

Michigan DNR Forest Certification Internal Audit

FMU: Escanaba Forest Management Unit (FMU)

Internal Audit Dates: July 14-16, 2010

Draft Internal Audit Report Date: July 16, 2010

Final Audit Report Date: October 15, 2010

Lead Auditor: Les Homan

Internal Auditors: Pat Hallfrisch, Gary Roloff, Pat Ruppen

Comments:

The internal audit of the Escanaba FMU was held July 14-16, 2010. The scope of the audit was State Forest Land (SFL) within the Escanaba FMU. The audit criteria were the April 6, 2010 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 with unit staff, developed two routes for the field portion of the audit. On Wednesday, July 14, these draft routes were reviewed and revised by the audit team with input from unit staff. Document review and office interviews also occurred on July 14. On Thursday morning, July 15, the audit team split into two groups. Brief opening meetings were held with audit participants July 15, Thursday morning at the Escanaba FMU Headquarters and the Stephenson Unit Office. Audit routes in eastern and western Menominee and southern Delta counties were visited throughout the day. The eastern group visited 15 sites and the western group visited 13 sites. Friday morning (July 16) was spent reviewing the audit findings, conducting follow-up interviews, and further reviewing documents as needed. A closing meeting was held on Friday at 2:30 pm.

Commendable Practices:

The internal audit team appreciated the cooperation, involvement, and openness of the Escanaba FMU staff and audit participants.

- The audit team was impressed with the effectiveness of RDR reporting, database management, and efforts to complete and close RDRs. The FMU has been successful in acquiring diverse funding to help address RDR issues.
- The FMU is commended for timber management administration.
- Commendable implementation for the Shakey Lakes Management Plan
- The draft “contentious cover type document” is a laudable effort to resolve differing opinions related to land management issues.

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 FMU's conformity with policy, procedures, management review decisions, and WIs. At the time of the Escanaba FMU audit, the Management Review and WI updates from 2010 were disseminated to staff. Our audit resulted in 0 major non-conformances, 7 minor non-conformances, and 7 opportunities for improvement. Non-conformances are documented on the Non-conformance Report forms (NCR Form 4502) below.

Opportunities for improvement include:

- Work Instruction 2.1, Staff is generally aware of Work Instructions but could use periodic refresher training.
- Work Instruction 2.2, Staff was not aware that they could support the pesticide application process with only Worker Protection Training.
- Work Instruction 3.2, The FMU web page contains the contact information for the Unit Manager. We recommend that language be added to explicitly inform the public that they can report BMP issues or other observations of environmental degradation to the Unit Manager.
- The Department's Intrusive Activities Review and Approval Process could be clarified in reference to improvements made to recreational facilities and trails. Confusion and ambiguity was noted while viewing a project to improve issues on a X-country ski trail.
- Research activities occurring on lands within a management unit should be reported to the unit staff. A situation was noted where an apparent research project was installed within a timber sale boundary without the knowledge of land management staff.
- Unit manager could improve tracking of completed regeneration surveys to assure that results are properly recorded and utilized.

NCRs:

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



**2010 INTERNAL AUDIT
NON CONFORMANCE REPORT**

Unit Name Escanaba FMU		Site location 77-01-09-01; 39-02-08-01	Non Conformance Report Number (Unit Code - yyyy - #) 33-2010-01
Lead Auditor Les Homan	Team Member(s) Pat Hallfrisch, Gary Roloff, Pat Ruppen		
Date (mm/dd/yyyy) 07/16/2010	Work Instruction or Standard and Clause Number 1.2 Mgmt Review Process for Continual Improvement		
<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor	Other Documents (if applicable) N/A	Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): FMD Forest Health, Inventory, and Monitoring Unit Leader	
Requirement of Audited Standard/ Work Instruction: Management Review Reports, Section 3. Implementing Improvements: Division chiefs will ensure changes and improvements approved by the Statewide Council are implemented via written communication to employees.			
Observed Nonconformity: Interviews with FMFM and WLD staff and field observations in northern hardwood and lowland conifer sites (e.g., Comp 77, 01-09-01; Comp 39, 02-08-01; extra stop on east tour) indicated that regeneration of some desirable tree species (maple, hemlock) is being limited, likely by deer herbivory. This issue was addressed in previous Management Review Reports (2008, 2009, 2010) by formation of a Cervid Herbivory Team. The Cervid Herbivory Team has been inactive and their recommendation to conduct statewide risk modeling as a means to identify additional data needs has not been implemented. Our observations support the previous finding that deer herbivory is affecting desirable forest regeneration in the Escanaba FMU and that recommendations from the Cervid Herbivory Team be implemented.			
Root Cause Analysis (Describe the cause of the problem): Prepared by and date: Ronald Murray 09/29/10 The Cervid Herbivory Team did a broad literature review and found highly confusing and conflicting recommendations from the body of research that was available. However, the team did agree that a risk rating process could be undertaken that could identify areas at high risk for problems from deer herbivory vs. those with little risk. Follow-up monitoring of these ratings could provide needed information to develop more refined models and guide forest management operations. To accomplish that task, it would be necessary to assemble a cross section of managers and research experts familiar with conditions in the field across the state. Two years ago when this decision was made, services of a key facilitator from the USDA-FS, FHTET was needed to guide this effort. Funding issues and lack of available time from that individual has impeded the implementation of this step in the program both in Michigan and several other states over the past two years.			
Corrective Action – (To be completed by the Unit and relevant Divisions): Prepared by and date: Ronald Murray 09/29/10 In response to that need, the USDA-FS, FHTET has recently created a program that can be used by knowledgeable state-level staff with minimal additional training from FHTET. This training can usually be accomplished over the phone in consultation with the FHTET facilitator. The logical FMD staff person to serve as a state-level facilitator is Roger Mech of the FMD Forest Health Program. He is a leader in the development of the Forest Health Risk Map nationally and has interacted with the FHTET facilitator in this effort to a considerable degree. Extension of his knowledge to development of a cervid herbivory risk map is logical. The FMD Forest Health Program plans to provide that service to the Cervid Herbivory Team in 2011 to again move this process along to the next logical step. Commitment from FMD and WLD management to allow the assembling of the expertise needed to accomplish this task is also needed and will be sought for the 2011 FY.			
Proposed Completion Date (mm/dd/yyyy): 9/30/2011 Responsible Manager (RM): Ronald Murray			
RM Signature		Date 9-30-2011	
Eric Thompson	10-12-2010	Debbie Begalle	10-12-2010
_____ FMD Unit Manager	_____ Signature	_____ FMD Dist Supervisor	_____ Signature

CORRECTIVE ACTION PLAN ACCEPTED Forest Cert Specialist: Dennis Nezych Date 10-15-2010					
Actual Completion Date (mm/dd/yyyy): Responsible Manager: Date:					
Verified by:			Closed by:		
_____ Responsible Mgr Supervisor	_____ Signature	_____ Date	_____ FMD FC Specialist	_____ Signature	_____ Date
Follow Up Comments					



**2010 INTERNAL AUDIT
NON CONFORMANCE REPORT**

Unit Name Escanaba FMU		Site location Office and site visits (see below)		Non Conformance Report Number (Unit Code - yyyy - #) 33-2010-02	
Lead Auditor Les Homan		Team Member(s) Pat Hallfrisch, Gary Roloff, Pat Ruppen			
Date (mm/dd/yyyy) 07/16/2010		Work Instruction or Standard and Clause Number 1.4 Biodiversity Management on State Forest Lands			
<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor		Other Documents (if applicable) N/A		Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): FMD Unit Manager	
Requirement of Audited Standard/ Work Instruction: WI 1.4: For stands coded as SCAs in the Operations Inventory database (code = 8), comments should be made regarding the unique area and how the area will be managed or treated. Additionally, for stands identified as containing threatened or endangered species, information on the species should be recorded in Operations Inventory locked comments and the occurrence should be reported to the Statewide Endangered Species Coordinator.					
Observed Nonconformity: Comp 109, Stand 08 was positively identified as containing dwarf milkweed but locked comments in the Operation Inventory (OI) did not include mention of this species. Additionally, this species was not mentioned in forest treatment proposal for this area, even though a GDSE layer of point locations exists. Several examples of SCAs were observed (Comp 77, Stand 72; Comp 106, Stand 22; Comp 113, Stand 1) that did not contain explicit management recommendations or conservation objectives. A telephone interview with the Statewide Endangered Species Coordinator indicated that no recent reports of threatened or endangered species were reported. A Red-Shouldered Hawk location was noted by the unit and not reported.					
Root Cause Analysis (Describe the cause of the problem): Prepared by and date: Eric W. Thompson August 11, 2010 Dwarf Milkweed has been a known T&E species in compartment 109 by local staff and others since the early 1990's. Exact locations of T&E species was not known by local staff and therefore no locked comments were input into OIPC. I do not know the reason why SCAs do not have comments or why T&E species are not being reported.					
Corrective Action – (To be completed by the Unit and relevant Divisions): Prepared by and date: Eric W. Thompson August 11, 2010 Compartment 109 T&E species comments will be added to the stands based on the GDSE T&E layer of know locations. T&E species GDSE layer will be noted on the FTP when T&E species are known. When T&E species are discovered during inventory they will be reported, by the person making the discovery, to the Endanger Species Coordinator.					
Proposed Completion Date (mm/dd/yyyy): Compartment 109 by Sept. 30 th , all others as they occur. Responsible Manager (RM): Eric W. Thompson					
RM Signature		Date			
Eric Thompson		10-12-2010		Debbie Begalle 10-12-2010	
_____ FMD Unit Manager		_____ Signature Date		_____ FMD Dist Supervisor Signature	
CORRECTIVE ACTION PLAN ACCEPTED Forest Cert Specialist: Dennis Nezich Date 10-15-2010					
Actual Completion Date (mm/dd/yyyy): Responsible Manager: Date:					
Verified by:			Closed by:		
_____ Responsible Mgr Supervisor		_____ Signature Date		_____ FMD FC Specialist Signature Date	
Follow Up Comments					



2010 INTERNAL AUDIT NON CONFORMANCE REPORT

Unit Name Escanaba FMU		Site location Office	Non Conformance Report Number (Unit Code - yyyy - #) 33-2010-03
Lead Auditor Les Homan	Team Member(s) Pat Hallfrisch, Gary Roloff, Pat Ruppen		
Date (mm/dd/yyyy) 07/16/2010	Work Instruction or Standard and Clause Number 1.5 Social Impact Considerations and Public Involvement Processes		
<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor	Other Documents (if applicable) N/A	Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): FMD Field Coordinator	
Requirement of Audited Standard/ Work Instruction: WI 1.6: FMU web page should contain links to the information contained in compartment review summaries.			
Observed Nonconformity: The Escanaba FMU web page does not link to the web page containing compartment review summaries.			
Root Cause Analysis (Describe the cause of the problem): Prepared by and date: Eric W. Thompson September 28, 2010 There is no longer a direct link to the compartment review summaries on any of the 15 Unit web pages. The information is still available on the DNRE website at http://www.michigan.gov/dnr/0,1607,7-153-30301_30505_54967---,00.html in a drop down menu.			
Corrective Action – (To be completed by the Unit and relevant Divisions): Prepared by and date: Eric W. Thompson September 28, 2010 Re-write the work instruction with the correct location of the information or have the webmaster place a link to the information on the 15 individual web pages.			
Proposed Completion Date (mm/dd/yyyy): June 1, 2011 Responsible Manager (RM): Bill O’Neill			
RM Signature		Date	10-15-2010
Eric Thompson	10-12-2010	Debbie Begalle	10-12-2010
_____	_____	_____	_____
FMD Unit Manager	Signature	Date	FMD Dist Supervisor Signature
CORRECTIVE ACTION PLAN ACCEPTED			
Forest Cert Specialist: Dennis Nezych Date 10-15-2010			
Actual Completion Date (mm/dd/yyyy): Responsible Manager: Date:			
Verified by:		Closed by:	
_____	_____	_____	_____
Responsible Mgr Supervisor	Signature	Date	FMD FC Specialist Signature Date
Follow Up Comments			



2010 INTERNAL AUDIT NON CONFORMANCE REPORT

Unit Name Escanaba FMU		Site location Seven Mile Hardwood Timber Sale # 010-089	Non Conformance Report Number (Unit Code - yyyy - #) 33-2010-04
Lead Auditor Les Homan	Team Member(s) Pat Hallfrisch, Pat Ruppen, Gary Roloff		
Date (mm/dd/yyyy) 07/15/2010	Work Instruction or Standard and Clause Number 2.1 Reforestation		
<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor	Other Documents (if applicable) The Compleat Marker	Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): FMD Unit Manager	
Requirement of Audited Standard/ Work Instruction: 2.1 Reforestation. Silvicultural practices encourage regeneration that moves the stand toward its desired future condition as determined by the management objective agreed to at the compartment review.			
Observed Nonconformity: Northern hardwood stand with mix of pulpwood and sawlog sized trees ...estimated age 75-85 was coded as un-even aged management and a management objective of Northern Hardwoods M-type. Type of cut = Thinning. Method of cut does not match management objective or hardwood management guidance documents (The Compleat Marker). Other similar stands were noted in IFMAP comments.			
Root Cause Analysis (Describe the cause of the problem): Prepared by and date: Eric W. Thompson August 11, 2010 Inconsistent coding is the cause of this problem. Too many people giving guidance as to how to code stands for harvest. Lack of documentation for why stands were coded as thinning when they meet the criteria for selection.			
Corrective Action – (To be completed by the Unit and relevant Divisions): Prepared by and date: Eric W. Thompson August 19, 2010 All stand examiners will be directed to code un-even aged hardwoods stands prescribed for harvest as selection cuts. Any deviation from this will be explained in the comments for each stand.			
Proposed Completion Date (mm/dd/yyyy): During next inventory cycle Responsible Manager (RM): Eric W. Thompson			
RM Signature		Date	8-19-10
Eric Thompson	10-12-2010	Debbie Begalle	10-12-2010
_____	Signature	_____	Signature
FMD Unit Manager	Date	FMD Dist Supervisor	Date
CORRECTIVE ACTION PLAN ACCEPTED			
Forest Cert Specialist: Dennis Nezych Date 10-15-2010			
Actual Completion Date (mm/dd/yyyy): Responsible Manager: Date:			
Verified by:		Closed by:	
_____	_____	_____	_____
Responsible Mgr Supervisor	Signature	FMD FC Specialist	Signature
_____	Date	_____	Date
Follow Up Comments			



2010 INTERNAL AUDIT NON CONFORMANCE REPORT

Unit Name Escanaba FMU		Site location Office		Non Conformance Report Number (Unit Code - yyyy - #) 33-2010-05	
Lead Auditor Les Homan		Team Member(s) Pat Hallfrisch, Pat Ruppen, Gary Roloff			
Date (mm/dd/yyyy) 07/15/2010		Work Instruction or Standard and Clause Number 3.1 Forest Operations			
<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): WLD Habitat Biologist	
Requirement of Audited Standard/ Work Instruction: FMD, WLD, and Fisheries will review and approve all intrusive operations. Completion of operations will be documented in a form available to the approving divisions. Forest inventory records will be updated annually.					
Observed Nonconformity: Completed WLD initiated FTPs were not entered into OI database in a timely fashion (e.g., FTP W-33-643). Completion date was Aug-08 and this FTP has not been entered into OI database.					
Root Cause Analysis (Describe the cause of the problem): Prepared by and date: approved by Craig Albright 9-23-10 When we complete a Wildlife-initiated FTP, we prepare a Completion Report and place it in our Wildlife compartment folder. We also provide a copy to the FMD office for placement in their folder. I also keep a log of FTP completions in a spreadsheet. In 20+ years of working in this position, I have never entered a FTP completion into OI. I logged into OI this morning to try to figure out where we would enter such a completion, and I remain puzzled. Many of our FTP's span multiple stands, for example, herbaceous plantings in a cluster of openings. A stand may be prescribed for a treatment using numerical coding, but most will not contain comments pertaining to a FTP. Quite often the treatments will occur annually or semi-annually throughout the decade—such as fertilizing or mowing an opening. Thus, we would not want to change the Treatment Period from 0 to 1 or remove the other treatment codes in OI, even though the main work for the FTP was completed (in the case of an opening, the main work was disking and seeding) .					
Corrective Action – (To be completed by the Unit and relevant Divisions): Prepared by and date: approved by Craig Albright 9-23-10 To address this noncomformity, WLD will place a written comment in each stand's Wildlife comment box stating a treatment was completed. We will continue to send a FTP completion report to the FMD office for placement into their compartment folder and so that FMD staff can appropriately update compartment coding. For long term FTPs, such as those that remain open for a 10 year period, WLD will update the Wildlife comment box as stands are treated and will forward a report for partially completed FTPs to the FMD office on an annual basis.					
Proposed Completion Date (mm/dd/yyyy): To begin immediately Responsible Manager (RM): Craig Albright RM Signature _____ Date 9-23-10					
Eric Thompson		10-12-2010		Debbie Begalle	
_____		_____		10-12-2010	
FMD Unit Manager		Signature		Date	
_____		_____		FMD Dist Supervisor	
_____		_____		Signature	
_____		_____		Date	
CORRECTIVE ACTION PLAN ACCEPTED					
Forest Cert Specialist: Dennis Nezich					
Date 10-15-2010					
Actual Completion Date (mm/dd/yyyy):					
Responsible Manager: _____ Date: _____					
Verified by:			Closed by:		
_____			_____		
Responsible Mgr Supervisor			FMD FC Specialist		
Signature			Signature		
Date			Date		
Follow Up Comments					



2010 INTERNAL AUDIT NON CONFORMANCE REPORT

Unit Name Escanaba Management Unit		Site location Cedar River Campground		Non Conformance Report Number (Unit Code - yyyy - #) 33-2010-06	
Lead Auditor Les Homan		Team Member(s) Pat Hallfrisch, Pat Ruppen, Gary Roloff			
Date (mm/dd/yyyy) 07/15/2010		Work Instruction or Standard and Clause Number 6.2 Integrating Public Recreational Opportunities with Management on State Forest Land.			
<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor		Other Documents (if applicable)		Responsible Manager(s) FMD Unit Manager	
Requirement of Audited Standard/ Work Instruction: 5(a) Impacts on Campgrounds are reported, monitored and addressed.					
Observed Nonconformity: Although campground impacts and needs were monitored and reported, actions to address needs were not completed. Numerous functional and safety issues were observed. See Cedar River Campground inspection report dated 6-10-10.					
Root Cause Analysis (Describe the cause of the problem): Prepared by and date: Eric W. Thompson August 10, 2010 The campground program has a very limited amount of funding to operate during the last few fiscal years. With the threat of more campground closures, unit staff has been doing minimal maintenance to lower the cost of operating the Cedar River campground.					
Corrective Action – (To be completed by the Unit and relevant Divisions): Prepared by and date: Eric W. Thompson August 10, 2010 Unit staff has been directed to correct every item on the Inspection Report dated June 10, 2010 as well as the items identified on the most recent Health Dept. inspection.					
Proposed Completion Date (mm/dd/yyyy): September 1, 2010 Responsible Manager (RM): Eric W. Thompson					
RM Signature		Date			
Eric Thompson		10-12-2010		Debbie Begalle 10-12-2010	
_____ FMD Unit Manager		_____ Signature Date		_____ FMD Dist Supervisor Signature	
CORRECTIVE ACTION PLAN ACCEPTED Forest Cert Specialist: Dennis Nezych Date 10-15-2010					
Actual Completion Date (mm/dd/yyyy): Responsible Manager: Date:					
Verified by:			Closed by:		
_____ Responsible Mgr Supervisor		_____ Signature Date		_____ FMD FC Specialist Signature Date	
Follow Up Comments					



2010 INTERNAL AUDIT NON CONFORMANCE REPORT

Unit Name Escanaba Management Unit		Site location Office		Non Conformance Report Number (Unit Code - yyyy - #) 33-2010-07	
Lead Auditor Les Homan		Team Member(s) Pat Hallfrisch, Pat Ruppen, Gary Roloff			
Date (mm/dd/yyyy) 07/15/2010		Work Instruction or Standard and Clause Number 8.1. MDNRE Staff Training for State Forest Management			
<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor		Other Documents (if applicable)		Responsible Manager(s) FMD Unit Manager	
Requirement of Audited Standard/ Work Instruction: 8.1.1.d - As part of the annual performance appraisal process, supervisors must identify employee training needs per DNRE Personnel Manual 21.10.02 and division policies.					
Observed Nonconformity: Training needs were not identified as part of the performance appraisal process in 2008 or 2009.					
Root Cause Analysis (Describe the cause of the problem): Prepared by and date: Eric W. Thompson August 10, 2010 Training needs were discussed during the 2006 and 2007 performance review process. Staff training needs have not changed since the 2007 performance reviews. All training needs were carried forward from year to year but this was not documented or communicated to the training officer.					
Corrective Action – (To be completed by the Unit and relevant Divisions): Prepared by and date: Eric W. Thompson August 10, 2010 Training needs will be accessed at all future performance evaluations. All needs will be forwarded to the training officer even if the remain the same from year to year.					
Proposed Completion Date (mm/dd/yyyy): October 31, 2010 Responsible Manager (RM): Eric W. Thompson					
RM Signature		Date			
Eric Thompson		10-12-2010		Debbie Begalle 10-12-2010	
_____ FMD Unit Manager		_____ Signature		_____ FMD Dist Supervisor	
		Date		Signature	
CORRECTIVE ACTION PLAN ACCEPTED Forest Cert Specialist: Dennis Nezich Date 10-15-2010					
Actual Completion Date (mm/dd/yyyy): Responsible Manager: Date:					
Verified by:			Closed by:		
_____ Responsible Mgr Supervisor		_____ Signature		_____ FMD FC Specialist	
		Date		Signature	
Follow Up Comments					