"> <li>1. Under the BMP portion of the Timber Sale Contract Inspection process Soil Protection and BMP applications need to be monitored by the Sale Administrator.</li> <li>2. <b>HARD HAT.</b> Approved hard hats shall be worn by all persons present on the logging operation including log truck drivers and anyone on or near the woods or landing areas. Hard hats are not required while operators are within an enclosed cab that meets MIOSHA standards for rollover protections and brush guards.</li> <li>3. <b>SAFETY FOOTWEAR</b> Workers shall wear foot protection, such as heavy-duty logging boots which are waterproof or water-repellant and which cover and provide support to the ankle. Workers shall wear protective footwear when working in areas where an employee's feet are exposed to a danger of foot injuries due to falling or rolling objects or a danger of objects piercing the sole of the shoe.</li> </ol>			
<b>OBSERVED NONCONFORMITY:</b>			
<ol style="list-style-type: none"> <li>1 Excessive rutting was found on two timber-sales. In addition, on another timber sale, adequate protection (buffer) was not given to an intermittent stream</li> <li>2/3 On one timber sale workers were observed not wearing hard hats while working on equipment. On another sale, three workers engaged in repairs to a piece of forwarding equipment were without hardhats when we arrived. Upon our approach, all three workers found, and put on their Hard hats. One of the workers (processor operator) was wearing tennis shoes (casual running shoes). Although he did not necessarily need safety work boots while operating the processor, he should have had them on while working on the forwarder, and walking around the site. An interview with the foreman of the job determined he was trained in both SFE, and FISTA for Michigan, and Wisconsin respectively..</li> </ol>			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.)</b>			
<ol style="list-style-type: none"> <li>1.) One of the sales where the rutting occurred the forester had been on-site at the time of the rutting, the forester was working with the logger trying to find a way to harvest the stand without damage. It was not possible to harvest and the logger was told to leave the sale. The other sale the area where the rutting occurred was dry when the sale was set up. The logger entered the wet area and cut the unit in about a three day period. This happened during three days in which an inspection had not occurred. On the sale with the intermittent stream the forester setting up the sale had identified the intermittent stream as a drainage versus an intermittent stream.</li> </ol>			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b>			
<ol style="list-style-type: none"> <li>1. The need to better enforce contract language, the rutting spec in particular, will be addressed with land management staff at an upcoming unit meeting on Aug 17, 2006. Staff will also be advised to be more aware of streams that have a "Bed and Bank". Those streams will be buffered.</li> <li>2. The sale in which the loggers were observed not wearing proper PPE was sold prior to forest certification and there was no provision in the contract to require PPE. Per Doug Heym's attached note we cannot enforce this requirement on old sales. Work Instruction 7.1 subsections II.4.b.ii states that when unsafe practices are observed on a sale the actions must be corrected immediately and the violation noted on a Timber Sale Inspection Form (R-4050). This was done by the sale administrator immediately when we arrived. The loggers were told to put on their PPE and he documented the warning on the inspection form per the Work Instructions. Examples of documented warnings on other sales by another forester are also attached to show the unit is complying with the WI in relation to logger safety. Although the loggers did not have proper PPE the unit was in full compliance with the WI.</li> </ol>			

Proposed Completion Date (mm/dd/yyyy): 8/17/2006	FMFM Unit Manager and Date: Steve Milford – Signed on 9/6/06	FMFM District Supervisor and Date: Debbie Begalle – Signed on 9/11/06
CORRECTIVE ACTION PLAN ACCEPTED:	Lead Auditor Approval: Kim Herman	Date: 10/05/06
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:	Date:
Follow Up Comments:		



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Crystal Falls, Textbook Hardwoods and Pine Creek Bridge		NCR Number (Unit Code - yyyy - #): 12-2006-9	
Lead Auditor: Kim Herman		Team Member(s): Bob Burnham, Gary Roloff, Don Mankee	
Date (mm/dd/yyyy): 07/27/2006		Work Instruction or Standard and Clause Number: 7.2 Legal Compliance and Administration of Contracts	
Major:	Minor: X	Other Documents (if applicable): TSP 001-105	Responsible Manager(s): Steve Milford
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> This work instruction requires that "illegal activities are to be reported by employees who observe them to the local manager at the earliest possible opportunity." Any illegal ORV use must also be recorded.			
<b>OBSERVED NONCONFORMITY:</b> On the Textbook Hardwood thinning unit, the audit team noted an illegal deer blind. The harvest unit was 75% completed. No evidence that this blind was reported to the Unit Manager. Observed illegal ORV activity at the Pine Creek Bridge was ignored because it occurred on private lands.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.)</b> The forester responsible for setting up the Textbook Hardwood sale was not with the audit team to address the issue of the illegal blind. All unit staff may not have been aware of the need to report illegal activities on private property, especially when it involved damage to water resources.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> The blind on the Textbook Hardwood sale had been reported to law division staff during the sale prep and law division was addressing the issue. Evidence that staff is reporting illegal activities, which includes, blinds, ORV activity, trailers left on state land, trespass, etc is included as an attachment.  Staff will be briefed at the upcoming unit meeting on August 17, 2006 in regards to the continued need to identify and report illegal activities to the unit manager and local LED staff.			
Proposed Completion Date (mm/dd/yyyy): 8/17/2006	FMFM Unit Manager and Date: Steve Milford – Signed on 9/6/06		FMFM District Supervisor and Date: Debbie Begalle – Signed on 9/11/06
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval: Kim Herman	Date – 10/05/06
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			

### **Report and Review Procedure following the Internal Audit**

1. Nonconformance Reports (NCRs) that describe observed nonconformity with forest certification work instructions will be prepared by lead and staff auditors during internal audits.
2. Lead Auditor will prepare a Draft Internal Audit Report (DIAR) consisting of Audit team Nonconformance Reports and a brief audit summary (cover memo). Complete at closing meeting.
3. Lead Auditor will send the DIAR to FMU Manager for formulation of corrective actions. Send copy to Forest Certification Specialist and District FMFM Supervisor within 1 week.
4. The FMU Manager will submit NCR with root cause analysis and corrective actions to District Supervisor following consultations with other Divisions.
5. The FMFM District Supervisor will approve and date the NCR. The FMFM District Supervisor will send the approved NCR to the Lead Auditor who will review, approve, and sign the NCR corrective action. Complete within 4 weeks of closing meeting date.
6. Lead Auditor compiles the audit summary and completed NCRs into a final Internal Audit Report and submits report to the Forest Certification Specialist. Submit within 6 weeks of closing meeting date.
7. Forest Certification Specialist will forward Final Internal Audit Report to FCIT, FMFM Management Team, FMFM District Supervisors, all FMU Managers, and representatives from other Divisions, as identified by the FCIT Division representatives.
8. Corrective Actions will be cleared either through the Management Review Process or in the next internal audit.

**Michigan DNR Forest Certification Internal Audit  
Roscommon Internal Audit Report**

Forest Management Unit (FMU): Roscommon  
Lead Auditor: Les Homan

Internal Audit Dates: July 31 – August 3, 2006  
Internal Auditors: Kerry Fitzpatrick  
Bob Burnham  
Pat Ruppen

Introduction: The internal audit of the Roscommon FMU was held the week of July 31 – August 3, 2006. The scope of the audit was State Forest Land (SFL) within the Roscommon FMU. The audit criteria were the Feb. 7, 2006 version of the Work Instructions (WIs) and all supporting DNR policy, procedures, rules, management guides, guidance documents, plans, and handbooks that were relevant to the management of SFL. On Monday, July 17, a detailed list of audit sites was selected and an audit route established based on a search of records and interviews with staff. The route sampled much of the State Forest lands within Roscommon and Ogemaw Counties. An opening meeting with the participants was held on Tuesday, August 1, 2006, at Roscommon with short debriefing meetings held at the end of each field day. The team met each evening to review findings and plan the next day's activities. A closing meeting was held on Thursday, August 3, 2006. The audit team gathered evidence to determine work instruction conformance through interviews, document review and field observation.

Personnel participating in the audit were very professional and cooperative during the audit. The audit team would like to thank personnel for their active participation.

Report Content: This report consists of an introductory page with Definitions, Non-conformance Reports (NCR's) and Opportunities For Improvements (OFIs). Questions can be directed to Les Homan, Lead Auditor, 906-293-3293, [homanl@michigan.gov](mailto:homanl@michigan.gov).

**Definitions:**

Major Non-Conformances: One or more of the Michigan Department of Natural Resources (MDNR) Sustainable Forest Certification Work Instruction requirements has not been addressed or has not been implemented to the extent that a systematic failure of the MDNR to meet a Sustainable Forest Certification (Sustainable Forestry Initiative or Forest Stewardship Council) principle, objective, performance measure or indicator occurs (Adapted from the Sustainable Forestry Initiative Standard 2005-2009 Edition definitions).

Minor Non-Conformances: An isolated lapse in MDNR Sustainable Forest Certification Work Instruction implementation which does not indicate a systematic failure to consistently meet a Sustainable Forest Certification (SFI or FSC) principle, objective, performance measure or indicator.

Opportunities For Improvements: These are areas that do not warrant a NCR at this juncture, but effort should be put into resolving the issue or developing a procedure to deal with the issue before it does become a NCR.

### **Report and Review Procedure following the Internal Audit**

1. Nonconformance Reports (NCRs) that describe observed nonconformity with forest certification work instructions will be prepared by lead and staff auditors during internal audits.
2. Lead Auditor will prepare a Draft Internal Audit Report (DIAR) consisting of Audit team Nonconformance Reports and a brief audit summary (cover memo). Complete at closing meeting.
3. Lead Auditor will send the DIAR to FMU Manager for formulation of corrective actions. Send copy to Forest Certification Specialist and District FMFM Supervisor within 1 week.
4. The FMU Manager will submit NCR with root cause analysis and corrective actions to District Supervisor following consultations with other Divisions.
5. The FMFM District Supervisor will approve and date the NCR. The FMFM District Supervisor will send the approved NCR to the Lead Auditor who will review, approve, and sign the NCR corrective action. Complete within 4 weeks of closing meeting date.
6. Lead Auditor compiles the audit summary and completed NCRs into a final Internal Audit Report and submits report to the Forest Certification Specialist. Submit within 6 weeks of closing meeting date.
7. Forest Certification Specialist will forward Final Internal Audit Report to FCIT, FMFM Management Team, FMFM District Supervisors, all FMU Managers, and representatives from other Divisions, as identified by the FCIT Division representatives.
8. Corrective Actions will be cleared either through the Management Review Process or in the next internal audit.



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Roscommon		NCR Number (Unit Code - yyyy - #): 71-2006-1	
Lead Auditor: Les Homan		Team Member(s): Pat Ruppen, Bob Burnham, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/03/2006		Work Instruction or Standard and Clause Number: Work Instruction 1.1	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Steve Anderson, Glen Matthews
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>  All MDNR Land Management staff are to be knowledgeable of strategic guidance document and guidance contained therein and to ensure guidance is reflected in operations.			
<b>OBSERVED NONCONFORMITY:</b> Staff were uniformly unfamiliar with the existence of the Operational Management Guidance for State-Owned Forest Lands document. Although staff were familiar with the existence of the Draft State Forest management Plan, most were unfamiliar with the content of that document.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> The draft plan was not fully circulated and due to the lateness of its completion, time was not available for all staff to digest its content.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> Staff are now aware and have been made privy to the Plan in its Draft form. Due to possible changes from the Statewide Council and from the public input sessions it is probably best to wait for any in-depth study until finalized.			
Proposed Completion Date (mm/dd/yyyy): Unknown	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval:	Date:
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Roscommon		NCR Number (Unit Code - yyyy - #): 71-2006-2	
Lead Auditor: Les Homan		Team Member(s): Pat Ruppen, Bob Burnham, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/03/2006		Work Instruction or Standard and Clause Number: Work Instruction 1.3	
Major: <input type="checkbox"/>	Minor: <input checked="" type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Steve Anderson , Glen Matthew, Tom Haxby,
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>  All DNR personnel within an Ecoregion participate in the planning process as a resource to the Ecoregional Planning Team.			
<b>OBSERVED NONCONFORMITY:</b>  Roscommon FMFM and WLD staff had no involvement in developing the first draft of sections 1 – 4 of the NLP Ecoregional Plan. Although the NLP planning process includes a scheduled review of the Ecoregional Plan by field staff prior to submission to Division Management Teams, this suggests a passive involvement and fails to involve field staff as active participants.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> The Ecoteam Planning members did not involve all employees in the formulation of the draft plan. Only selected resource staff were consulted. After the draft is finalized, all employees, as well as the public will have the opportunity to provide input.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> See above. When released, employees will be provided an electronic link and may study and comment as desired.			
Proposed Completion Date (mm/dd/yyyy): Unknown	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval:	Date
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Roscommon		NCR Number (Unit Code - yyyy - #): 71-2006-3	
Lead Auditor: Les Homan		Team Member(s): Pat Ruppen, Bob Burnham, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/03/2006		Work Instruction or Standard and Clause Number: Work Instruction 1.4	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable): Management Review Summ.	Responsible Manager(s): Various
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>  Management Review Summary directive "Appoint regional biodiversity conservation planning teams . . . The Ecoregional Teams must implement by January 31, 2006." And the Work Instruction in general.			
<b>OBSERVED NONCONFORMITY:</b>  NLP Ecoregional Team has not appointed regional biodiversity planning team. Some Roscommon field staff were not certain of differences between SCAs, HCVA's and ERA's, this deficiency was more evident with WLD and FD staff.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Failure to identify SCA's HCVA's and ERA's. The Biodiversity team has not yet been appointed. No estimate on when.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> Set up more training at the field level to insure that the staff can identify SCA's, HCVA's and ERAs. This is all that is within the power of the Unit.			
Proposed Completion Date (mm/dd/yyyy): 12/22/06	FMFM Unit Manager and Date:	FMFM District Supervisor and Date:	
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval:	Date:
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:	Date:	
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Roscommon		NCR Number (Unit Code - yyyy - #): 71-2006-4	
Lead Auditor: Les Homan		Team Member(s): Pat Ruppen, Bob Burnham, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/03/2006		Work Instruction or Standard and Clause Number: 1.6 Forest Management Unit Analysis	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Steve Anderson
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> 1.6.2 FMUs will conduct a pre-inventory review of the next year of entry compartments. The FMFM unit manager will schedule and coordinate the meeting with the district FMFM planner and wildlife division ecologist. 1.6.3 Following the completion of forest inventory data collection, and prior to the pre-review, the Timber Management Specialist will develop age class and harvest projections and report preliminary implications of prescriptions for each FMU.			
<b>OBSERVED NONCONFORMITY:</b> 1.6.2 Pre-inventory review with FMFM planner and wildlife ecologist did not occur. 1.6.3 The harvest projections were done however, staff were unaware of them nor their implications.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Unit manager did not distribute pre-inventory review in a timely fashion, nor was the pre-inventory meeting held prior to field work.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> Unit manager has distributed the analysis provided by the TMS, and developed pre-inventory analysis of each compartment inventoried, which has been distributed to the FMFM planner, Wildlife and Fisheries personnel, as well as the foresters. The 2009 analysis are being developed and will be distributed immediately upon completion. Pre-inventory meeting date will be established, and the pre-inventory review will take place prior to the initiation of field work.			
Proposed Completion Date (mm/dd/yyyy): 12/22/06	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval:	Date
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Roscommon		NCR Number (Unit Code - yyyy - #): 71-2006-5	
Lead Auditor: Les Homan		Team Member(s): Pat Ruppen, Bob Burnham, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/03/2006		Work Instruction or Standard and Clause Number: 2.2 Use of Pesticides and other Chemicals on State Forest Lands	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Steve Anderson, Glen Mathews
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> 1a. When a Forest Treatment Proposal requiring a pesticide application is approved, complete a Pesticide Application Plan. 2b. Upon completion of a pesticide application, complete a Forest Treatment Completion form and an attached Pesticide Use Evaluation Report. 2g. Spill kits must be carried on DNR equipment .... whenever pesticides are being transported or applied.			
<b>OBSERVED NONCONFORMITY:</b> 1a. Some documentation was lacking both on the Houghton Lake Campground and the Wildlife treatments. 2b. Documentation again was lacking in both the Houghton Lake Campground and the Wildlife treatments. 2g. Wildlife employees were aware of the spill kit requirement but were not aware of what constituted a spill kit.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Unit was unable to provide documentation.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> Regarding the Houghton Lake SFC: A Forest Treatment proposal was done in 2006, however was not completed in 2005. Attached are copies of the FTP, and Pesticide Application Plan, as well as statements from the personnel involved. FTP's and PAP's will be completed and filed in the compartment files, as per work instruction.			
Proposed Completion Date (mm/dd/yyyy): 12/22/06	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval:	Date:
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Roscommon		NCR Number (Unit Code - yyyy - #): 71-2006-6	
Lead Auditor: Les Homan		Team Member(s): Pat Ruppen, Bob Burnham, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/03/2006		Work Instruction or Standard and Clause Number: 3.1 Forest Operations	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Steve Anderson    Glenn Matthews
<p><b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>            FMFM, Fisheries and Wildlife Divisions will review and approve all intrusive operations performed or permitted by any DNR division on State Forest Land at appropriate levels and these approvals will be documented. Examples of intrusive operations include....dredging and road construction.</p> <p>The operating division will be responsible for protection of water quality and will document potential impacts as part of the approval process.</p> <p>A spill kit is required at sites with state owned vehicles having hydraulic equipment..</p> <p>For Forest operations that are not reviewed by Natural Heritage Unit or MNFI, the operating division will have the lead responsibility including coordination with the DNR endangered species coordinator for the protection of rare, threatened, and endangered species and special ecological sites, and will document potential impacts as part of the approval process.</p> <p>For forest operations that are not reviewed by the State Historical Preservation Office...the operating division will take the lead in ensuring the protection of these as part of the operations approval process.</p> <p>Incorporation of Tribal Concerns will also be incorporated per the Tribal Work Instruction.</p>			
<p><b>OBSERVED NONCONFORMITY:</b></p> <ul style="list-style-type: none"> <li>- Dam repair project at Backus Creek Flooding done outside of appropriate notifications and approvals and MNFI, SHPO or tribal review. Potential water quality impacts not documented as part of approval process nor were potential impacts on rare, threatened and endangered species and special ecological sites.</li> <li>- Bridge repair project on snowmobile trail/two track done outside of appropriate notifications and approvals and MNFI, SHPO or tribal review. Potential water quality impacts not documented as part of approval process nor were potential impacts on rare, threatened and endangered species and special ecological sites.</li> <li>- No spill kit on Wildlife Division skidder and no BMP reporting forms in Wildlife Division work vehicles.</li> <li>- Timber salvage operations and trenching and planting on Boyce Lake Fire Area were conducted outside of MNFI, SHPO or tribal review.</li> </ul>			
<p><b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b>            Personnel from wildlife division unaware that activities at Backus Creek site required FTP's and notifications, as there was some dispute as to where the exact location was.</p>			

**CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):**

The Backus State Game area is out of scope of the forest certification process. The exact location of the boundary of the game area was unclear at the onset of the project, and it was assumed that the dam work fell within the game area, and was therefore out of scope. It was determined that the dam itself is part of the boundary line, and therefore the project falls half in, and half out. FTP's have been filed since the audit, and MNFI and SHPO reviews requested.

Documentation of spill kits on the Wildlife Division Regional Skidder was provided after the audit, and spill kits have been installed on those units which require them.

Boyce Lake Fire Salvage sales were set up and sold during May, 2005, prior to work instructions and forest certification implementation. The compartments had been reviewed by MNFI and SHPO during the last compartment review, and that information was logged in the compartment files.

The bridge repair in Section 28, T 22 N, R 02 W, consisted of placement of a temporary bridge, over an existing bridge. The old bridge was not damaged to the point of being a safety issue; it was safe to travel by foot, horseback, bicycle, ORV, snowmobile, or in a conventional pickup or car. Nor was it damaged to the point of falling into the watercourse, or having environmental impact. The issue was the ability to carry the weight of a 9,000+ lb farm tractor used to groom the snowmobile trails, without causing further damage to the structure. The concept was to prevent a potential problem, and more damage to the site before it could happen. The damage to the bridge occurred during maintenance at the onset of snowmobile season, so a temporary bridge was placed over the existing one. There was no excavation of material below the existing grade of the road at the site, nor was the work done outside the existing cleared and traveled area of the trail. DEQ personnel were contacted regarding the site, prior to work occurring. Silt fence was placed around the work area, as a preventative measure, similar to wearing a hardhat on a timber sale, or carrying a spill kit: We did not anticipate having erosion or sedimentation in the stream, however in the unlikely event that something did go wrong, the fence was there to protect the stream. It can be compared to wearing a seatbelt: you do not set out to be involved in a traffic accident each time you drive, but you wear it to protect yourself in case of one. MNFI and SHPO were informed of activities, and the snowmobile trails existence during the last compartment review, and the trail and bridge were in place at that time.

Proposed Completion Date (mm/dd/yyyy): 12/22/06	FMFM Unit Manager and Date:	FMFM District Supervisor and Date:
CORRECTIVE ACTION PLAN ACCEPTED:	Lead Auditor Approval:	Date
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:	Date:
Follow Up Comments:		



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Roscommon		NCR Number (Unit Code - yyyy - #): 71-2006-7	
Lead Auditor: Les Homan		Team Member(s): Pat Ruppen, Bob Burnham, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/03/2006		Work Instruction or Standard and Clause Number: 3.2	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Steve Anderson, Glen Matthews.
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> DNR employees are required .... to watch for and report BMP problems in state forests. Contact information for public reporting will be made available to the public in appropriate manners.			
<b>OBSERVED NONCONFORMITY:</b> Employees are not consistently reporting BMP problems. A number of sites with BMP issues were observed by auditors that were not found on BMP tracking sheet. Some employees are not aware of the requirement to fill out reports. Some employees did not have BMP reporting sheets in work vehicles. Unit web site does not have information regarding public reporting of BMP problems -1- 800 telephone number. Some employees were not aware of 1-800 number.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> BMP's need to be logged consistently and accurately as possible as soon as they are discovered, and corrective action tracked. Eventually all BMP's within the Unit should be recorded, however due to the number of sites, and remote location of some of the areas, this will take time.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> The procedure of reporting and logging BMP's began in 2005, as a result of the forest certification process. This is a new procedure, and BMP's are being recorded by all staff as rapidly as possible; however not all BMPs have been located and documented to date. Further training of all staff, at a field level will be undertaken, to ensure that all BMP issues are reported, logged and addressed in a timely fashion. Supervisors will ensure that all vehicles have tracking sheets available. The website deficiency has been corrected and many have since been transferred from the local spreadsheets to the statewide database.			
Proposed Completion Date (mm/dd/yyyy): 12/22/06	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval:	Date
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Roscommon		NCR Number (Unit Code - yyyy - #): 71-2006-8	
Lead Auditor: Les Homan		Team Member(s): Pat Ruppen, Bob Burnham, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/03/2006		Work Instruction or Standard and Clause Number: 3.3	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Steve Anderson
<p><b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b></p> <p><b>Emergency Road Closures:</b>...FMFM Unit Manager will evaluate the reported road condition, and if there is a public safety concern...will immediately close the road. Posting is required...</p> <p><b>Non-emergency "normal" road closures:</b> Any DNR employee identifying an existing road or trail which they believe should be temporarily, seasonally, or permanently closed should submit a proposal to their supervisor. <b>"Forest Road" means a hard surface road, gravel, or dirt road, or other route capable of travel by a 2-wheel drive, four wheel conventional vehicle designed for highway use...</b></p>			
<p><b>OBSERVED NONCONFORMITY:</b></p> <p>Existing two-tracks were closed without following work instruction direction.</p> <p>Bridge with observed safety hazard was not closed until remedy was applied.</p>			
<p><b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b></p> <p>Failure to follow work instruction.</p>			
<p><b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b></p> <p>Road closure procedure as per work instructions and Forest Road/Trail Proposal forms will be followed. A road access plan will be developed for each compartment inventoried, beginning with the 2008 YOE compartments currently under field review.</p>			
Proposed Completion Date (): 12/22/06	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval:	Date
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Roscommon		NCR Number (Unit Code - yyyy - #): 71-2006-09	
Lead Auditor: Les Homan		Team Member(s): Pat Ruppen, Bob Burnham, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/03/2006		Work Instruction or Standard and Clause Number: Work Instruction 5.1	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Various
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b>  The research coordinators from each division or bureau must compile a summary of research activities and expenditures prior to an annual meeting with other research program leads. Coordinators will meet on an annual basis to jointly review the summaries.			
<b>OBSERVED NONCONFORMITY:</b>  Research is being conducted within the Roscommon unit that is not showing up in the research summary. Staff were generally unfamiliar with the recently published summary. Most staff did not know who their division's research liaison is.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b>  Failure to notify the division research liaison contact of research within the unit.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b>  Staff will be trained and instructed in contacting the division's research liaison. Unit will inform the Division Office as soon as they are aware of research within the unit.			
Proposed Completion Date (mm/dd/yyyy): 10/27/06	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval:	Date
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Roscommon		NCR Number (Unit Code - yyyy - #): 71-2006-10	
Lead Auditor: Les Homan		Team Member(s): Pat Ruppen, Bob Burnham, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/03/2006		Work Instruction or Standard and Clause Number: 7.1 Timbersale Preparation ; Timbersale Preparation and Contract Administration	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Steve Anderson
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> 1. Complete the Pre-Sale Checklist which will indicate the sale conditions to include in the Timbersale Contract. 2.1.b.iii.1. At presale meeting, document name of SFE trained foreman and completion dates of core training. 2.1.2. During each inspection visit, record observations and non-compliances using form R-4050. 2.1.3. At a minimum, fill out a timber sale contract inspection report R4050, when each payment unit is complete. 2.4.a.ii. Check to be sure that any spills have been cleaned up according to the general sale condition 5.6.1 2.4.b.ii. Personal protective equipment must be worn by all personnel ... on State timber sales with open contracts.			
<b>OBSERVED NONCONFORMITY:</b> 1. Houghton Lake Research area is out of scope, therefore the M.C.L. Harvest Sale cannot be offered with the Chain of Custody General Spec 11 since its not Certified Timber. 2.1.b.iii.1. Staff were not aware of requirement to document SFE core training date and verification of training. 2.1.2 Some timbersale inspection reports were missing and or on the wrong form. 2.1.3. Some timbersales did not have forms filled out for individually completed units. 2.4.a.ii. Spills were observed on 2 visited timber sales. Logging contractor on one sale did not have spill kit and other workers interviewed were not aware that spills needed to be cleaned up. 2.4.b.ii. Timbersale contractors on 1 sale were not wearing hard hats and several contractors that were interviewed were unfamiliar with PPE requirements.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.)</b> Unaware that Houghton Lake Research Facility was out of scope. Failure to use proper forms, failure to document SFE training and training dates.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> A letter was sent out to all prospective bidders advising them that the timber on M.C.L. Harvest was not certified.  Unit will conduct training session with timber sale administrators to ensure that correct forms are used, that forms are completed for each unit, and that contractors are complying with all applicable safety and regulatory requirements of the timber sale contract. Unit now is keeping a log of those contractors on sales within the unit, of those loggers who hold sales and have completed training, including dates of training.			
Proposed Completion Date (10/2/2006):	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval:	Date
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Roscommon		NCR Number (Unit Code - yyyy - #): 71-2006-11	
Lead Auditor: Les Homan		Team Member(s): Pat Ruppen, Bob Burnham, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/03/2006		Work Instruction or Standard and Clause Number: Work Instruction 8.1	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable): DNR Personnel Manual	Responsible Manager(s): Steve Anderson, Glen Matthews, Jim Baker
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> "As part of the annual performance appraisal process, supervisors must conduct a training assessment, update the Individual Training Plan (R7016e), and complete the Proposed Annual Training form (R7015e)". Supervisors and employees shall inform Training Officer of completion of a required training and of any training completed. Provide training to empower employees to perform their jobs to the level required by DNR policies, procedures, and work instructions.			
<b>OBSERVED NONCONFORMITY:</b> Neither the training plan nor the proposed annual training forms were being filled out or utilized for FMFM, WLD, and FD staff. Although all staff questioned did provide training records, several noted that the records were either incorrect or incomplete. Staff training is needed for the following areas: how to manage well sites; Work Instructions (particularly WLD); and the FMFM TMS and FD staff need access to IFMAP and IFMAP training to adequately review forest inventories.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Divisional training records are being updated on a constant basis but is still in process. Errors may have resulted from employees not reviewing Lansing's records and correcting mistakes when originally sent out with this request. IFMAP is being disseminated in stages.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> Continue updating and correcting training records. There has recently been supervisory training so records could be viewed and analyzed. More will occur as IfMap is phased in.			
Proposed Completion Date (10/26/2006): and ongoing	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval:	Date
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Roscommon		NCR Number (Unit Code - yyyy - #): 71-2006-12	
Lead Auditor: Les Homan		Team Member(s): Pat Ruppen, Bob Burnham, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/03/2006		Work Instruction or Standard and Clause Number: 9.1.2.b	
Major: <input type="checkbox"/>	Minor: <input checked="" type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Steve Anderson
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> The 12 federally recognized Michigan Tribes will be invited to all DNR FMU open houses, and will be notified of all Compartment Reviews. FMFM Unit Managers will be responsible for appropriate written notifications.			
<b>OBSERVED NONCONFORMITY:</b> Not all federally recognized tribes were notified of the Roscommon Open House.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Not all the tribes were on the mailing list to receive notification of the compartment review, although all compartments were posted on the website prior to review.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> Letter of introduction has been sent to each of the 12 tribes, describing the Roscommon Forest Unit, the inventory process, and advising them that they will be receiving notification of future compartment reviews.			
Proposed Completion Date 8/07/2006:	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval:	Date
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Roscommon		NCR Number (Unit Code - yyyy - #): 71-2006-13	
Lead Auditor: Les Homan		Team Member(s): Pat Ruppen, Bob Burnham, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/03/2006		Work Instruction or Standard and Clause Number: 3.1 (Operations Review, Species Protection, and Site Productivity), 3.2,	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Kirk Bradley
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> - FMFM, Fisheries, and Wildlife will review and approve all intrusive operation performed... on state forest land. - Forest Operations are reviewed by the Natural Heritage Unit of Wildlife Division or MNFI. - Forest Operations shall strive to maintain forest and soil productivity, and avoid excessive soil disturbance, minimize loss of soil and site productivity, and modify soil management techniques if soil degradation occurs. - DNR Employees are required ... to watch for and report BMP problems in state forests.			
<b>OBSERVED NONCONFORMITY:</b> As part of equipment testing at the Forest Fire Experiment Station, soil was excessively disturbed on an ongoing basis with Plow lines and vehicle ruts up hills, none of which were reported as BMP problems. None of these site disturbances went through the compartment review process, nor were signed off as intrusive activities. None were reviewed by wildlife division or MNFI.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Testing and development of forest fire equipment requires that it be used to disturb soil, and traverse slopes and terrain. Until the time of this audit, it was assumed that the Forest Fire Experiment Station was not within scope. However the determination has been made that it does lie within scope, and due to this the activities should be analyzed and justified.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> As stated above, the purpose of the Forest Fire Experiment Station is to develop and construct equipment used in forest fire suppression. This requires testing under actual conditions, and soil and vegetation to be disturbed. An FTP will be filed describing the location and activities involved, and the proposed activity reviewed by all divisions, as well as MNFI, and SHPO. A Chapter 7 revision will be made for those compartments affected, and this review will be made part of the standard inventory process in the future. Provisions for restoration of furrowed or damaged sites will be included in the FTP.			
Proposed Completion Date (mm/dd/yyyy): 12/21/2006	FMFM Unit Manager and Date:		FMFM District Supervisor and Date:
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval:	Date:
Actual Completion Date (mm/dd/yyyy): 12/22/06	FMFM District Supervisor:		Date:
Follow Up Comments:			

## **Opportunities For Improvement Roscommon Internal Audit**

1. Staff are providing opportunities for public comment, but with the large public interest in this unit, this could be improved.
2. Some provision should be made to involve the public in campground development and management decisions.

**Michigan DNR Forest Certification Internal Audit  
Traverse City Internal Audit Report**

Forest Management Unit (FMU): Traverse City  
Lead Auditor: Les Homan

Internal Audit Dates: August 14 -17, 2006  
Internal Auditors: Kerry Fitzpatrick  
John Pilon  
Pat Hallfrisch

Introduction: The internal audit of the Traverse City FMU was held the week of August 14 - 17, 2006. The scope of the audit was State Forest Land (SFL) within the Traverse City FMU. The audit criteria were the February 7, 2006 version of the Forest Certification Work Instructions (WI) and all supporting DNR policy, procedures, rules, management guides, guidance documents, plans, and handbooks that were relevant to the management of SFL. On Monday, August 14, a detailed list of audit sites was selected and an audit route established based on a search of records and interviews with staff. The route sampled much of the state forest lands within Manistee, Benzie, Grand Traverse and Kalkaska Counties. An opening meeting with the participants was held on Tuesday, August 15, 2006, at Traverse City with short debriefing meetings held at the end of each field day. The team met each evening to review findings and plan the next day's activities. A closing meeting was held on Thursday, August 17, 2006. The audit team gathered evidence to determine work instruction conformance through interviews, document review and field observation.

Personnel participating in the audit were very professional and cooperative during the audit. Traverse City staff demonstrated a good knowledge of the Work Instructions. The audit team would like to thank personnel for their active participation.

Report Content: This report consists of an introductory page with Definitions, Non-Conformance Reports (NCR's) and Opportunities for Improvements (OFIs). Questions can be directed to Les Homan, Lead Auditor, 906-293-3293, [homanl@michigan.gov](mailto:homanl@michigan.gov).

**Definitions:**

Major Non-Conformances: One or more of the Michigan Department of Natural Resources (MIDNR) Sustainable Forest Certification Work Instruction requirements has not been addressed or has not been implemented to the extent that a systematic failure of the MIDNR to meet a Sustainable Forest Certification (Sustainable Forestry Initiative or Forest Stewardship Council) principle, objective, performance measure or indicator occurs (Adapted from the Sustainable Forestry Initiative Standard 2005-2009 Edition definitions).

Minor Non-Conformances: An isolated lapse in MIDNR Sustainable Forest Certification Work Instruction implementation which does not indicate a systematic failure to consistently meet a Sustainable Forest Certification (SFI or FSC) principle, objective, performance measure or indicator.

Opportunities For Improvements: These are areas that do not warrant a NCR at this juncture, but effort should be put into resolving the issue or developing a procedure to deal with the issue before it does become a NCR.

## **Report and Review Procedure following the Internal Audit**

1. Nonconformance Reports (NCRs) that describe observed nonconformity with forest certification work instructions will be prepared by lead and staff auditors during internal audits.
2. Lead Auditor will prepare a Draft Internal Audit Report (DIAR) consisting of Audit team Nonconformance Reports and a brief audit summary (cover memo). Complete at closing meeting.
3. Lead Auditor will send the DIAR to FMU Manager for formulation of corrective actions. Send copy to Forest Certification Specialist and District FMFM Supervisor within 1 week.
4. The FMU Manager will submit NCR with root cause analysis and corrective actions to District Supervisor following consultations with other Divisions.
5. The FMFM District Supervisor will approve and date the NCR. The FMFM District Supervisor will send the approved NCR to the Lead Auditor who will review, approve, and sign the NCR corrective action. Complete within 4 weeks of closing meeting date.
6. Lead Auditor compiles the audit summary and completed NCRs into a final Internal Audit Report and submits report to the Forest Certification Specialist. Submit within 6 weeks of closing meeting date.
7. Forest Certification Specialist will forward Final Internal Audit Report to FCIT, FMFM Management Team, FMFM District Supervisors, all FMU Managers, and representatives from other Divisions, as identified by the FCIT Division representatives.
8. Corrective Actions will be cleared either through the Management Review Process or in the next internal audit.



**INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)**

Unit Name and Site: Traverse City		NCR Number (Unit Code - yyyy - #): 61-2006-1	
Lead Auditor: Les Homan		Team Member(s): Pat Hallfrisch, John Pilon, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/17/2006		Work Instruction or Standard and Clause Number: 1.2	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable): Mgt. Review Summary part II.7.5	Responsible Manager(s): NLP Ecoregional Team
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> Management Review Summary directive "Appoint regional biodiversity conservation planning teams . . . The Ecoregional Teams must implement by January 31, 2006."			
<b>OBSERVED NONCONFORMITY:</b> NLP Ecoregional Team has not appointed regional biodiversity planning team.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> This NCR actually refers to Work Instructions 1.1 and 1.4, not 1.2. The Statewide Council has delayed the establishment of eco-regional core design teams due to concerns over staff time and the process to identify biodiversity areas.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> The NLP eco-team chair will be asked to remind the Statewide Council and the State Biodiversity Team that the Traverse City FMU received a NCR over this and that action should be taken soon to correct the situation.			
Proposed Completion Date  12/31/2006	FMFM Unit Manager and Date:		Roger Hoeksema FMFM District Supervisor Date: 9/8/2006
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval: OK – Les Homan	Date: 9/14/2006
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
<b>Follow Up Comments:</b> This is a larger problem than just the TC Unit. Core design teams need to be appointed statewide, and given the appropriate direction, guidance and time to do what is asked. In reference to the root cause analysis questioning which W.I. is referred to, W.I.-1.4, while dealing with biodiversity, makes no mention of Biodiversity Planning Teams. W.I.-1.III specifies that a management review must be done, which it was, though it could be argued not fully done. The NCR was written against W.I.-1.2.3, because it spells out implementation of the Management Review recommendations. Specifically, one corrective action recommended in a Management Review document was not accomplished by the due date.			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Traverse City		NCR Number (Unit Code - yyyy - #): 61-2006-2	
Lead Auditor: Les Homan		Team Member(s): Pat Hallfrisch, John Pilon, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/17/2006		Work Instruction or Standard and Clause Number: 1.6.3 and 1.6.2	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Roger Hoeksema, Dave Lemmien, Mike Donovan
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> Following the completion of forest inventory data collection, and prior to the pre-review, the TMS will develop age class and harvest projections and report preliminary implications of prescriptions for each FMU. FMUs will conduct a pre-inventory review of the next year of entry compartments . . . with the district FMFM planner and WLD ecologist.			
<b>OBSERVED NONCONFORMITY:</b> No pre-inventory meeting was conducted. No post-prescription projections and implications were developed.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> The Traverse City side of the Traverse City FMU is fully IFMAP operational. Currently the IFMAP system is not designed to provide a unit wide analysis. A unit meeting with District staff was held this summer to discuss whether an Operations Inventory analysis of two years ago (pre IFMAP) could be used. It was provided to unit staff to use as a guide.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> A revision of the IFMAP system is underway to allow for a unit wide analysis. Initial reports indicate that this revision will be operational in 2-4 weeks. Once this is available, the Unit Manager will be able to schedule pre-inventory meetings using the analysis. These meetings will be documented as to when they occurred and who attended.			
Proposed Completion Date  10/31/2006	Dave Lemmien FMFM Unit Manager Date: 9/12//2006	Roger Hoeksema FMFM District Supervisor Date: 9/8/2006	
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval: OK – Les Homan	Date: 9/14/2006
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
<b>Follow Up Comments:</b> If this can occur, it will solve a system dilemma that is no fault of the unit or district staff, but something created by trying to merge two incompatible systems, one of which provided no data.			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Traverse City		NCR Number (Unit Code - yyyy - #): 61-2006-3	
Lead Auditor: Les Homan		Team Member(s): Pat Hallfrisch, John Pilon, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/17/2006		Work Instruction or Standard and Clause Number: 2.2	
Major: <input type="checkbox"/>	Minor: <input checked="" type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Dave Lemmien, Paul Simmer
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> If non-certified individuals are involved with pesticide use, applicable Worker Protection Standards shall apply, including annual training and required training documentation.			
<b>OBSERVED NONCONFORMITY:</b> There is evidence of non-certified and untrained staff applying ready to use pesticides.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Personnel were given the necessary training but completion dates were never documented.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> All pesticide training attended by personnel will be documented after completion. Training will be given next spring.			
Proposed Completion Date  5/31/2007	Dave Lemmien FMFM Unit Manager and Date: 9/12/06		Roger Hoeksema FMFM District Supervisor Date: 9/8/2006
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval: OK – Les Homan	Date: 9/14/2006
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Traverse City		NCR Number (Unit Code - yyyy - #): 61-2006-4	
Lead Auditor: Les Homan		Team Member(s): Pat Hallfrisch, John Pilon, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/17/2006		Work Instruction or Standard and Clause Number: 2.3.5.b	
Major: <input type="checkbox"/>	Minor: <input checked="" type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Dave Lemmien, Mike Donovan
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> Consideration should be given to the potential spread or increase of invasive exotic species in the planning and operational stages of all treatments.			
<b>OBSERVED NONCONFORMITY:</b> Several staff members were unable to identify common invasive exotic species. Little evidence was presented to document consideration of exotics in all treatments on state forest land.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Due to the lack of a botanist on unit/district staff, foresters, forest technicians, wildlife biologists, and wildlife technicians are now relied upon to identify invasive exotic species despite plant identification not being in the realm of expertise of these positions. In addition, there has been lack of training in both invasive exotic species training as well as how to develop considerations to the potential spread or increase of invasive exotic species in the planning and operational stages of all treatments.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> A training session by MNFI on invasive species was scheduled, conducted, and attended by staff members on August 24. Additional training needs to be scheduled in invasive species identification as well as how to develop strategies on dealing with these species. Training needs will be relayed to FMFM's Training Officer and to the Mgmt. Team. (Will do by 9/30/06)  FMFM Pest Specialists report any new pest outbreaks via email and also information on how to identify and manage them. (example is Emerald Ash Borer and Hemlock Woolly Adelgid infestations).			
Proposed Completion Date  On-going	Dave Lemmien FMFM Unit Manager and Date: 9/12/06	Roger Hoeksema FMFM District Supervisor Date: 9/8/2006	
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval: OK – Les Homan	Date: 9/14/2006
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
<b>Follow Up Comments:</b> This is a larger problem than just the TC Unit and will need follow-up to define management direction and training.			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Traverse City		NCR Number (Unit Code - yyyy - #): 61-2006-5	
Lead Auditor: Les Homan		Team Member(s): Pat Hallfrisch, John Pilon, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/17/2006		Work Instruction or Standard and Clause Number: 3.2	
Major: <input type="checkbox"/>	Minor: <input checked="" type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Tom Rozich
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> Employees are required to watch for and report BMP problems in state forests using a non-conformance report form.			
<b>OBSERVED NONCONFORMITY:</b> Staff visited a water control structure site on a well-traveled road with BMP problem and did not report the problem.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> The minor erosion problem is caused by human foot traffic going up & down the steep embankment to fish in the creek below. Also, runoff from the county road is adding to the problem.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> Todd Kalish, Fisheries Habitat Biologist at the Traverse City FO, has been made aware of the minor problem, filed a non-compliance report with the area forester, and detailed a plan of action to eliminate the erosion at the site. The solution will be to install cable steps, which will funnel site users and stop the erosion.  Fisheries Division employees carry BMP forms in their vehicles.			
Proposed Completion Date  10/30/2006	Dave Lemmien FMFM Unit Manager and Date: 9/12/2006		Roger Hoeksema FMFM District Supervisor Date:9/12/2006
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval: OK – Les Homan	Date: 10/9/2006
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Traverse City		NCR Number (Unit Code - yyyy - #): 61-2006-6	
Lead Auditor: Les Homan		Team Member(s): Pat Hallfrisch, John Pilon, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/17/2006		Work Instruction or Standard and Clause Number: 6.2.6.a	
Major: <input type="checkbox"/>	Minor: <input checked="" type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Dave Lemmien
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> Open/closure of campgrounds is recommended when determined by the monitoring process.			
<b>OBSERVED NONCONFORMITY:</b> 268 trees were identified at the Lake Dubonnet campground as safety hazards. Campground was not closed until the following season.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Hazard trees were identified and marked during the <u>2006</u> camping season. Funding was pursued immediately, but was not available immediately. The campground was not closed until the hazards were taken care of.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> When trees posing an imminent hazard are identified; the facility affected, whether it be an entire campground or a single campsite, will be closed until the hazard is removed.			
Proposed Completion Date  On-going	Dave Lemmien FMFM Unit Manager and Date: 9/12/2006	Roger Hoeksema FMFM District Supervisor Date: 9/8/2006	
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval: OK – Les Homan	Date: 9/14/2006
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:	Date:	
<b>Follow Up Comments:</b> This is a good solution where necessary. If there is no imminent hazard, but maintenance is needed to keep a hazard from developing, it simply needs to be properly identified in documentation, and no closure is needed.			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Traverse City		NCR Number (Unit Code - yyyy - #): 61-2006-7	
Lead Auditor: Les Homan		Team Member(s): Pat Hallfrisch, John Pilon, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/17/2006		Work Instruction or Standard and Clause Number: 7.1.II.4.b, 7.1.II.4.a.ii, 7.1.II.2	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Dave Lemmien, Mike Donovan, Tom Rozich
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> Personal protective equipment must be properly used by all personnel, including DNR staff on state timber sales with open contracts. (Reference PPE checklist table.) Check to be sure that any spills have been cleaned up according to the requirements of general sales condition 5.6.1. If conditions observed on the sales are not in compliance with the contract, note these and discuss with purchaser.			
<b>OBSERVED NONCONFORMITY:</b> Staff were not aware that PPE were required for persons on open timber sales. Producers were not using all required PPE. Petroleum spills were observed on several open and closed inspected timber sales. On sale 38-03, several saw log stumps were noted as lacking painted stump marks and multiple stumps were noted as being higher than height allowed in contract.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Staff believed that the language read that PPE needed to be worn on all "active" contracts but the Work Instruction clearly states all "open" contracts. Producers still are not fully educated on what PPE needs to be worn and when. Poor timber sale administration led to the logger being able to leave stumps at heights higher than what was allowed in the contract.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> Staff will review Work Instruction 7.1 for clarification regarding PPE to be worn by DNR staff and loggers. Loggers observed violating the PPE guidelines, and if these practices are not immediately remedied, will have their operations on the contract suspended until the unsafe practice is resolved. The unsafe practice will be noted on a Timber Sale Inspection form (R-4050). The forest management unit will track violations on each contract. DNR staff who discover a petroleum spill will fill out the non-conformance report form and contact the logger for immediate clean up. Improved timber sale administration will be conducted so that cutting specifications are followed and met.			
Proposed Completion Date  On-going	Dave Lemmien FMFM Unit Manager and Date: 9/12/2006	Roger Hoeksema FMFM District Supervisor Date: 9/8/2006	
CORRECTIVE ACTION PLAN ACCEPTED:		Lead Auditor Approval: OK – Les Homan	Date: 10/9/2006
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:	Date:	
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Traverse City		NCR Number (Unit Code - yyyy - #): 61-2006-8	
Lead Auditor: Les Homan		Team Member(s): Pat Hallfrisch, John Pilon, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/17/2006		Work Instruction or Standard and Clause Number: 7.2.1	
Major: <input type="checkbox"/>	Minor: <input checked="" type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Dave Lemmien,
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> MDNR will comply with all applicable federal, state, and local laws and regulations, policy and procedures reflect federal and state legal requirements.			
<b>OBSERVED NONCONFORMITY:</b> Timber sale producer was required by contract to place tops on an illegal hill climb outside of timber sale area.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Sale contract language stated that the logger would place slash on an illegal ORV hill climb that led up into the sale area.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> Any such requests will be removed from future timber sale proposals.			
Proposed Completion Date  On-going	Dave Lemmien FMFM Unit Manager and Date:9/12/2006	Roger Hoeksema FMFM District Supervisor Date: 9/8/2006	
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval: OK – Les Homan	Date: 9/14/2006
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:	Date:	
Follow Up Comments:			



## INTERNAL AUDIT NONCONFORMANCE REPORT (NCR)

Unit Name and Site: Traverse City		NCR Number (Unit Code - yyyy - #): 61-2006-9	
Lead Auditor: Les Homan		Team Member(s): Pat Hallfrisch, John Pilon, Kerry Fitzpatrick	
Date (mm/dd/yyyy): 08/17/2006		Work Instruction or Standard and Clause Number: 8.1.1.a.i, 8.1.2.c,	
Major: <input checked="" type="checkbox"/>	Minor: <input type="checkbox"/>	Other Documents (if applicable):	Responsible Manager(s): Dave Lemmien, Mike Donovan
<b>REQUIREMENT OF AUDITED STANDARD/ WORK INSTRUCTION:</b> Training Officer maintains a table of core training needs by program area according to the policy, procedures, and work instructions of each division. Managers and employees shall inform Training Officer of completion of all required training, and of any additional training completed.			
<b>OBSERVED NONCONFORMITY:</b> A WLD staff member was not able to produce a table of core training needs for his position. DNR staff training records were not up-to-date and correct.			
<b>ROOT CAUSE ANALYSIS (Describe the cause of the problem.):</b> Unit staff have been instructed to keep their own personal training records and update the records when appropriate. The official employee training records, which are housed at the Lansing office and updated by the training officer, were not up to date; thus the Unit's records were more up to date and complete.			
<b>CORRECTIVE ACTION (Proposed corrective action. To be completed by the Unit and relevant Divisions):</b> Unit staff needs to reconcile training records with their Training Officer so they are up-to-date.			
Proposed Completion Date  10/31/2006	Dave Lemmein FMFM Unit Manager and Date:9/12/2006		Roger Hoeksema FMFM District Supervisor Date: 9/8/2006
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		Lead Auditor Approval: OK – Les Homan	Date: 9/18/2006
Actual Completion Date (mm/dd/yyyy):	FMFM District Supervisor:		Date:
<b>Follow Up Comments:</b> This is a larger problem than just TC. Some method or procedure needs to be put in place to collect all past training by employees and add it to the official database. Once unit staff have sent down training records to Lansing, or inputed them to a DB or into some recommended format, and this is documented, then there is no further action required of the Unit. Adequate staffing and procedures should exist in Lansing to deal with these catchup records once received from Units. At this point, TC staff have done all they could to rectify the situation.			

## **Opportunities For Improvement Traverse City Internal Audit**

1. Wildlife and Fisheries staff need to become familiar with the “Operational Management Guidance for State-owned Forest Lands” document.
2. Deer browse was found impacting regeneration on one timber sale and should be examined for extent in the unit.
3. It is questionable that FSD and WLD staff are writing resource damage (BMP Problem) reports. Two erosion sites on Fisheries projects were noted as unreported during the audit, and no resource damage (BMP) problem reports were found from fisheries or wildlife division staff. All staff should be involved in reporting problems
4. Rip rap needed improvement on one culvert site.
5. Staff should know who their division’s research liaison is and report known research to liaison.
6. Tree-length skidding was observed to be leaving deep ruts along the main skid trail on one observed timber sale, and causing various amounts of damage to “bumper” trees along main skid trails to be left as residual in two sales. While no contract violations occurred and slash was piled in the ruts, this logging method warrants discussion to better prevent or address the rutting and to prevent or capture the value of damaged trees.