

Michigan Department of Natural Resources 2009 Forest Certification Internal Audit Report Pigeon River Country Forest Management Unit

Internal Audit Dates: June 16-18, 2009

Internal Audit Summary Date: June 18, 2009

Lead Auditor: Jeff Stampfly

Internal Auditors: Gary Roloff, Kevin LaBumbard, Greg Gatesy.

Comments:

The internal audit of the Pigeon River FMU was held June 16-18, 2009. The scope of the audit was State Forest Land (SFL) within the Pigeon River FMU. The audit criteria were the May 6, 2008 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. Prior to the audit, the forest certification specialist, in consultation met with unit staff and developed two draft routes. On Tuesday, June 16, these draft routes were reviewed and revised by the audit team with input from unit staff. A brief opening meeting was held with the participants Wednesday morning at the Pigeon River Country Headquarters. Subsequently, the audit team split into two groups and moved to areas of MDNR field management activities located in Cheboygan, Otsego and Montmorency counties. Multiple sites were visited by each group. A debriefing was held for FMU management staff at the end of the day Wednesday. Thursday morning was spent reviewing the audit findings, conducting follow-up interviews, or further reviewing documents as needed. A closing meeting was held on Thursday at 12:00 pm. The audit team gathered evidence to determine work instruction conformance through interviews, document review and field observations.

Commendable Practices:

The internal audit team appreciated the cooperation, involvement, and openness of the Pigeon River Unit staff and audit participants.

- The audit team was impressed with the effectiveness of the PRC road closure plan and the ability to limit Resource Damage. Several areas were observed that could potentially become RDRs, but they hadn't because of vehicular access control.
- The amount of public contact, consultation and volunteerism on the unit is commendable. Specifically, we were impressed by the use of volunteers to monitor and maintain the trail network in PRCSF. This is an effective and commendable program and an excellent example of engaging the public in meaningful resource maintenance and management.
- Commendable integration of the timber sale program, visual management, and recreation.
- Unit staff is very aware of PRCSF Concept of Management and its incorporation into on-the-ground activities is evident.

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. (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. (Adapted from the Sustainable Forestry Initiative Standard 2005-2009 Edition definitions.)

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

MDNR's internal audit review process (WI 1.2) requires a record, evaluation, and report of non-conformances with forest certification standards and related WI at all levels of the Department. As part of that process, we documented the Unit's conformity with policy, procedures, management review decisions, and WIs. At the time of the Pigeon River audit, the Management Review and WI updates from 2008 had not been disseminated to staff. Where applicable, we discussed known changes as a result of the updates and treated them as training opportunities. Our audit resulted in 0 major non-conformances, 6 minor non-conformances, and 3 opportunities for improvement. Non-conformances are documented on the Non-conformance Report forms (NCR Form 4502) below.

Opportunities for improvement include:

- Work Instruction 1.3, Regional State Forest Plan Development – The Unit currently uses broad management objectives for regeneration in harvest units. These regeneration objectives guide the future composition of stands on PRCSF. Concurrently, the Regional Forest Management Plans are using a Management Area approach to describe the long-term and large-scale (i.e., Unit-wide) desired future conditions for PRCSF. We caution that the use of broad regeneration objectives at the stand level may conflict with large-scale desired future conditions. We encourage the Unit staff and District Planners to monitor this situation and ensure that stand- and regional-level forest composition goals align.
- Work Instruction 2.1, Management Review Process for Continual Improvement in the Management of Forest Resources – The audit team observed considerable browse impacts on several timber harvest areas. We caution that the ability to sustain certain vegetation types (e.g., aspen) may be compromised in the future and we encourage the Unit and District to consider these impacts during their forest planning, compartment review, and monitoring processes.
- Work Instruction 8.1, Michigan Department of Natural Resources Staff Training for State Forest Management – There was no indication that a process for moving training records among Divisions exists potentially resulting in the loss of training records for individual employees.

NCRs:

Copies of all NCRs (form R 4502) are attached to this audit summary.

CORRECTIVE ACTION PLAN ACCEPTED
Forest Cert Specialist: Dennis Nezych
Date: 10-9-08

Actual Completion Date (mm/dd/yyyy)

Responsible Manager:
Date

Verified by:	Verified by:
_____	_____
Responsible Mgr Supervisor Signature Date	FMFM FC Specialist Signature Date

Follow Up Comments

CORRECTIVE ACTION PLAN ACCEPTED Forest Cert Specialist: Dennis Nezych Date: 10-9-08					
Actual Completion Date (mm/dd/yyyy) Responsible Manager: Date					
Verified by:			Verified by:		
Responsible Mgr Supervisor	Signature	Date	FMFM FC Specialist	Signature	Date
Follow Up Comments					



Michigan Department of Natural Resources - Forest, Mineral and Fire
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**INTERNAL AUDIT
NON CONFORMANCE REPORT**

Unit Name Pigeon River Country State Forest		Site location Oil and Gas		Non Conformance Report Number (Unit Code - yyyy - #) 53-2009-3	
Lead Auditor Jeff Stampfly		Team Member(s) Kevin LaBumbard, Jeff Stampfly, Greg Gatesy, Gary Roloff			
Date (mm/dd/yyyy) 06/17/2009		Work Instruction or Standard and Clause Number 2.3 Integrated Pest Management			
<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): Mineral and Land Management Section Manager	
Requirement of Audited Standard/ Work Instruction 5a Invasive non-native plants will not be used on public lands, mandated restoration projects or recommended for use on private lands.					
Observed Nonconformity The seed mix being used in the FMU for "Restoring vegetation to Rights of Way and Well Sites" include known invasive exotic species (e.g., well site permit 53-005-07).					
Root Cause Analysis (Describe the cause of the problem.) Prepared by: Tom Wellman 10/1/09 These seed mixtures were developed for a variety of soil types many years ago for the purpose of initially establishing quick cover to reduce the risk of erosion and to reduce the opportunity for undesirable exotic species to take hold. Secondly these seed mixtures provide a basis to allow a succession of native species to repopulate the disturbed area. Recent FC requirements that specify no exotics in the seed mix are contrary to current mixtures.					
Corrective Action - Proposed corrective action - To be completed by the Unit and relevant Divisions. Prepared by: Tom Wellman 10/1/09 Convene a group to develop a variety of seed mixtures to use on various soil types which have the same characteristics of the current mixtures but do not contain exotic species.					
Proposed Completion Date: 12/1/2009					
		Thomas Wellman Responsible Manager		Electronic Signature 10/1/09 Date	
Scott Whitcomb FMFM Unit Manager		Electronic 10/2/09 Signature Date		Dayle Garlock FMFM Dist Supervisor	
				Electronic 10-9-09 Signature Date	
CORRECTIVE ACTION PLAN ACCEPTED Forest Cert Specialist: Dennis Nezych Date: 10-9-08					
Actual Completion Date (mm/dd/yyyy) Responsible Manager: Date					
Verified by: Responsible Mgr Supervisor Signature Date			Verified by: FMFM FC Specialist Signature Date		
Follow Up Comments					



Michigan Department of Natural Resources - Forest, Mineral and Fire
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**INTERNAL AUDIT
NON CONFORMANCE REPORT**

Unit Name Pigeon River		Site location 3 C Red pine 53-006-06-01; Town Corner Jack Pine		Non Conformance Report Number (Unit Code - yyyy - #) 53-2009-5	
Lead Auditor Jeff Stampfly		Team Member(s) Jeff Stampfly, Gary Roloff, Kevin LaBumbard, Greg Gatesy			
Date (mm/dd/yyyy) 06-17-09		Work Instruction or Standard and Clause Number 7.1 Timber Sale Preparation and Administration			
<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor		Other Documents (if applicable) General Sale Condition		Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): FMU Unit Manager	
Requirement of Audited Standard/ Work Instruction Under section 4 a ii: "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"					
Observed Nonconformity Two oil leaks were observed on the sale behind the wood decks. Sale administrator was shown the specific location of the both spots. Diesel fuel odor was detected at one of the spots. The spot was a 1-2 feet in diameter and did not have any growing vegetation in it. Additional minor oil releases were found at the Town Corner Jack Pine sale.					
Root Cause Analysis (Describe the cause of the problem.) Prepared by: Scott Whitcomb, July 9, 2009 Minor leaks of mechanized logging and other harvest equipment are an inherent risk of timber harvest operations. Loggers did not check site for compliance with no spill requirements. No spills are acceptable on any Department logging operation.					
Corrective Action - Proposed corrective action - To be completed by the Unit and relevant Divisions. Prepared by: Scott Whitcomb, Sept 14, 2009 Logging operators are made aware of no spill policy. Staff routinely emphasizes importance of contractors monitoring for leaks and spills and proper cleanup procedures during presale conferences. Staff will reemphasize the importance of these activities during all conferences and inspections of operations and continue to look for compliance issues during inspections. DNR staff will require contractors to clean up visible spills when found.					
Proposed Completion Date (mm/dd/yyyy)					
Immediate and continuing		Scott Whitcomb		Electronic	
		Responsible Manager		Signature	
				9-14-09	
				Date	
Scott Whitcomb		Electronic		9-14-09	
FMFM Unit Manager		Signature		Date	
		Dayle Garlock		Electronic	
		FMFM Dist Supervisor		Signature	
				10-9-09	
				Date	
CORRECTIVE ACTION PLAN ACCEPTED Forest Cert Specialist: Dennis Nezych Date: 10-9-08					
Actual Completion Date (mm/dd/yyyy)					
Responsible Manager:					
Date:					
Verified by:			Verified by:		
Responsible Mgr Supervisor		Signature		Date	
		FMFM FC Specialist		Signature	
				Date	
Follow Up Comments					



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INTERNAL AUDIT
NON CONFORMANCE REPORT

Unit Name Pigeon River State Forest		Site location Office and field interviews; numerous field sites (see below)		Non Conformance Report Number (Unit Code - yyyy - #) 53-2009-6	
Lead Auditor Jeff Stampfly		Team Member(s) Kevin LaBumbard, Jeff Stampfly, Greg Gatesy, Gary Roloff			
Date (mm/dd/yyyy) 06/17/2009		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)		Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): FMFM Unit Manager	
Requirement of Audited Standard/ Work Instruction Timber Sale Contract Inspections and Documentation					
Observed Nonconformity 1) No use of inspection form R-4050. Lack of presale meeting recorded on form R-4050. Not using the current version of form R-4050 (3C Red Pine, Grindstone Hardwoods, Town Corner Jack Pine). 2) Contract variances not documented on Timber Sale Inspections forms or Contract Amendments. No written permission to cut undesigned trees, and no record of volume and/or payment for those trees found. No written permission for early entry into seasonally restricted timber sale (3C Red Pine, Grindstone Hardwoods). 3) Contractors observed not complying with PPE requirements (Town Corner Jack Pine)					
Root Cause Analysis (Describe the cause of the problem.) Prepared by and date: Scott Whitcomb, July 9, 2009 1) Inspection was performed but form not filled out. Presale meeting was performed but not explicitly noted on form. Forms used by office were outdated and not able to be updated automatically due to technology constraints. 2) Oral permissions granted but not documented in writing. 3) Contractors not in compliance.					
Corrective Action - Proposed corrective action Prepared by and date: Scott Whitcomb, Sept 21, 2009 1) Inspection forms will be filled out at the time of inspection. All conferences will be documented. Office has since updated forms to current version. 2) All permissions will be documented in writing. 3) Staff routinely emphasize importance of compliance with PPE requirements during presale conferences. Staff will reemphasize the importance of this requirement during all conferences and inspections of contractor's operations. Work Instruction 7.1, Section 4, items ii and iii, dealing with administration of safety and the proper use of PPE by timber sale contractors reviewed with staff and implemented.					
Proposed Completion Date (mm/dd/yyyy) Immediate and Continuing					
		Scott Whitcomb		Electronic	
		Responsible Manager		Signature	
		10/2/09		10/2/09	
		Date		Date	
Scott Whitcomb		Electronic		10/2/09	
FMFM Unit Manager		Signature		Date	
		Dayle Garlock		Electronic	
		FMFM Dist Supervisor		Signature	
		10/2/09		10-9-09	
		Date		Date	
CORRECTIVE ACTION PLAN ACCEPTED Forest Cert Specialist: Dennis Nezych Date: 10-9-08					
Actual Completion Date (mm/dd/yyyy)					
Responsible Manager:					
Date					
Verified by:			Verified by:		
Responsible Mgr Supervisor		Signature	Date	FMFM FC Specialist	
				Signature	
				Date	
Follow Up Comments					