Grayling Forest Management Unit

2017 Forest Certification Internal Audit Report

Internal Audit Dates: August 1st-3rd, 2017
Initial Post Audit Draft Audit Report: August 3rd, 2017
Lead Auditor: Scott Jones
Internal Auditors: Rick-James Hill, Robert Tylka, Kerry Fitzpatrick
Observers: Mark Boersen, Jagdish Poudel

Opportunities for Improvement: 3
Minor Non-Conformances: 4
Multi-Unit Non-Conformances: 2
Major Non-Conformances: 0
Follow-Up Required:
Opportunities for Improvement: 1
Minor Non-Conformances: 4
Multi-Unit Non-Conformances: 2

Internal Audit Report

Opening Comments:

The internal audit of the Grayling forest management unit was held August 1st through August 3rd, 2017. The scope of the audit was state forest land within the Grayling forest management unit. The audit criteria were the June 1, 2016 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 state forest land including any Management Review decisions. The June 1, 2017 version of the work instructions was made available to the forest management unit staff in mid-June, so the audit team agreed to evaluate any potential non-conformances against the prior version of the work instructions. We agreed that if the observed activity was not in conformance with the June 1st, 2017 and/or the June 1st, 2016 versions of work instructions, the activity warranted a non-conformance designation.

A candidate set of compartments and topics was sent to the forest management unit manager prior to arrival of the audit team. On Tuesday August 1st, the lead auditor worked with the forest management unit manager to finalize the route and stops. We selected two audit routes: 1) East Tour – where we looked at open aspen, oak and red pine sales; closed aspen sales; opening management; a wildlife habitat cut; a resource damage site; a prescribed burn site; the Parmalee State Forest Campground and the Mason Tract where we looked at trails, a fisheries project, spraying of invasive species and a grouse enhanced management area and 2) West Tour – where we looked at open red pine and oak sales; closed beech, oak and mixed sales; a prescribed burn; and industrial park development area; an equestrian campground; the Encana well site and the Rayburn Tract where we looked at a fisheries projects (lunker structure) an invasive species treatment and the Burton's Landing State Forest Campground. On Tuesday afternoon, we conducted an opening meeting with the audit participants at the Grayling Operational Service Centre office which consisted of staff introductions, purpose of the audit, management unit overview and a series of staff presentations covering a number of topics that would likely not get fully addressed in the field. Wednesday was tour day and Thursday morning we reviewed the audit findings, conducted follow-up interviews and further reviewed documents as needed. A closing meeting was held on Thursday at 1:00 pm. The audit team gathered evidence to determine work instruction conformance through interviews, document review and field observations.

Definitions:

Opportunities for improvement: An opportunity for improvement is a finding that does not necessarily represent a

deficiency but does indicate a function that can be strengthened thus improving some aspect of forest management or preventing a potential non-conformance in the future.

Unit-Level Minor Non-Conformance: A lapse in the implementation of a forest certification work instruction. A minor non-conformance is written against an individual work instruction – it does not cover multiple work instructions.

- Written against the responsible position.

Unit-Level Major Non-Conformance: This is issued against something that would jeopardize certification such as the use of a banned chemical, an external audit non-conformance that has not been addressed at the unit level or the use of a plant that is a genetically modified organism.

- Written against the unit manager.

Multi-Unit Non-Conformance: Two or more occurrences of the same or similar unit-level major non-conformances or three or more occurrences of a unit-level minor non-conformance or as recommended by the audit team and approved by the Forest Certification Team following the internal audit process.

- Written against higher levels of management
- Could trigger a 'theme' for the next round of internal audits (i.e. all units get assessed).

Audit Findings:

We greatly appreciated the cooperation, involvement and openness of the Grayling unit staff. We were particularly impressed with the following aspects of their management program:

1. Cooperative wildlife habitat project with several partner organizations and now including Camp Grayling.
2. Ongoing experimental management projects for cedar and snowshoe hare which involve several partner organizations and now including the Michigan Union of Conservation Clubs.
3. The approach to identifying archaeological sites for mitigation during intrusive activities is commendable.
4. Efforts to treat sites that have been found to have invasive species are commendable.
5. The efforts to work with Parks and Recreation Division staff when intrusive activities involve recreation facilities are commendable.
6. The unit's efforts to carry out ongoing management activities on the Frost Pocket Pine Barrens Ecological Reference Area are commendable. The efforts of the unit manager, wildlife biologist and the fire staff to implement periodic burns and parts of the monitoring direction in the 1997 draft management plan.
7. The detail in the T-Sale inspection notes is exemplary.
8. The fisheries project on the South Branch of the AuSable River to introduce structure along the streambank was very impressive in its scope and success.
9. The unit staff is very good at keeping the resource damage database current and up-to-date.
10. Staff awareness of roads and roads management is commendable.
11. Implementation of silvicultural guidelines is impeccable as is all work on the ground that we viewed in the tours.

Although an audit theme was added for the 2015 and 2016 audits, there was no theme audit for 2017.

Opportunities for Improvement (OFI):

OFI 72-1, W.I. 1.3: The woodcock and grouse habitat specification suggested in the regional forest management plan are not being followed and there is some question as to the appropriateness of the woodcock specification. This

specification should be reviewed for appropriateness. If it is considered to be appropriate, new direction should be disseminated. If it needs to be revised, then it should be revised and notification sent to the field and the plan should be amended.

Since this issue has implications beyond the Grayling unit, it will be considered in the review and amendments for the current regional state forest management plans.

OFI 72-2, W.I. 5.1: The audit team looked at two examples of experimental management that could provide results that are useful to many other mangers and should be considered for inclusion in the experimental management project database. One involved a different approach to snowshoe hare habitat specifications and one for experimental oak regeneration – both clearly experimental in nature.

Both the experimental hare habitat project and the experimental oak harvesting should be written up on Form 4010 and submitted to the Great Lakes Experimental Management web site. Both projects should be monitored and documented through to some logical conclusion with management recommendations being made in a final report.

OFI 72-3, W.I. 7.1: Sale Inspection forms used on some sales were inconsistent and dated although the first page was of the correct vintage. One sale used a mix of three different form vintages. Use the most current and up-to-date form when documenting sale inspections and recognize that form R4050 consists of multiple pages.

Staff have been informed that the new forms should be used and the staff have purged the old forms and are now using the new forms.

The DNR's internal audit review process (Work Instruction 1.2) requires a record, evaluation and report of non-conformances with forest certification standards and related work instruction at all levels of the department. As part of that process, we documented the unit's conformity with policy, procedures, management review decisions and work instructions. The observed non-conformances are listed below. There were eight unit-level minor non-conformances of which two were ultimately determined to be minor multi-unit non-conformances and no unit-level major non-conformances.

Minor Non-Conformance 72-2017-01

- Work Instruction 1.1 Strategic Framework for Sustainable Management of State Forest Land

Requirement of the Work Instruction:

- The DNR Staff are instructed to follow these Work Instructions in their daily work. Following these instructions will allow the DNR to meet the requirements of sustainable forest management as defined in the Sustainable Forest Initiative and Forest Stewardship Council certification standards.

Observed Non-Conformity:

- While there is a draft management plan that includes specific direction for monitoring, that monitoring has not taken place. Unit staff has taken it upon themselves to address some monitoring, but much of that prescribed monitoring is beyond the capabilities of those staff and is or has not been carried out.

Root Cause:

- Two or three of the staff interviewed work for other Divisions, so they were not privy to forest certification reviews put on periodically at Forest Resources Division Grayling Forest Management Unit staff meetings. The DNR has hired many new staff over the recent years and certification

training offered to other Divisions has been limited and infrequent. Hence new staff is unfamiliar with biodiversity terms outlined in Work Instruction 1.1. There is a lack of consistent certification refresher training and training in biodiversity terms for existing staff and a lack of certification training for new staff across all Divisions.

Corrective Action:

- The Unit Manager will review biodiversity terms and Work Instruction 1.1 with Forest Management Unit staff at an upcoming unit meeting to make sure staff understands terminology and concepts. This will only cover Forest Management Unit staff in the Grayling Unit. The following recommendations will be forwarded through Forest Management Unit to work to address the Division's gap in training:
  1. Provide a refresher course during the spring of 2018 which will be provided to Northern Lower Peninsula Forest Management Unit, Wildlife Division and Parks and Recreation Division staff.
  2. Have Forest Management Unit training officer work to provide training opportunities to other Division staff such as PowerPoint presentations that can emailed to staff and/or provide training at other Division in-service training sessions or meetings.

Actual Completion Date: Proposed completion date of June 30th, 2018

Date of Closure: Closure is pending

Minor Non-Conformance 72-2017-02

- Work Instruction 1.4 Biodiversity Management on State Forest Lands, Part 3, sub-section a), part 1.

Requirement of the Work Instruction:

- Part 3, subsection a), part 1), last paragraph: "Ecological Reference Areas will be monitored to determine if implemented management activities are moving the natural communities forward or maintain them at their desired future condition."

Observed Non-Conformity:

- While there is a draft management plan that includes specific direction for monitoring, that monitoring has not taken place. Unit staff has taken it upon themselves to address some monitoring, but much of that prescribed monitoring is beyond the capabilities of those staff and is or has not been carried out.

Root Cause:

- The management unit has taken management direction from the Draft Frost Pocket Pine Barrens Management Plan (developed by the Michigan Natural Features Inventory in 1997) resulting in significant and persistent management activity (e.g. controlled burns and hydro-axing) with generally accepted positive outcomes. However, the plan also contains detailed monitoring direction based on annual intensive vegetation sampling and photo plots. Photo plots have been captured by the management unit recently though no intensive vegetation sampling has been conducted. The monitoring direction described in the plan is not practical given management unit staffing and budgets.

Corrective Action:

- Forest Management Division annually contracts with Michigan Natural Features Inventory to assess ecological reference areas for quality, distribution, and threats with the goal of resurvey of an individual ecological reference area at least every 10 years. The Forest Pocket Ecological Reference Area (Element Occurrence Identification Number 17323) was surveyed by Michigan Natural Features Inventory in 2015 resulting in an adjustment to the underlying natural community element occurrence boundary to reflect recent prescribed fire and cutting. The Element Occurrence Rank remained unchanged (C – Fair estimated viability). This monitoring approach is consistent with the Work Instruction.
- Management and monitoring direction for the Forest Pocket Ecological Reference Area should be updated using Planning Framework for Ecological Reference Areas on State Forest Lands (IC4198) within the next compartment planning cycle, Year-of-Entry 2020.

Actual Completion Date: Proposed completion date of September 15th, 2018

Date of Closure: Closure is pending

Minor Non-Conformance 72-2017-03

- Work Instruction 2.3 Integrated Pest Management and Forest Health

Requirement of the Work Instruction:

- WI 2.3 Para 5B indicates that Forest Resources Division's Forest health Specialist should provide direction regarding monitoring and limiting the spread of invasive plant species, including advice on available control measures.
- WI 2.3 Para 5C indicates that plans to limit the establishment/spread of invasive plant species should be developed and implemented for any situation/location where this is likely to occur, with emphasis on the probability of risk. Recreational facilities designed for equestrian and other uses (campgrounds, trails) should be considered as a high-risk priority for developing these plans.

Observed Non-Conformity:

- During the 2017 Grayling audit field tour of the 4-Mile Sate Forest Campground (a campground designed specifically for equestrian use) it was discovered that no specific guidance regarding measures to prevent establishment and/or limit the spread of invasive plant species has been received or is currently in place (this is the multi-unit part of the non-conformance). Horses are known vectors for the spread of various plant species as they ingest the seeds, then spread them via their manure. It is therefore likely that any facilities where horses are used for recreation on state forest lands are at a high risk for the introduction and/or spread of invasive plant species.

Root Cause:

- The Early Detection Rapid Response is relatively new and is not fully functional yet. Better communication and cooperation is needed between Forest Resources Division field staff and the Cooperative Invasive Species Management Area staff. This program could help to address the issue along trails. There is also a lack of adequate manure systems in some state parks where horses are permitted.

Corrective Action:

- The state of Michigan is investigating the implementation of the Play Clean Go media campaign to limit the spread of terrestrial invasive species. This campaign will direct messaging to a variety of target audiences throughout Michigan to take steps to reduce the spread of invasive species. The draft Terrestrial Invasive Species State Management Plan calls for the expansion of weed free materials including weed free mulch and hay. The development and implementation of such a program would reduce the likelihood of spreading invasive species through horse manure. The state is currently updating its Early Detection and Response Policy to include terrestrial invasive species.
- In addition, an early alert system is set up in Michigan Invasive Species Information Network, the state's invasive species database. It is available for any manager to add species for which they would like to receive alerts for in a given region or county when reported to Michigan Invasive Species Information Network. Finally, the state forest system falls into the borders of a Cooperative Invasive Species Management Area and Michigan provides core funding to all Cooperative Invasive Species Management Areas in the state as part of the Michigan Invasive Species Grant Program. As part of their funding, they: 1) provide education and outreach about invasive species to limit their spread; 2) survey their areas for invasive species; 3) respond to reports of new invasive species in their areas; and 4) conduct invasive species control projects.
- Parks and Recreation Division will look at installing a manure bunker in 4-Mile Sate Forest Campground to help control manure and the potential spread of invasive plant species.

Actual Completion Date: Proposed completion date of December 15th, 2018

Date of Closure: Closure is pending

Minor Non-Conformance 72-2017-04

- Work Instruction 3.1 Forest Operations

Requirement of the Work Instruction:

- Intrusive Activities: Completion of intrusive activities will be documented by completion of a R4048-1 Forest Treatment Completion Report and, where appropriate, updating of MiFI Stand and Treatment databases, including creation of any 'Next Step' treatments. Treatments which are multi-year in nature will have partial treatments reported to the Land Administering Division manager on an annual basis.

Observed Non-Conformity:

- Continuing maintenance of wildlife openings was documented with a spreadsheet. This spreadsheet only included treatment type and status there are no notes relating to other details about the implementation of the treatment. Partial completions are required yearly for intrusive activities.
- It was also noted on east tour stop 7 (Frost Pocket Ecological Reference Area) that the prescribed burns only had a burn report, but not a Forest Treatment Proposal completion report. Partial completions are required yearly for intrusive activities.

Root Cause:

- The Forest Management Unit was accepting a Wildlife Division tracking spreadsheet in lieu of Forest Treatment Proposal completion reports. The Forest Management Unit was accepting the prescribed burn report in lieu of Forest Treatment Proposal completion report.

Corrective Action:

- The work instruction should be revised to accept equivalent documentation to that of the Forest Treatment Proposal partial completion report for routine maintenance activities that occur numerous times throughout a ten-year cycle. For example, grassy openings and food plots are treated annually, so it would be more efficient to have a spreadsheet that tracks completion of various stages of management of these areas annually and submit a completion report only at the end of the 10-year planning cycle.
- For prescribed burns it is anticipated that in the near future, the electronic fire report will automatically populate a Forest Treatment Proposal completion report, which will be generated by the burn boss for the fire.
- Wildlife Division staff will work with Forest Resources Division counterparts to develop an acceptable spreadsheet by November 1, 2017 for wildlife openings and food plots and completion reports for all fires will be completed until the new electronic fire report system is implemented.

Actual Completion Date: Proposed completion date of June 12th, 2018

Date of Closure: Closure is pending

Minor Non-Conformance 72-2017-05

- Work Instruction 7.1 Timber Sale Preparation and Administration Procedures, Section 4, sub-section b, part 1- Hearing Protection

Requirement of the Work Instruction:

- Under the Personal Protective Equipment Check List, "logging or road construction equipment operators", "truck drivers", and "landing workers" have checked boxes for hearing protection. Under Hearing Protection, "Hearing protection shall be worn by all workers operating chainsaws or woods equipment. All workers in the immediate area of any mechanized equipment shall use hearing protection."
- Standard contract law.

Observed Non-Conformity:

- Truck driver, skidder operator, and loader operator all operating within 50 feet of a chipper, skidder, and loader were wearing no hearing protection. The truck driver said he did not have any hearing protection. Sale administrator, fire officer and unit manager were all uncertain of the requirements for hearing protection.
- There were several sales (72-046-16-01, 72-024-14-01, 72-029-13-01) observed which had specification 5.1.4 calling for a post-sale conference on site. The sale inspection notes for each of these sales did not show that the meeting took place (this is the multi-unit part of the non-

conformance). Some inspection notes showed a phone call discussing what work needed to be done, but no onsite meeting was indicated.

Root Cause:

- The requirements of the work instruction with respect to the safety requirements and who they apply to has been mis-understood leading to inconsistent application in the field.
- Specification 5.1.4 calling for a post-sale conference on site was included in the sales mentioned above. Post-harvest work was discussed with contractors and follow up inspections were conducted to meet the intent of the specification; however, it was not documented as an onsite post-harvest conference.

Corrective Action:

- Provide direction to all staff to ensure that all staff are aware of the safety requirements when on an active timber sale regardless of whether or not they are a sale administrator. Safety language in the contracts will also be edited for clarity.
- Specification 5.1.4 will now only be used if an onsite post-harvest meeting is required otherwise the general specification 5.1 will be the default. When 5.1.4 is used, staff will be advised they must add "post-sale harvest conference" to the administration notes for their meeting so it gets clearly recognized that specification 5.1.4 is being met.

Actual Completion Date: Proposed completion date of April 30th, 2018

Date of Closure: Closure is pending

Minor Non-Conformance 72-2017-06

- Work Instruction 8.1 Michigan Department of Natural Resources Staff Training for State Forest, various clauses.

Requirement of the Work Instruction:

- Item 1a1 – "Training officers maintain a table of core training needs by program area..."
- Item 1d – "Supervisors will determine job training needs in conjunction with employees..."
- Item 2c – "Employees shall inform Division Training Officer of the completion of all required training and of any additional training completed..."
- Item 3c – "Examples of recordable training includes but are not limited to: conferences, workshops, seminars, refresher training, brown bag lunch sessions, guest speakers and special presentations, thesis defense presentations, academies, webinars and special presentations at staff/district/unit/section meetings."

Observed Non-Conformity:

- Unit manager was not familiar with Forest Resources Division core training needs for foresters and technicians.
- Fire Officer has a personal training list that is substantially longer than record obtained from Forest Resources Division training officer.
- Secretary did not know if she had a training record; while she produced several documents of training and a state of Michigan record, no Forest Resources Division records was produced.
- Fisheries biologist does not list recordable trainings in his training record.

Root Cause:

- Each of the four issues listed above will be addressed separately:
  1. Unit Manager unfamiliar with Forest Resources Division core training needs: The unit manager was not aware of a document entitled "Training Core Needs per Classification 2016." Development of a more formal list and policy was planned. Distributed of the document to all field units in Forest Resources Division may be the likely root cause.
  2. Fire Officer's personal training list is longer than Forest Resources Division training officer list: Unit staff track their individual training regularly using an excel spreadsheet. Once a year after the manger completes staff performance appraisals and discusses training needs with staff, the staff member's training spreadsheet is sent to appropriate contact to have recent trainings added to the Lansing training documentation for the employee. In addition, staff fire trainings are

recorded in the Incident Qualification System program. In 2016 there was a vacancy in the training officer position for Forest Resources Division in Lansing which likely resulted in the records not being updated. The unit manger failed to request the Lansing records to determine if they were updated. That may explain why the personal training record was longer than the Lansing record. The unit manager was advised that not all training that staff choose to write on their personal training record is transferred over to the official training records, as not all entries may be considered necessary to record. This is inconsistent with the direction in the work instruction and needs to be corrected.

3. Secretary did not know she had a training record: Our secretary has worked for Forest Resources Division for several years but just recently transferred to the Grayling unit and is shared with the Roscommon unit. Her formal manager is in Roscommon. The lack of training records will be discussed with her manager and a review of training records will be discussed during her next performance appraisal scheduled for October.
4. Fisheries: Employee was unaware of the details of the reporting requirement in the work instruction regarding the reporting of training.

Corrective Action:

- The unit manager will incorporate core training needs lists into training plans for staff using the 2016 training documents checklist provided starting in fiscal year 2018. The unit manager will also request copies of staff training records and reconcile differences between local tracking and Lansing records during the next round of performance appraisals in October/November.
- The unit manager will relay the need to have records for the secretary to her supervisor in Roscommon and encourage an update to her training records.
- Supervisor will review the reporting requirements of the work instruction with the employee to ensure that there is a clear understanding of what training is to be reported to the training officer for inclusion in the training database.

Actual Completion Date: Proposed completion date of April 30th, 2018

Date of Closure: Closure is pending