

Sault Ste. Marie Forest Management Unit

2012 Final Internal Audit Report

Internal Audit Dates: August 21 - 23, 2012

Initial Post Audit Draft of Internal Audit:

August 23, 2012

Internal Audit Report, Second Draft:

October 12, 2012

Lead Auditor: Dennis Nezych

Internal Auditors: Mike Donovan, Don

Mankee, Pat Ruppen

Observer: Scott Heather

Opportunities for Improvement: 7

Minor Non-Conformances: 7

Major Non-Conformances: None

Follow-Up Required:

Opportunities for Improvement: None

Minor Non-Conformances: One

Major Non-Conformances: None

Final Audit Report: December 6th, 2013. As of this date, all seven minor non-conformances have been closed; however, one (45-2012-02) still requires some follow-up to completely implement the corrective action. This is being addressed through the current revisions to the certification work instructions. There were no major non-conformances and seven opportunities for improvement.

Opening Comments:

The internal audit of the Sault Ste. Marie Forest Management Unit was conducted August 21 - 23, 2012. The scope of the audit was State Forest land within Chippewa and Mackinac Counties. The audit criteria were the October 4, 2011 version of the DNR Forest Certification Work Instructions (WIs) and all supporting DNR policies, procedures, rules, management guides, guidance documents, plans, and handbooks that are relevant to the management of state forest land. The audit team gathered evidence to determine work instruction conformance through interviews, document review and field observations.

On Tuesday, August 21, separate detailed lists of audit sites and routes were established for an east tour and west tour of the Sault Ste. Marie unit based on record searches and interviews with unit staff. The east tour included Drummond Island, which was specifically requested during the 2012 Management Review.

On Wednesday morning, an opening meeting was held for the west tour at the Naubinway Field Office, and another at the Detour Field Office for the east tour. The field portion of the audit (east and west combined) included 21 sites within 13 compartments which exhibited a variety of DNR field management activities. A number of issues related to sites or facilities that were not actually field inspected were also discussed. Audit findings were reviewed by the team on Wednesday night. Thursday morning was spent on additional document review, conducting follow-up interviews, and preparing a draft audit report. A closing meeting was held on Thursday afternoon at 1:30 pm eastern time.

The internal audit team appreciated the cooperation, involvement, and openness of the Sault Ste. Marie Unit and East Upper Peninsula District and Regional staff. The audit team was very impressed with the excellent working relationships that exist, not only within a DNR division but also between DNR divisions. Unit staff were very knowledgeable and involved with management of

invasive species. Staff provide a wide range of natural resource values to the public, and it is obvious from our observations that multiple resource values are being considered and addressed during the administration of timber sales and other programs.

Definitions:

Major Non-conformances: One or more of the Michigan Department of Natural Resource (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.

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 (Sustainable Forestry Initiative or Forest Sustainability Council) principle, objective, performance measure or indicator.

Opportunities for improvement: Opportunities for improvement are findings that do not indicate a current deficiency, but serve to alert the Forest Management Unit to areas that could be strengthened or which could merit future attention.

The DNR internal audit review process (WI 1.2) requires an evaluation and report of non-conformances with forest certification standards and related WI at all levels of the Department. The audit team has identified no major non-conformances, 7 minor non-conformances and 8 opportunities for improvement. Non-conformances are documented on Non-Conformance Report forms (Non-Conformance Report Form 4502) on the following pages. The opportunities for improvement (OFI) are listed immediately below.

- OFI 45-01 Related to WI 1.3, Regional State Forest Management Plan Development: There is an opportunity to improve knowledge and understanding of the management area and featured species concepts among Forest Resources Division staff on the management unit.
 - The Forest Resources Division planner and the Wildlife Division ecologist in conjunction with the unit manager need to ensure that field staff are fully aware and understand the reasoning behind the switch to management areas and the concept and intent of using featured wildlife species in the implementation of the regional forest management plan for the eastern Upper Peninsula.
- OFI 45-02 Related to WI 1.5, Social Impact Considerations and Public Involvement Processes: “Citizen participation and interest in the activities of the department shall be encouraged in all possible ways. Attention to citizen questions, inquiries, complaints and requests shall be considered a principal duty by employees at all levels.” Attendance at Sault Ste. Marie open houses is very low and very little public input is received as part of the compartment review process. The Forest Resources Division Forest Planning and Operations Section Manager should re-evaluate how adjacent landowners are apprised of site disturbing activities in advance of the action.
 - Although this recommendation has been forwarded to the Forest Planning and Operations Section manager, this is a difficult issue to deal with. During the open

houses for the regional state forest management plans, public feedback supported the approach of having representatives from all divisions present to discuss the plans and that advertising such representation might be helpful. Also, the fact that the open houses take place so long before operations happen on the ground adds to the difficulty in obtaining public participation. There has also been increased use of social media networks and an electronic notification tool called GovDelivery to notify people of opportunities for input. There is probably no easy solution to this problem although we need to keep trying.

- OFI 45-03 Related to WI 2.1, Reforestation: “Stands prescribed under the IFMAP system must have a Regeneration Check scheduled as a ‘Next Step’ treatment after closing the sale or completing the last cultural treatment step. A Next Step of Regeneration Check must be scheduled regardless of whether the regeneration is to be by artificial or natural methods or whether the regeneration check would occur at the next inventory cycle or sooner.” Unit staff are going a good job of tracking regeneration for stands prescribed under the Operations Inventory system using the regeneration time clock; however, tracking under the IFMAP system is inconsistent among staff.
 - Tracking and documenting regeneration is a critical piece of forest management business and will be an essential data source in any future effectiveness monitoring program. Unit managers are responsible for ensuring that regeneration checks are completed on schedule and that the information is entered into the appropriate database in a timely fashion. This will continue to be a subject of audit interest in the future.
- OFI 45-04 Related to WI 3.1, Forest Operations: “The current Michigan Sustainable Soil and Water Quality Practices on Forest Land, 2009 will be the standard guide for water-quality protection in state forest operations.” Some Forest Resources Division staff were not referencing the Soil and Water Quality manual recommendations.
 - Use of these guidelines should be standard practice by field staff and they should be referenced where appropriate. Unit managers are responsible to ensure that the guidelines are being followed and appropriately referenced in the documentation.
- OFI 45-05 WI 3.2, Best Management Practices Non-Conformance Reporting Instructions: “This database should also include fields for estimating the cost - as well as for tracking the funding and completion - of needed repairs.” The Resource Damage Report database has not been updated to reflect the work being done on the management unit.
 - Unit managers are responsible for ensuring that field staff are aware of appropriate procedures for resource damage reports and that the procedures are being implemented as designed. Complete documentation is a critical piece of the business and will be an integral piece of evaluations related to effectiveness monitoring. There is some training regarding best management practices that is currently being developed by the district supervisors for implementation in 2014. Future audits will continue to assessment of documentation.
- OFI 45-06, WI 6.1, Implementing Public Information and Educational Opportunities on State Forests: “The Department of Natural Resources conducts public educational outreach through a variety of methods including: printed material, information booths/displays and interpretive

signing” There are opportunities to provide educational opportunities on the Sault Ste. Marie unit; for example providing information on natural features in the Little Brevort Lake Natural Area and signs recognizing cooperators on the Strickler grouse management area.

- These examples represent important opportunities to provide the public and in particular users of the areas, messages related to cooperative management. These should be good-news messages and the unit managers should explore ways to ensure that the good messages are getting out.
- OFI 45-07, WI 6.2, Integrating Public Recreational Opportunities with Management on state forest lands: Resource impacts as a result of recreational use are reported, monitored and addressed. Impacts on lands adversely affected are reported, monitored and addressed. (e. g., excessive off-road vehicle damage). By-pass routes around water/mud features on the Drummond Island Off-Road Vehicle Route (the marble head and split rock sections) need attention as some sections are beginning to exceed one lane in width or additional by-passes are being made.
 - These issues need to be addressed through the resource damage reporting process. They need to be assessed and where funding is required, it should be sought. Solutions should be pursued with the user group – they need to be part of the solution.



Michigan Department of Natural Resources - Forest Resources Division

2012 INTERNAL AUDIT NON-CONFORMANCE REPORT

Unit Name Sault Ste. Marie	Site location Interviews at Multiple sites	Non-Conformance Report Number (Unit Code - yyyy - #) 45-2012-01
Lead Auditor Dennis Nezich	Team Member(s) Mike Donovan, Don Mankee, Pat Ruppen	
Date: 08/23/12	Work Instruction or Standard and Clause Number WI 1.1, Strategic Framework for Sustainable Management of State Forest Land	
<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor	Other Documents (if applicable)	Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): Forest Resources Division, Unit Manager – Karen Rodock
Requirement of Audited Standard/ Work Instruction:		
<ul style="list-style-type: none"> • “The DNR has adopted the use of Forest Certification Work Instructions to guide the planning, operations, and review of management on State forest Lands. DNR Staff are instructed to follow these Work Instructions in the daily work.” • “To be knowledgeable of document and guidance contained therein and to ensure guidance is reflected in operations.” • “Supervisors will ensure staff receives appropriate work instruction training.” 		

Observed Non-conformity:

At multiple sites the audit team asked questions specific to work instruction requirements. Multiple staff displayed limited working knowledge of some work instructions relevant to their jobs. Specifically requirements related to biodiversity WI 1.4 (legacy trees, Type 1 and Type 2 old growth, recording requirements on rare species evaluations); Reforestation WI 2.1 (regeneration monitoring and timing and adequacy of regeneration); and WI 3.3 (road closure process).

Root Cause Analysis:

WI 1.4 has recently been changed to reflect the new definitions the old growth types and legacy trees along with the revision of the retention guidelines. The training was attended by all staff going over multiple new changes to retention guidelines and other subject pertaining to silviculture, inventory, timber sales and insect and disease issues. The new recording requirement on rare species documentation was not addressed at the training. Staff were not aware of the changes to this portion of the WI 1.4. WI 2.1 - Reforestation tracking has changed in the past few years with the activity tracking in the IFMAP which may have caused a little confusion as to the timing with 4 year check or going to the next inventory cycle with field check. The IFMAP activity tracking may not have been explained to the auditors as fully as to the steps for tracking of regeneration in treatment areas with regeneration harvests and requirements for adequate regeneration of the treatment areas. WI 3.3 – Road closure process for closing old existing roads has not been used in this unit to close roads in the past 5 or so years so was not as familiar to the employees who have been in service for some time as it was done under the old system and the newer employees have not been around to go through the process. The closing of new timber sale roads is familiar with all the staff.

Prepared by: Karen Rodock, 9-20-12

Corrective Action:

Staff need a refresher on Work Instructions within the next eight months to clarify all the problem areas. Some Work Instruction discussion will occur at the pre-inventory meeting in October. New staff will need more training to become more knowledgeable and have a greater understanding of forest certification.

Prepared by: Karen Rodock, 9-21-12

Proposed Completion Date: 05/31/2013

Responsible Manager: Forest Resources Division, Unit Manager, Karen Rodock

Responsible Manager Signature Electronic Date 10-12-12

Karen Rodock	Electronic	10-12-12	Jeff Stampfly	Electronic 10-12-12
Forest Resources Division Unit Manager	Signature	Date	Forest Resources Division District Supervisor	Signature

CORRECTIVE ACTION PLAN ACCEPTED

Forest Certification Specialist: Dennis Nezich

Date: 10-12-12

Actual Completion Date:

Responsible Manager: Karen Rodock

Date: May 31, 2013

Verified by:			Closed by:		
Jeff Stampfly	Electronic	October 2013	Scott Jones	<i>Scott Jones</i>	October 2013
Responsible Manger Supervisor	Signature	Date	FRD Forest Certification Specialist	Signature	Date

Follow Up Comments: In 2012, Dennis Nezich was the Forest Certification Specialist and acting Forest Resources Division Field Coordinator. As a result of doing double duty follow-up of the 2012 Internal Audit Non-Conformance Reports was not accomplished in a timely fashion. Early in 2013 Dennis was successful in acquiring the Field Coordinator position full time and his duties as the Forest Certification Specialist were split off since a decision was made not to fill the position full time. Scott Jones acquired the internal audit duties and took over during the summer of 2013. These changes in the administration of the program resulted in the delay in dealing with and closing the 2012 Non-Conformance Reports.



Michigan Department of Natural Resources - Forest Resources Division

**2012 INTERNAL AUDIT
NON-CONFORMANCE REPORT**

Unit Name: Sault Ste. Marie		Site location: Cut River, Go Go Hardwoods		Non-Conformance Report Number (Unit Code - yyyy - #) 45-2012-02	
Lead Auditor: Dennis Nezich		Team Member(s) Mike Donovan, Pat Ruppen, Don Mankee			
Date: 08/23/12		Work Instruction or Standard and Clause Number WI 1.4, Biodiversity Management on State Forest Lands			
<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor		Other Documents (if applicable)		Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): Forest Resources Division, Unit Manager – Karen Rodock	
<p>Requirement of Audited Standard/ Work Instruction: “During the compartment review process, determine if there is a high likelihood of finding a rare species (threatened, endangered, or special concern plant or animal species) within or near the site of any proposed forest operations. Use Compartment Review Comments prepared by contract services (e.g., Michigan Natural Features Inventory ecologists) and other information resources available to make this determination. Information resources may include Michigan Natural Features Inventory web applications, the Natural Heritage database records, Michigan Natural Features Inventory species and community abstracts, Michigan Wildlife Action Plan and GAP habitat models (see references), as well as consultation with experts. A check of the Natural Heritage database records is <u>REQUIRED</u> in all cases because of the dynamic nature of the database. Record determination and resources used to make determination in IFMAP Opportunistic Field Survey locked comments and place a signed and dated copy in the Compartment File.”</p>					
<p>Observed Nonconformity: Staff planning and executing treatments are not documenting the check of the natural heritage database and the other resources used to answer the first question in the rare species impact evaluation (i.e., Are there rare species known, or is there potential for a rare species to occur within or near the proposed treatment or project area?). Documentation of this check should be recorded in the locked comments of the Opportunistic Field Survey tool and a signed and dated copy in the compartment file.</p>					
<p>Root Cause Analysis: Not documenting the check of the GDSE biodiversity layer for Michigan Natural Features Inventory and other databases and not putting a signed copy in the compartment file. The review by Michigan Natural Features Inventory has been done in the past compartments and a copy is placed in the compartment file and the year-of-entry compartment review file. The staff had relied on the Michigan Natural Features Inventory review from compartment review. The timber sale proposal checklist has been our documentation of the check for rare species. The Sault Ste. Marie Unit Wildlife Biologist, Dave Jentoft has been double checking the first review of the database on every timber sale proposal and/or intrusive activity in the forest management unit. WI 3.1 does not note in the rare species section to place a note in the locked Opportunistic Field Survey layer in IFMAP and staff did not know about the change. Some of the work instructions had recently been changed and additional training did not cover this change in the work instructions.</p>					
<p>Prepared by and date: Karen Rodock, 9-20-2012</p>					
<p>Corrective Action: The District Forest Manager will bring this issue to the 2013 Management Review. This issue is to define how the Management Units should document checks made for rare species for treatments that are included and approved as part of the compartment review process. WI 3.1 and 1.4 should be considered for revision so that they define documentation requirements.</p>					
<p>Prepared by: Karen Rodock, 9-20-2012</p>					
<p>Proposed Completion Date: 05/31/2013</p>					
<p>Responsible Manager: Forest Resources Division, Unit Manager, Karen Rodock</p>					
Responsible Manager Signature		Electronic		Date: 10-12-12	
Karen Rodock		Electronic		10-12-12	
Forest Resource Division		Signature		Date	
Unit Manager		Jeff Stampfly		Electronic 10-12-12	
		Forest Resources Inventory		Signature	
		District Supervisor			

CORRECTIVE ACTION PLAN ACCEPTED

Forest Certification Specialist: Dennis Nezich

Date 10-12-12

Actual Completion Date:

Responsible Manager: Karen Rodock

Date: May 31, 2013

Verified by:

Jeff Stampfly Electronic October 2013

Responsible Manager Supervisor Signature Date

Closed by:Scott Jones *Scott Jones* October 2013Forest Resources Division Signature Date
Forest Certification Specialist

Follow Up Comments: In 2012, Dennis Nezich was the Forest Certification Specialist and acting Forest Resources Division Field Coordinator. As a result of doing double duty follow-up of the 2012 Internal Audit Non-Conformance Reports was not accomplished in a timely fashion. Early in 2013 Dennis was successful in acquiring the Field Coordinator position full time and his duties as the Forest Certification Specialist were split off since a decision was made not to fill the position full time. Scott Jones acquired the internal audit duties and took over during the summer of 2013. These changes in the administration of the program resulted in the delay in dealing with and closing the 2012 Non-Conformance Reports.

Follow-Up Required:

This issue was discussed at the 2013 Management Review and it was decided that all unit managers should be reminded of the need to document (i.e. write it down) that the appropriate searches were completed and data bases checked.



Michigan Department of Natural Resources - Forest Resources Division

2012 INTERNAL AUDIT NON-CONFORMANCE REPORT

Unit Name: Sault St Marie	Site location: Cut River Garlic Mustard Treatment Site	Non-Conformance Report Number (Unit Code - yyyy - #) 45-2012-03
Lead Auditor: Dennis Nezich	Team Member(s): Mike Donovan, Don Mankee, Pat Ruppen	
Date: 09/23/2012	Work Instruction or Standard and Clause Number WI 2.2 Use of Pesticides and Other Chemicals on State Forest Land	
<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor	Other Documents (if applicable):	Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): Wildlife Division Ecologist – Sherry MacKinnon
Requirement of Audited Standard/ Work Instruction:		
“When a Forest Treatment Proposal (R-4048) requiring a pesticide application is approved, complete a Pesticide Application Plan PAP, R-4049) Attach the Pesticide Application Plan to the Forest Treatment Proposal. Upon completion of pesticide application, complete a Forest Treatment Report Completion Report (FTC, R-4048-1) and as attached Pesticide Use Evaluation Report (R 4029-1.)”		
Observed Non-conformity: Herbicide Treatments were carried out in May 2012 at the Cut River Garlic Mustard. Wildlife Division treated a garlic mustard site, but no Pesticide Application Plan, Forest Treatment Proposal completion report or Pesticide Use Evaluation Report can be located in the files located the DNR Naubinway Field Office.		
Root Cause Analysis:		
Not familiar with requirements to prepare Forest Treatment Proposal reports and pesticide use application forms.		
Prepared by: Sherry MacKinnon 10- 9 -12		

Corrective Action: Copy of Forest Treatment Proposal procedure will be requested from Forest Resources Division. Required forms for garlic mustard application on the Sault Ste. Marie unit will be prepared after the fact. Wildlife Biologist or Ecologist will prepare Forest Treatment Proposals and/or pesticide use reports in the future for treatments initiated by Wildlife Division.

Prepared by: Sherry MacKinnon 10-9-12

Proposed Completion Date: 10-12-12

Responsible Manager: Wildlife Division Ecologist.



Responsible Manager Signature

Electronic

Date 10-9-12

Karen Rodock

Electronic

10-12-12

Jeff Stampfly

Electronic 10-12-12

Forest Resources Division
Unit Manager

Signature

Date

Forest Resources Division
District Supervisor

Signature

CORRECTIVE ACTION PLAN ACCEPTED

Forest Certification Specialist: Dennis Nezych

Date 10-12-12

Actual Completion Date: October 12, 2012.

Responsible Manager: Sherry MacKinnon

Date: October 12, 2012

Verified by:

Pat Lederle

Electronic

October 2013

Responsible Manager Supervisor

Signature

Date

Closed by:

Scott Jones



October 2013

Forest Resources Division
Forest Certification Specialist

Signature

Date

Follow Up Comments: In 2012, Dennis Nezych was the Forest Certification Specialist and acting Forest Resources Division Field Coordinator. As a result of doing double duty follow-up of the 2012 Internal Audit Non-Conformance Reports was not accomplished in a timely fashion. Early in 2013 Dennis was successful in acquiring the Field Coordinator position full time and his duties as the Forest Certification Specialist were split off since a decision was made not to fill the position full time. Scott Jones acquired the internal audit duties and took over during the summer of 2013. These changes in the administration of the program resulted in the delay in dealing with and closing the 2012 Non-Conformance Reports.

E-mail received from Sherry MacKinnon with pesticide application plan and maps of treatment areas. Forest Resources Division did not have a written Forest Treatment Proposal policy to send to her. Sherry is now aware of the process.



Michigan Department of Natural Resources - Forest Resources Division

**2012 INTERNAL AUDIT
NON-CONFORMANCE REPORT**

Unit Name: Sault Ste. Marie	Site location: Go Go Hardwoods, Rocky Road Aspen, Corn Cob Pine, ORV trails	Non-Conformance Report Number (Unit Code - yyyy - #) 45-2012-04
Lead Auditor: Dennis Nezych	Team Member(s): Mike Donovan, Pat Ruppen, Don Mankee	
Date: 08/23/12	Work Instruction or Standard and Clause Number WI 6.2, Integrating Public Recreational Opportunities with Management on State Forest Lands	
<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor	Other Documents (if applicable)	Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): Forest Resources Division, Unit Manager – Karen Rodock

Follow Up Comments: In 2012, Dennis Nezich was the Forest Certification Specialist and acting Forest Resources Division Field Coordinator. As a result of doing double duty follow-up of the 2012 Internal Audit Non-Conformance Reports was not accomplished in a timely fashion. Early in 2013 Dennis was successful in acquiring the Field Coordinator position full time and his duties as the Forest Certification Specialist were split off since a decision was made not to fill the position full time. Scott Jones acquired the internal audit duties and took over during the summer of 2013. These changes in the administration of the program resulted in the delay in dealing with and closing the 2012 Non-Conformance Reports.



Michigan Department of Natural Resources - Forest Resources Division

2012 INTERNAL AUDIT NON-CONFORMANCE REPORT

Unit Name: Sault Ste. Marie	Site location: Rocky Road Aspen Sale	Non-Conformance Report Number (Unit Code - yyyy - #) 45-2012-05
Lead Auditor: Dennis Nezich	Team Member(s): Mike Donovan, Pat Ruppen, Don Mankee	
Date: 08/23/12	Work Instruction or Standard and Clause Number 7.1 Timber Sale Preparation and Administration Procedures	
<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor	Other Documents (if applicable) July 25, 2012 letter to Producer	Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): Forest Resources Division, Unit Manager – Karen Rodock
Requirement of Audited Standard/ Work Instruction: WI 7.1: “Additional instructions for evaluating <u>some</u> of the items on the Timber Sale Contract - Field Inspection Report follow: <ul style="list-style-type: none"> o Best Management Practices. The following items on the Timber Sale Inspection Form (R-4050) relate to Best Management Practices. Follow the guidelines in the o Best Management Practices manual (Sustainable Soil and Water Quality Practices on Forest Land, 2009) when evaluating these features as follows: <ul style="list-style-type: none"> ▪ Cleanup 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.” 		
Observed Non-conformity: An oil spill was discovered around and underneath a processor which had remained on the site for over a year. A letter was sent on July 25, 2012, to advise the producer of the problem. To date the oil spill problem is unresolved. No action has been taken to contain or remove the oil.		
Root Cause Analysis: A processor was broke down on the timber sale for some time and the inspector was told by the producer that the machine was going to be fixed and moved. The staff was unaware of the amount of oil spilled until the inspection in July. Once aware, staff contacted the producer by letter and tried to phone the producer. The remote location of the sale (Drummond Island) poses logistical challenges to timely inspections and follow ups.		
Prepared by: Karen Rodock, 9-25-12		
Corrective Action: Unit Manager will provide written direction to staff that landings and equipment will be monitored during sale inspections for oil leaks and spills. Any spills will be documented on the timber sale inspection form, immediately cleaned up and reported to the Unit Manager (per general sale specification 5.6.1). The processor has been removed from the timber sale area to private land and the oil spill has been cleaned up completely. There has been more discussion with the staff on oil spills and how to handle them on timber sales and other sites and it will continue and be reinforced with a written memo to staff regarding how to address oil spills. Additional training will be provided locally to staff on how to deal with difficult timber sale situations so that staff are better able to respond to issues which come up on inspections.		
Prepared by: Karen Rodock, 9-25-12		
Proposed Completion Date: 9/25/2012		
Responsible Manager: FRD Unit Manager, Karen Rodock		
Responsible Manager Signature	Electronic	Date 10-12-12
Karen Rodock	Electronic 10-12-12	Jeff Stampfly Electronic 10-12-12

Forest Resources Division Unit Manager	Signature	Date	Forest Resources Division District Supervisor	Signature
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CORRECTIVE ACTION PLAN ACCEPTED

Forest Certification Specialist: Dennis Nezich

Date: 10-12-12

Actual Completion Date:

Responsible Manager: Karen Rodock

Date: September 25th, 2012

Verified by:			Closed by:		
Jeff Stampfly	Electronic	October 2013	Scott Jones	<i>Scott Jones</i>	October 2013
Responsible Manager Supervisor	Signature	Date	Forest Resources Division Forest Certification Specialist	Signature	Date

Follow Up Comments: In 2012, Dennis Nezich was the Forest Certification Specialist and acting Forest Resources Division Field Coordinator. As a result of doing double duty follow-up of the 2012 Internal Audit Non-Conformance Reports was not accomplished in a timely fashion. Early in 2013 Dennis was successful in acquiring the Field Coordinator position full time and his duties as the Forest Certification Specialist were split off since a decision was made not to fill the position full time. Scott Jones acquired the internal audit duties and took over during the summer of 2013. These changes in the administration of the program resulted in the delay in dealing with and closing the 2012 Non-Conformance Reports.



Michigan Department of Natural Resources - Forest Resources Division

**2012 INTERNAL AUDIT
NON-CONFORMANCE REPORT**

Unit Name: Sault Ste. Marie	Site location: Multiple interviews	Non Conformance Report Number (Unit Code - yyyy - #) 45-2012-06
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Lead Auditor: Dennis Nezich	Team Member(s): Mike Donovan, Pat Ruppen, Don Mankee
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Date: 08/23/12	Work Instruction or Standard and Clause Number: WI 8.1, MDNR Staff Training for State Forest Management
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<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor	Other Documents (if applicable)	Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action: Forest Resources Division, District Manager – Jeff Stampfly
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Requirement of Audited Standard/ Work Instruction:

- “Purpose:
(1) Provide training to empower employees to perform their jobs to the level required by DNR policies, procedures and work instructions.”
- “Supervisors will determine job training needs in conjunction with employees. As part of the annual performance appraisal process, supervisors must identify employee training needs per DNR Personnel Manual 21.10.02 and divisions’ policies.”

Observed Non-conformity:

Training records and training plans were requested for 2 individuals (Kuhr, Brinks). Both had up-to-date training records. Neither could produce an individual training plan or evaluation that should have been completed as part of their annual performance appraisal.

Root Cause Analysis:

There was a lack of documentation of Josh Brinks training plan. The training plan was discussed at performance appraisal but was not followed up on to document discussion. The fire training plan was discussed with some classes scheduled and attended. Last year was the first year to be Unit Manager and supervising staff. The training plans had not been completed for many years by previous Unit Manager. The supervisor management training was not completed until this past winter. The training plan document form is still in a draft format so it does not presents as an approved form for use for employees in the present condition. The district supervisor did not document any

Date: 08/23/12	Work Instruction or Standard and Clause Number: WI 8.1, MDNR Staff Training for State Forest Management
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<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor	Other Documents (if applicable)	Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): Wildlife Division Upper Peninsula Field Operation Manager – Craig Albright
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Requirement of Audited Standard/ Work Instruction:

- “Purpose:
(2) Provide training to empower employees to perform their jobs to the level required by DNR policies, procedures and work instructions.”
- “Supervisors will determine job training needs in conjunction with employees. As part of the annual performance appraisal process, supervisors must identify employee training needs per DNR Personnel Manual 21.10.02 and divisions’ policies.”

Observed Non-conformity:
Training records and training plans were requested for David Jentoft. Up-to-date training records were on file, but no individual training plan or evaluation was completed as part of their annual performance appraisal.

Root Cause Analysis:
This was the Wildlife Division Field Operation Manager’s first year in the new position. He was able to conduct face-to-face performance reviews with 13 employees scattered across the Upper Peninsula region, and training was brought up in each review. However, a formal plan was not developed, partly due to uncertainty as to what training events would be offered during the year.
Prepared by: Craig Albright 10-9-12

Corrective Action:
In the future, a more formal training plan will be prepared with each employee during the annual performance review based on an assessment of general training needs, even if exact training offerings are not yet known.
Prepared by: Craig Albright 10-9-12

Proposed Completion Date: 12-1-13
Responsible Manager: Wildlife Division Upper Peninsula Field Operation Manager Craig Albright
Responsible Manager Signature Electronic Date 10-9-12

Karen Rodock	Electronic	10-12-12	Jeff Stampfly	Electronic 10-12-12
_____ Forest Resoueces Division Unit Manager	_____ Signature	_____ Date	_____ Forest Resource Division District Supervisor	_____ Signature

CORRECTIVE ACTION PLAN ACCEPTED
Forest Cert Specialist: Dennis Nezich
Date: 10-12-12

Actual Completion Date: October 3, 2013.
Responsible Manager: Craig Albright
Date: October 3, 2013.

Verified by: Terry Minzey Electronic _____ Responsible Manager Supervisor Signature Date	Closed by: Scott Jones <i>Scott Jones</i> October 2013 _____ Forest Resources Division Signature Date Forest Certification Specialist
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Follow Up Comments: In 2012, Dennis Nezych was the Forest Certification Specialist and acting Forest Resources Division Field Coordinator. As a result of doing double duty follow-up of the 2012 Internal Audit Non-Conformance Reports was not accomplished in a timely fashion. Early in 2013 Dennis was successful in acquiring the Field Coordinator position full time and his duties as the Forest Certification Specialist were split off since a decision was made not to fill the position full time. Scott Jones acquired the internal audit duties and took over during the summer of 2013. These changes in the administration of the program resulted in the delay in dealing with and closing the 2012 Non-Conformance Reports.

Training records are maintained in Wildlife Division. Biologists and technicians in the Upper Peninsula region all have a training objective in their performance contracts. The objective outlines training needs and interests of each individual and is maintained in the HRMN performance management system.

Major Non-Conformances:

There were no major non-conformances identified.

Report and Review Procedure following the Internal Audit:

1. Non-Conformance Reports that describe observed non-conformity 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 consisting of Audit team Non-Conformance Reports and a brief audit summary (cover memo). Complete at closing meeting.
3. Lead Auditor will send the Draft Internal Audit Report to Forest Management Unit Manager and send a copy to Forest Certification Specialist and District Forest Resources Division Supervisor within 1 week.
4. The Forest Management Unit Manager will respond to the Non-Conformance Reports and assemble the root cause analysis and corrective actions for all Non-Conformance Reports in consultation with staff, or, dispute findings with an explanation. Forest Management Unit Manager will send to the Forest Management Unit District Supervisor with copy to Forest Certification Specialist and Lead Auditor.
5. The Forest Management Unit District Supervisor will review, support and date the Non-Conformance Reports. The Forest Management Unit District Supervisor will send the Internal Audit Report with approved Non-Conformance Reports to the Forest Certification Specialist within 4 weeks of the closing meeting. A copy of this report will also be sent to the Lead Auditor.
6. The Forest Certification Specialist will consult with Lead Auditor to confirm corrective actions satisfactorily address Non-Conformance Reports. The Forest Certification Specialist will review and sign the Non-Conformance Report corrective actions to acknowledge completion. Complete within 6 weeks of closing meeting date.
7. Forest Certification Specialist will forward Final Internal Audit Report to Forest Certification Team, Forest Management Unit Management Team, Forest Management Unit District Supervisors, all Forest Management Unit Managers and representatives from other Divisions, as identified by the Forest Certification Team Division representatives.
8. Corrective Actions will be cleared via notification by the responsible manager that corrective actions are complete and via verification by the responsible manager's supervisor.
9. The forest certification specialist shall track open Non-Conformance Reports to confirm that all are followed through to completion.