Newberry Forest Management Unit

2016 Forest Certification Internal Audit Report

Internal Audit Dates: November 1-3, 2016
Initial Post Audit Draft Audit Report: November 3rd, 2016
Lead Auditor: Scott Jones
Internal Auditors: Katie Armstrong and Kerry Fitzpatrick
Trainees: None
Observer: Keith Kintigh and Kelsey Block

Opportunities for Improvement: 8
Minor Non-Conformances: 3
Multi-Unit Non-Conformances: 0
Major Non-Conformances: 0
Follow-Up Required:
Opportunities for Improvement: 0
Minor Non-Conformances: 0
Multi-Unit Non-Conformances: 0

Internal Audit Report

Opening Comments:

The internal audit of the Newberry forest management unit was held November 1st through November 3rd, 2016. The scope of the audit was state forest land within the Newberry 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, 2016 version of the work instructions was made available to the forest management unit staff five months before the internal audit, so the audit team agreed to evaluate any potential non-conformances against work initiated in 2016 against the new work instructions. We also agreed that if the observed activity was initiated prior to 2016 and was not in conformance with the June 1st, 2015 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 November 1st, the lead auditor worked with the forest management unit manager to finalize the route and stops. We selected two audit routes: 1) North Tour –north of Newberry (Luce County) and on up to the south shore of Lake Superior and 2) South Tour – mostly south and west of Newberry (Luce County). On Tuesday afternoon, we conducted an opening meeting with the audit participants at the Newberry 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. On Wednesday the North Tour visited sites that included: which

visited a proposed sale, three open sales, a recently closed sale, a resource damage site, a stream crossing, a natural river, trout stream, a campground, designated habitat area/ecological reference area, an archaeology site and the Duck Lake Fire area. The South Tour focused on a proposed sale, two sold sales, an unsold sale, an active sale, a closed sale, a cultivation site, three resource damage sites, a research site, a regeneration site and an invasive species treatment site. 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 Newberry unit staff. We were particularly impressed with the following aspects of their management program:

1. The electronic forest treatment proposal log is very good. It was easy to use and there

was no hand writing to interpret. Good job!

2. The on-line (RAD Tools) resource damage report database is very good. Closure rate is excellent at 76% and the level of detail in the templates is exceptional. The database appears to be well maintained.
3. The interest and enthusiasm related to the experimental snowshoe hare habitat work on one of the upcoming sales was noted.
4. The use of berms and back-slashing on timber harvest access roads that were to be decommissioned represents a unique approach to a problem of off-road vehicle access.
5. Creative use of off-road vehicle grants combined with DNR roads and bridges funding to address resource damage sites.
6. Timber harvest inspection reports were done in a timely fashion and the notes were very good.
7. The unit is giving noteworthy attention to planning biodiversity management with the finite resources that area available.
8. The unit manager has an extraordinary awareness and understanding of on-the-ground operations and issues potentially important within his unit.
9. The unit supports a richness of recreational opportunities on state forest lands and enters into many cooperative partnerships. Important consideration of recreational use:
    a. Posted informational signs that explain timber treatments along hiking trails and included educational material in NCT newsletter
    b. Received positive feedback from user groups, e.g. the treatments looked better than they were expecting
    c. Marked leave trees in a timber sale on back side so that paint would not be visible from a heavily-used scenic road after the sale
    d. Limited new road building in timber sale near heavily-used scenic road
    e. Recognized that recreation and scenic values should not limit good management and silviculture but might, instead, provide educational opportunities
10. Good documentation and protection of previously unknown archeology site
11. Protection of natural rivers above-and-beyond requirements of Natural Rivers Plan and good coordination with Natural Rivers Program for volunteer restoration efforts.
12. Unit appears to be going above and beyond requirements in its post-Duck Lake Fire regeneration efforts:
    a. Tremendous effort to complete regeneration surveys for natural and artificially regenerate stands (10,000 acres).
    b. Thorough tracking of past management history, current cultural treatments and their impact on natural regeneration success.
    c. Recognition that large scale disturbance may provide opportunity for creation of new cover types and habitats, e.g., barrens and openings.

Opportunities for Improvement (OFI):

OFI 42-1, W.I. 1.4 Biodiversity Management: More effort should be expended to identify and

protect vernal pools. This may involve further training and more close examination of multiple layers of information and imagery.
Train staff on what a vernal pool is and what landscapes they may occur on. There are several new staffs that have come on board since the last time training on vernal pools was offered. In the meantime experienced staff will work more closely with newer staff. Also any available datasets will be used that may offer relevant knowledge to vernal pool locations.

OFI 42-2, W.I. 1.4 Biodiversity Management: Greater effort should be put to identifying hawk nests and entering them into the opportunistic field survey layer. The auditors recognized that this is not a straight forward procedure and that the system needs to be modified to make this step easier to perform.
When a hawk nest is found it should be documented in the Opportunistic Field Survey layer. This again is something that staff could use some training on or written direction provided in a MiFI manual where folks could refer to. The OFS layer would build the baseline info to help make future decisions on what works/doesn't work in regards to nest protection.

OFI 42-3, W.I. 2.1 Reforestation: The transition between OI, IFMAP and MiFI has resulted in an inefficient, messy system for tracking natural and artificial regeneration of stands. Splitting information into as many as 4-5 systems and databases creates numerous opportunities to lose track of stands and inefficient duplication of work effort. By allowing tracking of cultivation treatments, monitoring and other Next Step Treatments, MiFI promises to improve accuracy and efficiency of regeneration monitoring. The current Work Instructions, however, require Unit Managers and/or Stand Examiners to update MiFI based on FTP completion reports, which they are not receiving in a timely manner.
There are a lot moving parts in tracking reforestation efforts. Three inventory systems in the past decade have made this more difficult. Staff turnover and who has been delegated responsibility for tracking/updates makes matters more complicated. MiFI promises to make this process less cumbersome, but this system is still relatively new. In the interim the plan is that the Unit Manager, Timber Management Specialist and lead forester for cultivation will meet periodically throughout the year to ensure completion reports are done and entered into MiFI. MiFI has some reporting features that are quite powerful in regards to planning.

OFI 42-4, W.I. 3.1 Forest Operations – Intrusive Activities: On the forest treatment proposal log, the majority of proposals have no closure date listed despite there being a column for this information. A greater effort should be made to ensure that this data/information is recorded. Addition of stand numbers may also be helpful.
There are a lot of moving parts to an FTP and when it is actually considered "closed" is difficult, especially when it is written for multiple treatments (i.e. scarify, trench and plant). Hence the reason why there are many dates not entered. A completion date will be entered into the log once the treatment proposal is removed from the book. MiFI is now the place where this information

for completion dates of various treatments is being kept. When the treatment is advanced, the date is recorded there.

OFI 42-5, W.I. 3.2 Best Management Practices Non-Conformance Reporting Instructions: The spreadsheet provided to the auditors doesn't match the information in the resource damage report database as it does not include any incomplete sites. The unit should consider having the two data sources match.
There must have been something provided erroneously here as they should match.

OFI 42-6, W.I. 5.1 Research: Field staff were unaware of the new direction for documenting and reporting on experimental silviculture projects. Greater effort should be put forth to ensure that new direction related to forest certification and work instructions changes and enhancements area communicated to staff in a timely fashion.
The Unit Manager will make a better effort to remind staff to work instruction updates.

OFI 42-7, W.I. 7.1 Timber Sale Preparation and Administration: It was noted that on a couple of sales, information regarding the qualified logger and verification of training credits was not recorded on the form in the appropriate spaces.
An effort is being made to check the database when a sale is opened regardless of whether it was an old sale or new sale. The new inspection forms which include the qualified logger checkbox are now being used on all sales that are opened at Newberry.

OFI 42.8, W.I. 8.1 Training: While divisions had well documented training records, Fisheries Division staff should broaden records to include less formal training opportunities such as: brown bag lunch sessions, guest speakers, thesis and dissertation defense, presentations, webinars and special presentations at staff, unit, district or section meetings.
The Newberry Unit Manager will pass this opportunity for improvement on to Fisheries staff.

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 three unit-level minor non-conformances and no unit-level major non-conformances. An audit theme was added in 2015 and continued in 2016 audits and this theme was the pesticide/herbicide application process defined in Work Instruction 2.2. The audit of this theme for the Newberry unit resulted in one non-conformance.

Minor Non-Conformance 42-2016-01

- Work Instruction 2.1 Reforestation

Requirement of Audited Standard/Work Instruction:

- 2.1 5. Regeneration Monitoring: "…The District Timber Management Specialist will be responsible for conducting or coordinating artificial regeneration surveys…The Timber Management Specialist will provide information to the Unit Manager on status and results of surveys. Survey results must be recorded in the MiFI comments and coding updates." For stands which require additional cultivation treatments, "the forest MiFI Treatments database will be updated with the first step in the new treatment plan and coding will be updated…"

Observed Non-Conformity:

- The Forest Management Unit is not receiving completion reports for cultivation in a timely fashion and cannot, therefore, update MiFI as required by the Work Instructions.

Root Cause:

- There has at times been some delay getting cultivation treatments updated in MiFI. Some of this delay is due to completion reports not being passed on to the unit forester responsible for making the updates in MiFI. Some is this delay is due to confusion on who does the Forest Treatment Proposal completion report when there are cultivation workloads completed by both contracting and Forest Resources Division staff.

Corrective Action:

- When Forest Resources Division unit staff does the cultivation work they will be responsible for completing the Forest Treatment Proposal completion report and passing it to the unit forester responsible for updating MiFI. The Timber Management Specialist should also be provided a copy of the completion report. When the Timber Management Specialist is overseeing contracted cultivation work they will be responsible for completing the Forest Treatment Proposal completion report and passing it to the unit forester responsible for updating MiFI. The Forest Treatment Proposal completion report should be provided to the unit forester responsible for MiFI updates within 30 days after the cultivation work is completed.

Actual Completion Date: December 31st, 2016.

Date of Closure: January 17th, 2017.

Minor Non-Conformance 42-2016-02

- Work Instruction 2.2 Use of Pesticides and Other Chemicals on State Forest Lands

Requirement of Audited Standard/Work Instruction:

- 2.2 1 a: When a Forest Treatment Proposal (form R-4048) requiring a pesticide application is approved, complete a Pesticide Application Plan (form R-4029E). Attach the Pesticide Application Plan to the Forest Treatment Proposal.
- 2.2 2 c: Upon completion of a pesticide application for all DNR authored projects; DNR staff will complete a Forest Treatment Completion form (R-4048-1); and attach a Pesticide Use Evaluation Report (form R-4029-1).

Observed Non-Conformity:

- An herbicide treatment associated with forest treatment proposal C42-835 failed to include a Pesticide Application Plan and a Pesticide Use Evaluation Report. Similarly, there was no Pesticide Application Plan or Pesticide Use Evaluation Report for forest treatment proposal F42-845 which involved a rotenone treatment of Bullhead Lake.

Root Cause:

- Forest Treatment Proposal C42-835 involves an ongoing research area to study the effects of raspberry brush and hardwood regeneration in a deer yard area. There were 12 plots totaling 0.12 acres that were enclosed with fencing and sprayed with glyphosate to remove the raspberry brush and release hardwood regeneration. The work was done in 2013. At the time the Forest Resources Division Unit Manager was unclear of the process of how a small experimental treatment such as this was to be carried out in regards to Pesticide Application Plans and Pesticide Use Evaluation Reports.
- Forest Treatment Proposal F42-845 involved a rotenone application to Bullhead Lake to reduce perch population. The Forest Treatment Proposal was initiated by Fisheries Division in the fall of 2013 and the subsequent work was done by them a year later in the fall of 2014. The Forest Resources Division Unit Manager was unaware of when the work was conducted. Fisheries Division was unaware of Pesticide Application Plan and Use Evaluation Report as application of rotenone was not within scope of the Work Instruction.

Corrective Action:

- The Unit Manager will be more diligent in following up on the Pesticide Application Plan and Pesticide Use Evaluation Report per the work instruction in the future and informing other divisions of the necessity of work instruction protocols.
- Fish Division Unit Manager is now aware of proper procedure in completing lake reclamations (per work instructions). Field staff now aware of the work instruction requirements for Pesticide Application Plan, Forest Treatment Completion Report and Pesticide Use Evaluation Report documentation necessary for pesticide applications, including lake reclamation.

Actual Completion Date: January 17th, 2017.

Date of Closure: January 17th, 2017.

Minor Non-Conformance 42-2016-03

- Work Instruction 3.1 Forest Operations

Requirement of Audited Standard/Work Instruction:

- 3.2 2 Intrusive Activities: Where timely, proposed intrusive activities will be reviewed using the annual compartment review process. The R4048 Forest Treatment Proposal (FTP) shall be used to document Forest Resources Division, Wildlife Division, Parks and Recreation Division, Fisheries Division, and Law and Enforcement Division approvals of intrusive activities. Completion of intrusive activities will be documented by completion of a R4048-1 Forest Treatment Completion Report...

Observed Non-Conformity:

- The Dollarville Duck Blind is a good example of a high profile, collaborative project to improve wildlife recreation opportunity in the Newberry Forest Management Unit. The project was highlighted as a "More Bang for Your Buck" accomplishment, was discussed locally, and a DEQ permit was received prior to construction. Yet, the Unit failed to provide evidence that the project received appropriate public review and consolation and multi-divisional approval as directed under "Section 2-Intrusive Activities" of Work Instruction 3.1-Forest Operations. The project would qualify as an intrusive activity under "Water Access, State Forest Campground, Pathway or trail on or adjacent to State Forest Land: -Site development or Site expansion" and as such requires completion of DNR Resource Assessment Procedure checklist, IC 4123* for new construction; approval through the compartment review, and Forest Treatment Proposal approval by Forest Resources Division, Wildlife Division, Parks and Recreation Division, Fisheries Division, and Law and Enforcement Division (as a result of the various Divisional responsibilities at this site).

Root Cause:

- In the summer of 2016 Wildlife Division constructed an Americans with Disabilities Act accessible Duck Blind adjacent to the existing DNR boat launch at the Dollarville Flooding, a flooding that has been historically co-managed by Wildlife and Fisheries Division. While there were informal discussions between divisions about the project, the construction effort was not formally approved by various divisions or the public. During discussions there was some uncertainty about where this project fell in terms of intrusive activities and what was necessary in terms of approvals.

Corrective Action:

- Being this project touches all divisions and the public it should have gone through a formal review process. In the future the Unit Manager will refer various division staff to Section 2 – Intrusive Activities of Work Instruction 3.1 – Forest Operations for direction on how to proceed with projects such as this in regards to necessary approvals and then follow the procedures outlined in the IC4123 checklist.

Actual Completion Date: December 31st, 2016.

Date of Closure: January 17th, 2017.