

# Gwinn Forest Management Unit

## 2012 Final Internal Audit Report

**Internal Audit Dates:** June 10 -12, 2012  
**Initial Post Audit Draft of Internal Audit:** July 12, 2012  
**Internal Audit Report, Second Draft:** October 12, 2012  
**Lead Auditor:** Dennis Nezych  
**Internal Auditors:** Gary Roloff, Patrick Mohney, Tom Haxby  
**Observer:** Scott Jones

**Opportunities for Improvement:** 6  
**Minor Non-Conformances:** 6  
**Major Non-Conformances:** None  
**Follow-Up Required:**  
Opportunities for Improvement: One  
Minor Non-Conformances: Two  
Major Non-Conformances: None

**Final Internal Audit Report Date:** December 6<sup>th</sup>, 2013. As of this date, five of the six minor non-conformances have been closed, although one still requires follow up (32-2012-05) as it requires a potential change to the IFMAP database and revision of the certification work instruction. One minor non-conformance, related to ecological reference areas (32-2012-04) will remain open at least through September of 2014. There were no major non-conformances and six opportunities for improvement.

### Opening Comments:

The internal audit of the Gwinn Forest Management Unit was conducted July 10 - 12, 2012. The scope of the audit was state forest land within the Gwinn Forest Management Unit. 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, July 10th, separate detailed lists of audit sites and routes were established for an east tour and west tour of the Gwinn unit based on record searches and interviews with unit staff. An opening meeting was held with audit participants on Wednesday morning at the Gwinn Field Office, and the field portion of the audit visited 21 sites within 16 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 Gwinn Unit and Western Upper Peninsula District staff. The audit team was very impressed with the excellent working relationship between divisions, particularly among Forest Resources, Law Enforcement and Parks and Recreation Divisions. The "transition" of recreational facility management from Forest Resources Division to Parks and Recreation Division appears to be progressing in a very positive and cooperative manner and is leading toward program improvements. Timber sale preparation and administration is commendable, and positive relationships exist with loggers. 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 appropriately 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-conformance, 6 minor non-conformances, and 6 opportunities for improvement. Non-conformances are documented on Non-Conformance Report forms (NCR Form 4502) on the following pages. The opportunities for improvement are listed immediately below.

- OFI 32-01 Related to WI 2.1, Reforestation: Forest regeneration problems, which are often linked to cervid herbivory issues, continue to be a concern expressed by many local staff and was observed by internal auditors on multiple sites. The Statewide Council has decided that a Forest Regeneration team (with staff from Forest Resources Division, Parks and Recreation Division and Wildlife Division) will be created and re-evaluate the DNR approach to dealing with the cervid herbivory issue. The Forest Resources Division, Forest Planning and Operations Section Manager and Wildlife Division Field Coordinator are charged with initiating this effort.
  - Since this opportunity for improvement was made the Statewide Council, and the Ecoteam, have been disbanded and are no longer relevant. The Forest Planning and Operations Section Manager and the Wildlife Division Field Coordinator were reluctant to establish another committee and have instead directed that any regeneration issues related to cervid herbivory be passed on to the Timber Management Specialist for resolution. If the Timber Management Specialist cannot resolve the issue, then it is to be bumped up to the Silviculture and Regeneration Team.
- OFI 32-02, WI 7.1, Timber Sale Preparation and Administration Procedures and WI 2.1, Reforestation: Biomass harvesting sometimes results in landings which are abnormally large and/or leave behind a thick layer of chips at the completion of operations. Gwinn staff have attempted to address these concerns via authoring of local cutting specifications. It is suggested that this issue be reviewed and addressed at a state wide level by the Forest Resources Division Timber Sale Specialist.
  - The Forest Certification Specialist has referred this suggestion to the Timber Sale Specialist. In the time since the 2012 audit, this item has been discussed. The issue is apparently not a state-wide issue and is localized to the area in the Upper Peninsula that is newly getting into the biomass market. The local cutting specifications have been modified for timber sales and this item is no longer an issue. Improvements have been made and integrated.
- OFI 32-03, WI 1.7, State Forest Timber Harvest Trends and WI 6.1, Implementing Public Information and Educational Opportunities on State Forests: It is noted that the State Silviculturalist and Planning and Operations Unit Leader have prepared a draft updated Timber Harvest Trends Report. It is suggested that this report be finalized and be made available to the public by the Forest Resources Division Chief.
  - **Follow-Up:** The updated Timber Harvest Trends report will be finalized, approved and made available via the website by the spring of 2014.

- The information included in the Timber Harvest Trends report has been replaced by the information contained in the regional forest management plans and the requirement for the Timber Harvest Trends report has been removed from the work instructions as of July 2014.
- OFI 32-04, WI 1.1, Strategic Framework for Sustainable Management of State forest Land: Parks and Recreation Division staff need training in forest certification work instructions that relate to recreational facilities that have transitioned to their Division. Examples include: Use of chemicals on state forest land, intrusive activity approval procedures, resource damage reporting, road closure procedures, and management review process.
  - Some training of Parks and Recreation Division staff has been completed and more is definitely planned. Future audits will keep this issue in mind as it should be assessed for conformance and improvements should be documented.
- OFI 32-05, W.I. 2.3, Integrated Pest Management and Forest Health: Forest Resources Division staff are unfamiliar with reporting procedures for invasive species and the use of the Forest Health Field Report (Form R-4029-3).
  - The forest health specialists have been made aware of this need and in conjunction with unit managers, should take every opportunity to familiarize staff with the need for documentation and the procedures for doing so. Staff should be made aware or reminded that an application has been created and is available for use.
- OFI 32-06, W.I. 1.4, Management Direction: There was evidence of occasional deviation from the standard retention guidelines (minimum 3% retention) without appropriate documentation, justification and approval.
  - Documentation, justification and approvals are very important and assessment will continue to be an important aspect of future audits. Unit managers need to ensure that staff are aware of the appropriate processes and that they are followed. Documentation and justification for deviating from a guideline is very important as is follow up with respect to the outcome(s).

Minor Non-Conformances:



Michigan Department of Natural Resources - Forest Resources Division  
**2012 INTERNAL AUDIT**  
**NON-CONFORMANCE REPORT**

Unit Name Gwinn	Site location Inventory Record Review	Non Conformance Report Number (Unit Code - yyyy - #) 32-2012-01
Lead Auditor Dennis Nezich	Team Member(s) Gary Roloff, Tom Haxby, Patrick Mohney	
Date: 07/12/2012	Work Instruction or Standard and Clause Number 1.2 – Management Review Process for Continual Improvement in the Management of Forest Resources 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): Wildlife Division, Habitat Biologist – Brian Roell

**Requirement of Audited Standard/ Work Instruction:**

- WI 1.2, section 3, Implementing Improvements. "Whenever possible, immediate changes will be made to remedy identified non-conformances."
- WI 1.4, section III: "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."
- NCR 32-2009-2: The 2009 internal audit report noted that Kirtland's Warbler known locations were not documented in locked comments. The approved (and cleared) corrective action on documenting the known locations of threatened or endangered species (Kirtland's warbler in this instance) indicates that the locked comments in stands known to be occupied by Kirtland's warblers would be updated to reflect the presence of a T&E species.

**Observed Non-conformity:**

- The audit team checked OI comments for Compartment 253, Stand 48, where a warbler was last documented in 2010 (according to the Michigan Natural Features Inventory database); Operations Inventory comments did not include mention that the stand was occupied by Kirtland's Warblers.
- Volker Blowdown, Compartment 251, Stand 64: WD staff indicated they had heard singing males in the adjacent stand, however there is no documentation in inventory records.

**Root Cause Analysis:**

There was a change in wildlife personnel in the Gwinn Unit and the responsible biologist was not aware of the requirement.

**Corrective Action:**

The wildlife biologist and technician are receiving Operations Inventory /IFMAP training on October 24, 2012 so they are more familiar with system in the future. When Kirtland Warblers are sighted in a stand, a comment will be placed into IFMAP Opportunistic Field Survey locked comments.

**Prepared by and date:** Brian Roell 9/25/12

**Proposed Completion Date:** Oct 24, 2012

Responsible Manager: Brian Roell

Responsible Manager Signature Electronic approval

Date 10/8/12

Jim Ferris  
Forest Resources Division  
Unit Manager

Electronic approval  
Signature Date

10/1/12

Jeff Stampfly 10/9/12  
Forest Resources Division  
District Supervisor

Electronic approval  
Signature

**CORRECTIVE ACTION PLAN ACCEPTED**

Forest Cert Specialist: Dennis Nezich

Date: October 12, 2012

**Actual Completion Date:** October 24, 2012

Responsible Manager: Brian Roell

Date: October 25, 2012

**Verified by:**  
Craig Albright  
Responsible Manager Supervisor

Electronic  
Signature Date

October 15, 2013

**Closed by:**  
Scott Jones  
Forest Resources Division  
Forest Certification Specialist

*Scott Jones*  
Signature Date

October 15<sup>th</sup>, 2013

**Follow Up Comments:** In 2012, Dennis Nezich was the Forest Certification Specialist and acting FRD Field Coordinator. As a result of doing double duty follow-up of the 2012 Internal Audit NCRs 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 NCRs.



Michigan Department of Natural Resources - Forest Resources Division

**2012 INTERNAL AUDIT  
NON-CONFORMANCE REPORT**

Unit Name Gwinn	Site location Record Review – OI Update	Non Conformance Report Number (Unit Code - yyyy - #) 32-2012-02
Lead Auditor Dennis Nezich	Team Member(s) Gary Roloff, Tom Haxby, Patrick Mohney	

Date: 07/12/2012	Work Instruction or Standard and Clause Number 1.2 – Management Review Process for Continual Improvement in the Management of Forest Resources 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): Forest Resourced Division, Unit Manager – Jim Ferris
<b>Requirement of Audited Standard/ Work Instruction:</b>		
<ul style="list-style-type: none"> <li>WI 1.2, section 3, Implementing Improvements: “Whenever possible, immediate changes will be made to remedy identified non-conformances.”</li> <li>WI 3.1: “Documentation of completed FTPs will be kept in the compartment file, and forest inventory records will be updated annually.”</li> </ul>		
<b>Observed Non-conformity:</b>		
There are several FTPs that were completed but no notes or information was entered into OI stating that the work had been completed. FTP numbers: F32-671, F32-694, F32-723 are some that were checked and had not been updated.		
<b>Root Cause Analysis:</b>		
The individuals filing the completion reports have not taken responsibility to see that the inventory records are updated.		
<b>Prepared by and date:</b> Jim Ferris, 8/1/2012		
<b>Corrective Action:</b>		
The FRD Unit Manager will send a memo to staff authoring FTP completion reports that they are also responsible for ensuring inventory records are updated. When necessary, the completion report author will seek out help from staff who has access to the inventory system. FTPs and inventory updates will be a topic of the Pre-inventory meeting.		
<b>Prepared by and date:</b> Jim Ferris, 8/1/2012		
<b>Proposed Completion Date:</b> Dec 31, 2012		
Responsible Manager: Jim Ferris		
Responsible Manager Signature	Electronic Approval	Date 10/1/12
Jim Ferris	Electronic approval	10/1/12
Jeff Stampfly	10/9/12	Electronic approval
Forest Resources Division Unit Manager	Signature	Date
Forest Resources Division District Supervisor	Signature	
<b>CORRECTIVE ACTION PLAN ACCEPTED</b>		
Date Forest Cert Specialist: Dennis Nezych		
Date: October 12, 2012		
<b>Actual Completion Date:</b>		
Responsible Manager: Jim Ferris		
Date: October 15, 2013		
<b>Verified by:</b>		<b>Closed by:</b>
Jeff Stampfly	Electronic	October 2013.
Scott Jones	<i>Scott Jones</i>	October 15, 2013
Responsible Manager Supervisor	Signature	Date
Forest Resources Division Forest Certification Specialist	Signature	Date
<b>Follow Up Comments:</b> In 2012, Dennis Nezych was the Forest Certification Specialist and acting FRD Field Coordinator. As a result of doing double duty follow-up of the 2012 Internal Audit NCRs 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 NCRs.		



Michigan Department of Natural Resources - Forest Resources Division

2012 Internal Audit  
Non-Conformance Report

Unit Name Gwinn		Site location Record Review – Operations Inventory Update		Non-Conformance Report Number (Unit Code - yyyy - #) 32-2012-03	
Lead Auditor Dennis Nezich		Team Member(s) Gary Roloff, Tom Haxby, Patrick Mohney			
Date: 07/12/2012		Work Instruction or Standard and Clause Number 1.2 – Management Review Process for Continual Improvement in the Management of Forest Resources 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): Wildlife Division Habitat Biologist – Brian Roell	
<b>Requirement of Audited Standard/ Work Instruction:</b>					
<ul style="list-style-type: none"> <li>WI 1.2, section 3, Implementing Improvements: “Whenever possible, immediate changes will be made to remedy identified non-conformances.”</li> <li>WI 3.1: “Documentation of completed FTPs will be kept in the compartment file, and forest inventory records will be updated annually.”</li> </ul>					
<b>Observed Non-conformity:</b>					
After the Forest Treatment Proposal completion reports are finished the Operations Inventory information is not being updated in a timely manner. There are several Forest Treatment Proposals that were checked and there are no notes or information stating that the work had been completed. Forest Treatment Proposal numbers: W32-748, W32-749, W32-744, W32-733 and W32-734 are some that were checked and had not been updated.					
<b>Root Cause Analysis:</b>					
There was a change in wildlife personnel in the Gwinn Unit and the responsible biologist was not aware of the requirement.					
<b>Prepared by and date:</b> Brian Roell 9/25/12					
<b>Corrective Action:</b>					
The wildlife biologist and technician are receiving Operations Inventory / IFMAP training on October 24, 2012 so they are more familiar with system in the future. Updates to stand information will be completed at least on an annual basis.					
<b>Prepared by and date:</b> Brian Roell 9/25/12					
<b>Proposed Completion Date:</b> Oct 24, 2012					
Responsible Manager: Brian Roell					
Responsible Manager Signature		Electronic approval		Date 10/8/12	
Jim Ferris		Electronic approval 10/1/12		Jeff Stampfly 10/9/12	
Forest Resources Division Unit Manager		Signature Date		Forest Resources Division District Supervisor	
Signature		Date		Signature	
<b>CORRECTIVE ACTION PLAN ACCEPTED</b>					
Forest Cert Specialist: Dennis Nezich					
Date: October 12, 2012					
<b>Actual Completion Date:</b> October 24, 2012					
Responsible Manager: Brian Roell					
Date: October 25 <sup>th</sup> , 2012.					
<b>Verified by:</b>			<b>Closed by:</b>		
Craig Albright		Electronic	October 2013.		Scott Jones
Responsible Manager Supervisor		Signature	Date		Signature
Signature		Date		Date	
Signature		Date		Signature	
Signature		Date		Signature	
<b>Follow Up Comments:</b> In 2012, Dennis Nezich was the Forest Certification Specialist and acting FRD Field Coordinator. As a result of doing double duty follow-up of the 2012 Internal Audit NCRs 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 NCRs.					



Michigan Department of Natural Resources - Forest Resources Division

**2012 INTERNAL AUDIT  
NON-CONFORMANCE REPORT**

Unit Name Gwinn		Site location Record Review – Bryan Creek Ecological Reference Area	Non Conformance Report Number (Unit Code - yyyy - #) 32-2012-04
Lead Auditor Dennis Nezich		Team Member(s) Gary Roloff, Tom Haxby, Patrick Mohney	
Date: 07/12/2012		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) - 2008 Management Review Report - Compartment Review Record of changes and decisions, 11-8-07, C 55	Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): Forest Resources Division, Biodiversity and Conservation Program Leader – Amy Eagle
<b>Requirement of Audited Standard/ Work Instruction:</b> <ul style="list-style-type: none"> <li>WI 1.4, section II, Management Direction: “The database of Special Conservation Areas is located within the Geographic Decision Support Environment (GDSE), and maintained by the Forest Resources Division GIS Certification Specialist. Through the course of conducting Forest Inventory (IFMAP), stand examiners evaluate the database for completeness.”</li> <li>2008 Management Review Decision: “...Currently the Forest Resources Division Section will continue to prepare plans until such time as the process can be reevaluated.”</li> </ul>			
<b>Observed Nonconformity:</b> <ul style="list-style-type: none"> <li>The Bryan Creek Ecological Reference Area (Comp 56) does not appear in the GDSE.</li> <li>Management and Monitoring plan for the Bryan Creek Ecological Reference Area was presented at the 2009 Compartment Review but no action was taken and it was referred to the Western Upper Peninsula Ecoteam for approval. No follow-up action was taken by the Biodiversity and Conservation Program leader.</li> </ul>			
<b>Root Cause Analysis:</b> In 2005, the Bryan Creek Element Occurrence was not included in the final set of Ecological Reference Areas, even though it appears to have met the criteria at that time. In 2011, Statewide Council did not approve the addition of any new Ecological Reference Areas for the 2011 Ecological Reference Area update. Therefore, while the Bryan Creek Element Occurrence meets the criteria for Ecological Reference Area and has an approved plan, it is not an official Ecological Reference Area and is not included in the GDSE layer for Ecological Reference Areas.			
<b>Prepared by:</b> Amy Clark Eagle, 8/3/12			
<b>Corrective Action:</b> The Bryan Creek Element Occurrence is part of a proposed Biodiversity Stewardship Area. Continue to implement the Living Legacies Implementation Process and establish a network of Biological Stewardship Areas, and then Statewide Council would decide if the Ecological Reference Area and Biological Stewardship Area networks are duplicative. If Ecological Reference Areas continue to be recognized, new areas that meet the Ecological Reference Area criteria should be added to the set of Ecological Reference Areas and the GDSE layer for Ecological Reference Areas. It is the intent that Ecological Reference Areas will be captured in future Biodiversity Stewardship Areas then existing Ecological Reference Area Management and Monitoring plans can be adapted as Biodiversity Stewardship Area management plans.			
<b>Prepared by:</b> Amy Clark Eagle, 8/9/12			
<b>Proposed Completion Date:</b> Undefined, hopefully by December 2013. <b>Updated Completion Date: September 2014.</b>			
Responsible Manager: Amy Clark Eagle			
Responsible Manager Signature		Electronic approval	Date 8/9/12
Jim Ferris	Electronic approval	10/1/12	Jeff Stampfly 10/9/12
Forest Resources Division	Signature	Date	Electronic approval
Unit Manager			Signature
Forest Resources Division		Forest Resources Division	
Unit Manager		District Supervisor	
<b>CORRECTIVE ACTION PLAN ACCEPTED</b> Forest Cert Specialist: Dennis Nezich Date: October 12, 2012			
<b>Actual Completion Date:</b> October 9, 2014 Responsible Manager: Amy Clark Eagle Date: October 9 <sup>th</sup> , 2014			

<b>Verified by:</b>			<b>Closed by:</b>		
David Price	Electronic	October 13 <sup>th</sup> , 2014	Scott Jones	<i>Scott Jones</i>	October 13 <sup>th</sup> , 2014
Responsible Manager Supervisor	Signature	Date	Forest Resources Division Forest Certification Specialist	Signature	Date

**Follow Up Comments:** In 2012, Dennis Nezych was the Forest Certification Specialist and acting FRD Field Coordinator. As a result of doing double duty follow-up of the 2012 Internal Audit NCRs 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 NCRs.

**Required Follow-Up:**

Resolution of this issue did not occur in 2013 and was identified as a major corrective action request in the 2013 external audit by the Forest Stewardship Council lead auditor. It is expected that there will be a plan to resolve this issue developed and approved by the Resource Management Bureau by March of 2014 with the actual resolution of the issue (the product) available in September of 2014. This non-conformance report will be kept open until September 2014.

The new policy relative to ecological reference areas was signed by the director on October 9<sup>th</sup>, 2014 confirming the Bryan Creek site as an ecological reference area.



Michigan Department of Natural Resources - Forest Resources Division

**2012 INTERNAL AUDIT  
NON-CONFORMANCE REPORT**

Unit Name Gwinn	Site location Office Interviews and Record Reviews	Non Conformance Report Number (Unit Code - yyyy - #) 32-2012-05
Lead Auditor Dennis Nezych	Team Member(s) Gary Roloff, Tom Haxby, Patrick Mohney	
Date: July 12, 2012	Work Instruction or Standard and Clause Number 2.1 Reforestation	
<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 – Jim Ferris

**Requirement of Audited Standard/ Work Instruction:**

WI 2.1: "Regeneration checks for stands that were originally prescribed for a regeneration harvest under the Operations Inventory system will be scheduled using the regeneration time clock spreadsheet. The time clock spreadsheet will be maintained until the stands have successfully regenerated AND compartments have been converted to IFMAP....Unit Managers will be responsible for tracking these stands and initiating follow up action in consultation with the Timber Management Specialist. Unit Managers are responsible for all reforestation activities on the Unit, however, the Timber Management Specialist shares in the responsibility for those stands forwarded to them."

**Observed Non-conformity:**

There was no regeneration time clock being maintained and no documentation on the time clock that regeneration surveys were being conducted during inventory.

**Root Cause Analysis:**

The regeneration time clock spreadsheet has been maintained by the unit secretary and is up to date for lists of stands needing walk through surveys. Walk through surveys are conducted during normal inventory but are not being recorded on the spreadsheet.

**Prepared:** Jim Ferris, 8/1/2012

**Corrective Action:**

Regeneration checks for stands that were originally prescribed for a regeneration harvest under the OI system will be scheduled using the regeneration time clock spreadsheet. The time clock spreadsheet will be maintained until the stands have successfully regenerated AND compartments have been converted to IFMAP. A list of stands requiring a walk through regeneration survey will be provided to stand examiners by the Forest Management Unit at the Pre-inventory meeting.

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

Request that the IFMAP support team develop a reporting system using the existing data and comments collected during field exam. Once this is complete the work instruction should be updated to prescribe the use of the inventory based approach to document regeneration survey results instead of the regeneration time clock.

**Prepared by:** Jim Ferris, 8/1/2012

**Proposed Completion Date:** Dec 31, 2012.

Responsible Manager: Jim Ferris

Responsible Manager Signature      Electronic approval      Date      10/1/12

Jim Ferris      Electronic approval      10/1/12

Forest Resources Division      Signature      Date  
Unit Manager

Jeff Stampfly 10/9/12      Electronic approval

Forest Resources Division      Signature  
District Supervisor

**CORRECTIVE ACTION PLAN ACCEPTED**

Forest Certification Specialist: Dennis Nezich

Date: October 12, 2012

**Actual Completion Date:**

Responsible Manager: Jim Ferris

Date:

**Verified by:**  
Jeff Stampfly      Electronic      October 2013

Responsible Manager Supervisor      Signature      Date

**Closed by:**  
Scott Jones      *Scott Jones*      October 2013.

Forest Resources Division      Signature      Date  
Forest Certification Specialist

**Follow Up Comments:** In 2012, Dennis Nezich was the Forest Certification Specialist and acting FRD Field Coordinator. As a result of doing double duty follow-up of the 2012 Internal Audit NCRs 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 NCRs.

**Required Follow-Up:**

There needs to be follow-up with the IFMAP support team in terms of the development of a reporting system using the existing data and comments collected during field exam. Once this is complete the work instruction should be updated to prescribe the use of the inventory based approach to document regeneration survey results instead of the regeneration time clock. As of December 4<sup>th</sup> 2013, this is in the works. As of December 20<sup>th</sup> this item has been discussed with Jason Stephens who believed he could develop a tool to pull this information from the database to help track

**Follow-Up:** June 9<sup>th</sup>, 2014. Jason Stephens has completed revisions to the IFMAP and developed a tool to pull this information from the database. The work instructions are currently under review and are expected to be completed by the end of June 2014.



Michigan Department of Natural Resources - Forest Resources Division

**2012 INTERNAL AUDIT  
NON-CONFORMANCE REPORT**

Unit Name Gwinn	Site location Various locations visited in the field	Non Conformance Report Number (Unit Code - yyyy - #) 32-2012-06
Lead Auditor Dennis Nezich	Team Member(s) Gary Roloff, Tom Haxby, Patrick Mohney	

Date (mm/dd/yyyy) July 12, 2012	Work Instruction or Standard and Clause Number 7.2 Legal Compliance and Administration of Contracts		
<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 – Jim Ferris	
<b>Requirement of Audited Standard/ Work Instruction:</b> WI 7.2, Legal Requirements and Protection from illegal activities: “Illegal activities are to be reported by employees who observe them to the local unit manager at the earliest possible opportunity. Illegal activities include but are not limited to the following: illegal Off-Road Vehicle use, unauthorized cutting of trees or firewood, unauthorized land use, encroachment or trespass or unauthorized burning.”			
<b>Observed Non-conformity:</b> There are multiple trespasses observed throughout the unit that are not documented or have been known for many years and have just recently been documented. Examples: House trailer that has been known of for minimum of 6 years was entered into the trespass database April 9, 2012, with action to remove trailer starting two weeks ago.			
<b>Root Cause Analysis:</b> While many illegal activities are reported to the unit manager not all are. Some are recorded in IFMAP as Opportunistic Field Survey, some are recorded in the trespass database, some are recorded both places and some are reported directly to Law Enforcement Division without being recorded or reported to the unit manager. <b>Prepared by:</b> Jim Ferris, 8/24/2012.			
<b>Corrective Action:</b> Illegal activities may be reported in several ways – in the trespass database, in the Resource Damage Report database, in the IFMAP system as an Opportunistic Field Survey, directly to Law Enforcement Division or to the unit manager. At a minimum all illegal activities will be reported to the unit manager by way of an email note. <b>Prepared by and date:</b> Jim Ferris, 8/24/2012.			
<b>Proposed Completion Date:</b> 12/31/2012 Responsible Manager: Jim Ferris			
Responsible Manager Signature		Electronic approval	Date 10/1/12
Jim Ferris		Electronic approval	10/1/12
Forest Resources Division Unit Manager		Signature	Date
		Jeff Stampfly	10/9/12
		Electronic approval	
		Forest Resources Division	Signature
		District Supervisor	
<b>CORRECTIVE ACTION PLAN ACCEPTED</b> Forest Cert Specialist: Dennis Nezych Date: October 12, 2012			
<b>Actual Completion Date:</b> Responsible Manager: Jim Ferris Date: October 2013			
<b>Verified by:</b>		<b>Closed by:</b>	
Jeff Stampfly		Scott Jones	
Electronic		<i>Scott Jones</i>	
October 2013		October 2013.	
Responsible Manager Supervisor		Forest Resources Division	
Signature		Signature	
Date		Date	
		Forest Certification Specialist	
<b>Follow Up Comments:</b> In 2012, Dennis Nezych was the Forest Certification Specialist and acting FRD Field Coordinator. As a result of doing double duty follow-up of the 2012 Internal Audit NCRs 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 NCRs.			

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.