

## Pigeon River Country Forest Management Unit

### 2013 Final Forest Certification Internal Audit Report

Internal Audit Dates: June 25 - 27, 2013

Initial Post Audit Draft of Internal Audit: June 27, 2013

Lead Auditor: Jim Ferris

Internal Auditors: Kerry Fitzpatrick, Kristen Matson, Susan Thiel

Final Internal Audit Report: October 6, 2015

#### Opening Comments:

The internal audit of the Pigeon River Country forest management unit was conducted June 25-27, 2013. The scope of the audit was state forest land within the Pigeon River Country forest management unit. The audit criteria were the June 19, 2012 version of the work instructions and all supporting DNR policy, procedures, rules, management guides, guidance documents, plans and handbooks that were relevant to the management of state forest land. On Tuesday, June 25th, separate, detailed lists of audit sites and routes were established for a north and south tour of the Pigeon River Country unit based on record searches and interviews with staff. An opening meeting was held with the audit participants on Wednesday morning at the Pigeon River Country headquarters. The field portion of the audit visited 23 sites containing a variety of DNR field management activities. Thursday morning was spent reviewing the audit findings, conducting follow-up interviews and reviewing documents as needed. The audit team gathered evidence to determine work instruction conformance through interviews, document review and field observations. A closing meeting was held on Thursday at 2:00 pm eastern time.

The internal audit team appreciated the cooperation, involvement, and openness of the Pigeon River Country unit staff. The audit team was impressed with many of the management activities and the commitment of Pigeon River Country staff to provide a wide range of natural resource values to the public. It was obvious from our observations that Pigeon River Country is truly a special place, unique in the state forest system. For example the unit has a citizen's advisory committee that engages the unit on forestry, wildlife, recreation and land use issues. They have an explicit road/trail access plan and a director's order to control trail and road use. There is a concept of management plan in place that pre-dates other planning efforts on the rest of the state forest. There is a preponderance of fish and game purchased lands with subsequent strong emphasis on game management and recreation.

Commendable practices. The audit team recognized the following as noteworthy commendable practices:

- In response to the 2009 internal audit NCR 53-2009-3 the land use forester and Forest Resources Division district supervisor developed a seed mix of native grasses for use on oil and gas well site restorations. They are now using this mix effectively thus preventing further spread of invasive species.
- Since the upgrade of their internet, Forest Resources Division staff have taken the time to become more familiar with information on the DNR intranet such as timber harvest trends and climate change.
- Forest Resources Division staff demonstrated good understanding and use of the correct new procedure for review of potential old growth, other special conservation areas, and type 1 and/or 2 old growth in the 2015 year-of-entry.
- The Pigeon River Country has a large amount of public contact and staff work well with the Pigeon River Country advisory committee and a number of volunteer groups.
- The timber sale files in the Pigeon River Country office are organized very well!
- Timber sale maps were well made!
- Wildlife Division did a good job with forest treatment proposal annual completion reports for opening maintenance.

#### Definitions:

**Major Non-conformances:** One or more of the Michigan Department of Natural Resource (DNR) Sustainable Forest Certification Work Instruction requirements has not been addressed or has not been implemented to the extent that a systematic failure of the DNR to meet a forest certification (Sustainable Forestry Initiative or Forest Stewardship Council) principle, objective, performance measure or indicator occurs.

**Minor Non-conformances:** An isolated lapse in DNR Sustainable Forest Certification Work Instruction implementation which does not indicate a systematic failure to consistently meet a forest certification (Sustainable Forestry Initiative or Forest Stewardship 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.

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. Results of our audit have resulted in one major non-conformance, nine minor non-conformances, and two opportunities for improvement. Non-conformances are documented on the non-conformance report forms (NCR Form 4502) on the following pages. The opportunities for improvement (OFIs) are listed immediately below along with the work instruction (WI) to which they are tied.

### Opportunities for Improvement

OFI 72-01 WI 1.4 - It would be advantageous for the Forest Resources Division staff to use opportunistic field survey points as a standard practice in IFMAP to record information.

- The work instruction clearly states that the locked comments on the IFMAP opportunistic field survey form be used to make a record and that a signed and dated copy be placed in the compartment file. The unit manager is responsible for ensuring that Forest Resources Division staff are completing the appropriate documentation and that it is kept on file. All field staff should be encouraged to use opportunistic field survey forms where appropriate.

OFI 72-02 WI 7.1 - In the pre-sale checklist, more detailed comments would help document that the inventory treatments are being completed as written.

- The work instruction clearly states that the timber sale specifications match the forest inventory prescriptions. It is the responsibility of the unit manager to ensure that staff are completing the appropriate documentation to meet the standard in terms of details. Complete documentation is a critical piece of the business and will be an integral piece of evaluations related to effectiveness monitoring. Future audits will continue to assess documentation. Unit managers need to be vigilant on ensuring that documentation meets the appropriate standard.

### Minor Non-Conformances

A conference call was held on January 16, 2014 among the Forest Certification Specialist, District Supervisor and the Unit Manager to discuss these minor non-conformances and obtain agreement on the root cause, corrective action, proposed and actual completion dates and verification of the work being completed for all but three of the non-conformances. Non-conformances three and four will require additional work to complete and number six will remain open until September to allow time to implement the corrective action.



Michigan Department of Natural Resources - Forest Resources Division

## 2013 INTERNAL AUDIT NON-CONFORMANCE REPORT

# Pigeon River Country Internal Audit 2013

Unit Name: Pigeon River Country	Site location: Various Timber sales: #53-006-10-01, 53-09-11-01, 53-13-11-01,	Non-Conformance Report Number (Unit Code - yyyy - #): 53-2013-01
Lead Auditor: Jim Ferris	Team Members: Kerry Fitzpatrick, Kristen Matson, Susan Thiel	
Date: 6/27/2013	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): Forest Resources Division, Unit Manager – Scott Whitcomb
<p><b>Requirement of Audited Standard/Work Instruction:</b>            7.1 Section I requires that a completed timber sale proposal checklist and timber sale specifications match the forest inventory.            7.1 Section II requires that timber sale inspections occur and are documented to evaluate performance on a contract.            7.1 Section II requires contractors and stumpage purchasers to use personal protective equipment.</p>		
<p><b>Observed Non-conformity:</b> On Huckleberry Hardwood Sale no 53-009-11-01, auditors found wood decked against live trees, which is in direct violation of contract specification 5.2.38. No indication of violation was documented in inspections completed prior to the audit on June 26<sup>th</sup>.</p> <p>In addition, the individual trained to sustainable forestry education standards was not recorded on the inspection records for Seven Stand Mix Sale #53-006-10.01.</p> <p>It was observed that a skidder operator failed to wear a hard hat while on an active timber sale (53-09-11-01).</p> <p>Multiple timber sales failed to have residual basal area for selection, seed tree and shelterwood treatments recorded in the checklist or anywhere on the proposal. A random check of open sales along with checking sale information provided for the north and south tours revealed 6 of 8 sales failed to have documentation of residual basal area, making it difficult to ascertain if the treatment met inventory prescription. Non-conforming sales are 53-5-12-01, 53-10-12-01, 53-13-11-01, 53-9-11-01, 53-8-09-01 and 53-3-6-01. Sales 53-12-11-01 and 53-8-12-01 did have residual basal area recorded in the check list.</p> <p>On sales 53-9-11-01 and 53-13-11-01 the checklist indicates “no retention,” but the proposal map and site visits indicate retention was purposefully left on the sale.</p>		
<p><b>Root Cause Analysis:</b>            Forest technician, chose to not follow timber sale contract specifications on Huckleberry Hardwoods sale because there was no other place to deck the trees and the trees in that area should have been marked to cut in the first place. Forester did not record Sustainable Forestry Initiative trained individual on Seven Stand Mix because of an administrative oversight. Skidder operator did not follow safety protocol even after knowing what the rules were and being told that an audit was going to take place. It is unknown as to why this individual chose to not to comply with safety regulations.</p>		
<p><b>Prepared by:</b> Scott Whitcomb, 9/24/2013</p>		
<p><b>Corrective Action:</b>            Residual basal area does not need to be recorded; other methods could be used to determine if treatment met inventory prescription. Both sales were hardwood selection cuts and while no retention was noted on the presale checklist, residual trees were left as part of the sale and per prescription.            Staff will follow contract specifications and require contractors to follow specs on sale contracts. Forester will record trained individuals on inspection reports and require personal protective equipment on job sites. These requirements were reviewed on October 3, at a Pigeon River Country staff meeting to review forest certification requirements. Despite not being required staff will begin to document residual BA on tally sheets. Selection cuts can be noted as having “retention.”</p>		
<p><b>Prepared by:</b> Scott Whitcomb, 9/24/2013</p>		
<p><b>Proposed Completion Date:</b> October 3, 2013</p>		
<p>Responsible Manager: Scott Whitcomb</p>		
Responsible Manager Signature	Electronic	Date    12/10/2013

# Pigeon River Country Internal Audit 2013

Scott Whitcomb Forest Resources Division Unit Manager <u>Electronic Signature</u> <u>January 16, 2014</u> <small>Signature      Date</small>	Steve Milford Forest Resources Division District Supervisor <u>Electronic Signature</u> <u>January 16<sup>th</sup>, 2014</u> <small>Signature      Date</small>
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>	
Forest Cert Specialist: Scott Jones Date: January 14 <sup>th</sup> , 2014.	
<b>Actual Completion Date: October 3, 2013</b>	
Responsible Manager: Scott Whitcomb Date: December 10, 2013	
<b>Verified by:</b>  Steve Milford Responsible Manager Supervisor <u>Electronic Signature</u> <u>January 16<sup>th</sup>, 2014</u> <small>Signature      Date</small>	<b>Closed by:</b>  Scott Jones Forest Resources Division Forest Certification Planner <i>Scott Jones</i> January 16 <sup>th</sup> , 2014 <small>Signature      Date</small>
<b>Follow Up Comments:</b>	



Michigan Department of Natural Resources - Forest Resources Division

## 2013 INTERNAL AUDIT NON-CONFORMANCE REPORT

Unit Name: Pigeon River Country	Site location: Various	Non-Conformance Report Number (Unit Code - yyyy - #): 53-2013-02
Lead Auditor: Jim Ferris	Team Members: Kerry Fitzpatrick, Kristen Matson, Susan Thiel	
Date: 6/27/2013	Work Instruction or Standard and Clause Number: 2.1 Reforestation	
<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor	Other Documents (if applicable): Opportunity for Improvement from 2009 internal audit report	Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): Forest Resources Division, Unit manager - Scott Whitcomb.
<b>Requirement of Audited Standard/Work Instruction:</b>		
Silvicultural practices will encourage regeneration that moves the stand toward its desired future condition as determined by the management objective agreed to at compartment review. Stand examiners need to make comments in the narrative section of Operations Inventory or in IFMAP in the treatments database (Next Steps comment field) reflecting an acceptable species mix should the stand not regenerate to the management objective and this must be agreed to at compartment review. If type conversion occurs without this pre-approval, after-the-fact approval is acceptable.		
<b>Observed Non-conformity:</b>		
Comments in stand 35, compartment 14, 2015 year-of-entry state that regeneration consisting of aspen, mixed upland forest or upland brush are all acceptable. Entries in the regeneration time clock spreadsheet indicate regeneration was evaluated as "pass" in 2011 and the objective should be changed from white pine to aspen (C 31, stand 15). The operations inventory record lists the management objective as white pine and shows the stand record has not been updated. No alternative regeneration was listed in the operations inventory and no after-the-fact approval was found. This was observed multiple times in the regeneration time clock spreadsheet. In the 2009 internal audit report this issue was highlighted as an opportunity for improvement. The open ended acceptable regeneration is vague and does not help the unit adequately track regeneration objectives.		

<b>Root Cause Analysis:</b>		
Objective in the regeneration spreadsheet was not changed from white pine to aspen. Alternate regeneration was not listed in the Operations Inventory. This was an emerging issue and one that staff is still adjusting to. Especially in the Pigeon River Country where browse depredation by <i>Cervids</i> is common, multiple acceptable outcomes are predicted and prepared for. While these outcomes have always been accepted, Forest Certification requirements require more diligence in documenting these alternative outcomes.		
<b>Prepared by:</b> Scott Whitcomb 9/24/2013		
<b>Corrective Action:</b>		
Objective will be changed in regeneration spreadsheet and alternate regeneration will be listed in the Operations Inventory.		
<b>Prepared by and date:</b> Scott Whitcomb 9/24/2013		
<b>Proposed Completion Date:</b> October 15, 2013		
Responsible Manager: Scott Whitcomb		
Responsible Manager Signature: <span style="float: right;">Electronic</span> <span style="float: right;">Date : 12/10/2013</span>		
Scott Whitcomb <hr style="width: 100%;"/> Forest Resources Division Unit Manager	Steve Milford <hr style="width: 100%;"/> Forest Resources Division District Supervisor	Electronic Signature
January 16 <sup>th</sup> , 2014 Date	Electronic Signature	January 16 <sup>th</sup> , 2014 Date
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>		
Forest Certification Specialist: Scott Jones		
Date: January 14 <sup>th</sup> , 2014		
<b>Actual Completion Date: October 15<sup>th</sup>, 2013</b>		
Responsible Manager: Scott Whitcomb		
Date: October 16 <sup>th</sup> , 2013		
<b>Verified by:</b>  Steve Milford <hr style="width: 100%;"/> Responsible Manager Supervisor	<b>Closed by:</b>  Scott Jones <hr style="width: 100%;"/> Forest Resources Division Forest Certification Planner	Electronic Signature
January 16 <sup>th</sup> , 2014. Date	<i>Scott Jones</i> Signature	January 16 <sup>th</sup> , 2014 Date
<b>Follow Up Comments:</b>		



Michigan Department of Natural Resources - Forest Resources Division

## 2013 INTERNAL AUDIT NON-CONFORMANCE REPORT

Unit Name: Pigeon River Country	Site location: N/A	Non-Conformance Report Number (Unit Code - yyyy - #): 53-2013-03
Lead Auditor: Jim Ferris	Team Members: Kerry Fitzpatrick, Kristen Matson, Susan Thiel	
Date: 06/27/2013	Work Instruction or Standard and Clause Number: 1.2 Management Review Process for Continual Improvement in the Management of Forest Resources	

<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor	Other Documents (if applicable): 8/4/ 2011 memo: Co-Management on state forest land Pigeon River Country 2014 year-of-entry pre-inventory meeting notes	Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): Wildlife Habitat Biologist – Brian Mastenbrook Forest Resources Division Unit Manager – Scott Whitcomb
<p><b>Requirement of Audited Standard/Work Instruction:</b>          Implementing Improvements: Division Chiefs will ensure changes and improvements approved by the Statewide Council are implemented via written communication to employees.</p> <p>Memo dated 8/4/2011 from Bill O’Neill and Penny Melchoir (Forest Resources &amp; Wildlife division field coordinators) on Co-Management of State Forest Lands: “When lands have been purchased with either Pittman-Robertson funds or other game and fish funding, we need to provide the following in the documentation or records: justification for management proposals very specific for wildlife species or a habitat aspect. These materials need to be included in IFMAP”.</p> <p>Pigeon River Country 2014 year-of-entry pre-inventory meeting notes: “Be sure to list wildlife information in IFMAP”.</p>		
<p><b>Observed Non-conformity:</b>          In multiple locations, various staff (unit manager, unit wildlife biologist, forester, inventory and planning specialist and Forest Resources Division district manager) discussed the issue of including justification of the wildlife benefit of management proposals on purchased land. Although staff felt that they addressed this issue of management proposals benefiting wildlife on purchased land through use of: the Pigeon River County Concept of Management, the Elk Management Plan and the approval of treatments by the wildlife biologist through the compartment review process; the memo from the field coordinators states that the documentation will be included in IFMAP/Operations Inventory. After examination of inventory records during the audit, while documentation did sometimes occur in reference to elk, it was lacking overall. The federal auditors asked for a plan for managing the fish and wildlife resources of the Pigeon River Country to be completed by October 1, 2013, which was accomplished.</p>		
<p><b>Root Cause Analysis:</b>          The direction given in the memo is unworkable and not well defined. It does not say whether the “management proposals, very specific for wildlife species or a habitat aspect” is to be for vegetative stands, a unit of land (such as 40 acres) or for the wildlife species itself. It begs the question of whether we are managing on a stand-by-stand basis or on a larger landscape scale. Other direction from our divisions has been to look at things on a landscape scale. The memo and a following one dated April 22, 2013 also refer to a workgroup being put together to work through the details of how were are going to provide this information in a workable manner. I was waiting for the work group recommendations.</p> <p><b>Prepared by:</b> Brian Mastenbrook, 7/28/13</p>		



# Pigeon River Country Internal Audit 2013



Michigan Department of Natural Resources - Forest Resources Division

## 2013 INTERNAL AUDIT NON-CONFORMANCE REPORT

Unit Name: Pigeon River Country		Site location: Multiple Sites		Non-Conformance Report Number (Unit Code - yyyy - #): 53-2013-04	
Lead Auditor: Jim Ferris		Team Members: Kerry Fitzpatrick, Kristen Matson, Susan Thiel			
Date: 06/27/2013		Work Instruction or Standard and Clause Number: W.I. 6.2. Integrating Public Recreational Opportunities with 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): Parks and Recreation Division, Otsego State Park Supervisor – Charlie Maltby Forest Resources Division, Unit Manager – Scott Whitcomb	
<b>Requirement of Audited Standard/Work Instruction:</b> W.I. 6.2.b – Forest Unit Manager - Assures recreational facility development, enhancements or reductions are integrated and made compatible with forest operations. W.I. 6.2.e – Resource impacts as a result of recreational use are reported, monitored and addressed. W.I. 6.2.f – DNR evaluates recreational facilities and ensures that changes are made.					
<b>Observed Non-conformity:</b> Although various efforts have been made to restrict equestrians to approved trails, the conservation officer and biologist reported equestrian use on closed areas. Auditors observed riders on a closed trail. Equestrian stakeholders reopened a closed trail and erected signage indicating it was open for equestrian use. Unit has failed to address a water-quality issue at a horse watering hole, which has been acknowledged by unit manager and cited by a USFWS field visit.					
<b>Root Cause Analysis:</b> Equestrian groups re-opened a trail that was supposed to remain closed as part of a volunteer work bee. The work bee was unsupervised by department staff and consequently no one was aware that the trail had been re-opened.					
<b>Prepared by:</b> Rich Hill, March 3, 2014					
<b>Corrective Action:</b> Once the problem was discovered, staff placed proper signage and took steps to keep the subject trail closed. In the future, volunteer work will need to be more closely supervised including follow-up. To help with the erosion issue at the watering hole, staff will be completing some routine maintenance. There are a series of designed drainage areas that have filled in over the years due to lack of maintenance. Staff will be cleaning out the designed drainage locations and possibly adding some gravel to assist in re-working the run-off.					
<b>Prepared by:</b> Rich Hill, March 3, 2014.					
<b>Proposed Completion Date:</b> August 31, 2013 for the trail closure and August 31, 2014 for the drainage maintenance.					
Responsible Manager: Charlie Maltby					
Responsible Manager Signature:		Charlie Maltby	Electronic	Date	March 3, 2014.
_____ Scott Whitcomb		Electronic	March 3, 2014	_____ Steve Milford	
Forest Resources Division Unit Manager		Signature	Date	Forest Resources Division District Supervisor	
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b> Forest Certification Specialist: Scott Jones Date: March 17 <sup>th</sup> , 2014.					

# Pigeon River Country Internal Audit 2013

<b>Actual Completion Date:</b> August 31, 2013 and August 15, 2015					
Responsible Manager: Charlie Maltby – changed to Kelly Kinser in 2015					
Date: March 3, 2014 and August 15, 2015					
<b>Verified by:</b>			<b>Closed by:</b>		
Rich Hill	Electronic	October 6, 2015	Scott Jones	<i>Scott Jones</i>	October 6, 2015
Responsible Manager Supervisor	Signature	Date	Forest Resources Division Forest Certification Planner	Signature	Date
<b>Follow Up Comments:</b>					
This NCR will remain open until the maintenance on the designed drainage structures has been completed in August of 2014.					
Funding was approved for 2015 and the work on restoration was completed in August 2015.					



Michigan Department of Natural Resources - Forest Resources Division

## 2013 INTERNAL AUDIT NON-CONFORMANCE REPORT

Unit Name: Pigeon River Country State Forest		Site location: Discussion at Seven Stand Mix timber sale		Non-Conformance Report Number (Unit Code - yyyy - #): 53-2013-05	
Lead Auditor: Jim Ferris		Team Members: Kerry Fitzpatrick, Kristen Matson, Susan Thiel			
Date: 06/27/2013		Work Instruction or Standard and Clause Number: W.I. 1.1. Strategic Framework for Sustainable Management of State Forest Land (II.a) W.I. 6.3. Sustainable Forestry Initiative Involvement and the Michigan State Implementation Committee			
<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 – Scott Whitcomb	
<b>Requirement of Audited Standard/Work Instruction:</b>					
W.I. 1.1.II.a – The DNR has adopted the use of Forest Certification Work Instructions to guide the planning, operations and review of management on state forest lands. DNR staff are instructed to follow these work instructions in their daily work.					
W.I. 6.3.2 – Use the Sustainable Forestry Initiative inconsistent practices reporting system (800-474-1718) to address concerns raised by the public and external stakeholder groups.					
<b>Observed Non-conformity:</b>					
Unit manager and all five unit staff on southern tour were unaware of the Sustainable Forestry Initiative inconsistent practices reporting system and the 800 phone number to report stakeholder concerns.					
<b>Root Cause Analysis:</b>					
Staff were not aware of the 800 number listed in the Work Instruction. This reporting system has never been used in the history of the Pigeon River Country unit and so staff had forgotten it existed. Not all Work Instructions are used equally. Well known work instructions are better known but seldom used Work Instructions are not always remembered.					
<b>Prepared by:</b> Scott Whitcomb 9/24/2013					
<b>Corrective Action:</b>					
Staff reviewed Work Instruction and are fully aware of the phone reporting system now.					
<b>Prepared by:</b> Scott Whitcomb 9/24/2013					
<b>Proposed Completion Date:</b> September 24, 2013.					
Responsible Manager: Scott Whitcomb					
Responsible Manager Signature:		Electronic		Date: 12/10/2013	

# Pigeon River Country Internal Audit 2013

Scott Whitcomb Forest Resources Division Unit Manager _____ Electronic Signature      January 16 <sup>th</sup> , 2014 _____ Date	Steve Milford Forest Resources Division District Supervisor _____ Electronic Signature      January 16 <sup>th</sup> , 2014. _____ Date
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>	
Forest Certification Specialist: Scott Jones Date: January 14 <sup>th</sup> , 2014	
<hr/> <hr/> <b>Actual Completion Date: September 24, 2013</b> Responsible Manager: Scott Whitcomb Date: December 10 <sup>th</sup> , 2013.	
<b>Verified by:</b>  Steve Milford Responsible Manager Supervisor _____ Electronic Signature      January 16 <sup>th</sup> , 2014. _____ Date	<b>Closed by:</b>  Scott Jones Forest Resources Division Forest Certification Planner _____ Signature <i>Scott Jones</i> January 16 <sup>th</sup> , 2014. _____ Date
<b>Follow Up Comments:</b>	



Michigan Department of Natural Resources - Forest Resources Division

## 2013 INTERNAL AUDIT NON-CONFORMANCE REPORT

Unit Name: Pigeon River Country	Site location: discussed at various sites	Non-Conformance Report Number (Unit Code - yyyy - #): 53-2013-06
Lead Auditor: Jim Ferris	Team Members: Kerry Fitzpatrick, Kristen Matson, Susan Thiel	
Date: 06/27/2013	Work Instruction or Standard and Clause Number: W.I. 8.1 Michigan Department of Natural Resources and Environment Staff Training for State Forest Management	
Major      X - Minor	Other Documents (if applicable): Management Review Reports from 2005-2013	Responsible Manager(s) (Person identified by the internal audit team who implements the corrective action): Fisheries Division – Dave Borgeson Wildlife Division – Brian Mastenbrook Parks and Recreation Division – Rich Hill

**Requirement of Audited Standard/Work Instruction:**  
 W.I. 8.1 – Training officer maintains a table of core training needs by program area. As part of the annual performance appraisal process, supervisors must identify employee training needs per DNR Personnel Manual 21.10.02 and divisional policies. Employees are required to notify the training officer of completed training; especially training that occurs outside DNR.

**Observed Non-conformity:**  
 Part a) Park manager was unaware of his “core training needs” and did not discuss training needs with his supervisor during performance reviews. Part b) Fisheries Biologist was uncertain of what a training record was. Part c) Wildlife Division training officer reported that Wildlife Division staff regularly fail to notify training officer of training events which were completed outside the DNR training system.

The Management Review Reports indicate that 1-4 non-conformances have been written against W.I 8.1 (for both incomplete training records and failure to address training needs during performance reviews) in each year that the department has conducted internal audits.

**Root Cause Analysis:**

The root cause of this issue is somewhat two pronged: the main problem is that some employees do not do a good job of reporting training sessions to the training officers. This is especially true for non-DNR sessions. The problem is somewhat complicated by the fact that the employee cannot enter his/her own data into the system.

**Prepared by:**

Scott Jones January 14, 2014 following a meeting on December 19, 2013 of divisional training officers and certification staff.

**Corrective Action:**

The corrective action will require that the divisional training officers follow up with the appropriate staff and their supervisors to ensure that training records and performance appraisals are up-to-date and that staff understand the need to keep training records current regardless of the source of the training.

**Prepared by:**

Scott Jones January 14, 2014 following a meeting on December 19, 2013 of divisional training officers and certification staff.

**Proposed Completion Date:** June 30, 2014 for Training Officers and August 31, 2014 for Supervisors.

Responsible Managers: Dave Borgeson, Brian Mastenbrook and Rich Hill

Responsible Managers Signatures:

Date:

Scott Whitcomb _____ Forest Resources Division Unit Manager	Electronic Signature	February 1, 2015 Date	Steve Milford _____ Forest Resources Division District Supervisor	Electronic Signature	February 1 2015 Date
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**CORRECTIVE ACTION PLAN ACCEPTED:**

Forest Certification Specialist: Scott Jones

Date: January 16, 2014

**Actual Completion Date:** a) Wildlife Division – Vicki Brown b) Parks & Recreation Division – Lisa Hobaugh c) Fisheries Division – Cristel Davis.

Responsible Managers: Date: a) December 9<sup>th</sup>, 2014 b) November 26<sup>th</sup>, 2014 c) January 13<sup>th</sup>, 2015

<b>Verified by:</b>  Steve Milford _____ Responsible Manager Supervisor	Electronic Signature	February 1, 2015 Date	<b>Closed by:</b>  Scott Jones _____ Forest Resources Division Forest Certification Planner	<i>Scott Jones</i> Signature	June 27 <sup>th</sup> , 2015 Date
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**Follow Up Comments:**

This non-conformance will be kept open until early September to allow time for the corrective action to be addressed.

This non-conformance was discussed at the January 2015 Management Review meeting and the Management Review Team directed closure of this non-conformance as of February 1<sup>st</sup> 2015. In addition, Work Instruction 8.1 was modified to allow 90 days following a training event for the information to get recorded into the system (this is a change from 30 days) and the new work instruction was approved on June 23, 2015.



Michigan Department of Natural Resources - Forest Resources Division

## 2013 INTERNAL AUDIT NON-CONFORMANCE REPORT

Unit Name: Pigeon River Country	Site location: Pine Grove Campground, Resource Damage Report database	Non-Conformance Report Number (Unit Code - yyyy - #): 53-2013-07
Lead Auditor: Jim Ferris	Team Members: Kerry Fitzpatrick, Kristen Matson, Susan Thiel	

# Pigeon River Country Internal Audit 2013

Date: 6/27/2013	Work Instruction or Standard and Clause Number: 1.2 Management Review Process for Continual Improvement in the Management of Forest Resources		
<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, Forest Certification Specialist – Scott Jones	
<b>Requirement of Audited Standard/Work Instruction:</b> Train select DNR staff in forest certification audit procedures to meet forest certification standards.			
<b>Observed Non-conformity:</b> A staff auditor was assigned to this audit that had never had auditor training. <b>Comments on the Observed Non-Conformity:</b> In an examination of the facts related to this work instruction, it is essentially silent on two important aspects of the non-conformance. The work instruction does not specify the size of the audit team. DNR has traditionally used a lead auditor and three team members, but there is no reason why one or two members could not be used – either would still be consistent with the work instruction. Furthermore, the work instruction is mute on what constitutes auditor training. Traditionally this has been accomplished by assigning the interested employee to an audit team to participate in an audit under the tutelage of the lead auditor and the rest of the audit team. The bottom line is that this observation is really not a non-conformance. The model varied slightly from the traditional model, but it was not inconsistent with the work instruction since the work instruction is mute on these aspects.			
<b>Root Cause Analysis:</b> Over the last few years there has been attrition in the ranks of qualified auditors and this trend is likely to continue for several more years. A number of auditors were unable to participate because of the potential for conflict of interest. As a result a couple of new auditors were employed to round out the audit teams to the traditional size of four members and to provide them with on-the-audit training.			
<b>Prepared by:</b> Scott Jones, Forest Certification Specialist. December 12 <sup>th</sup> , 2013.			
<b>Corrective Action:</b> On-the-audit training will continue to be the primary focus of auditor training. Trainees will be assigned to audit teams and will be under the tutelage of the lead auditor and other team members. The trainee will be designated as an auditor in training rather than an observer. The observer status will continue to be used to provide staff with exposure to the audit process recognizing that these observers are not planning on becoming auditors as a result of their participation. An attempt to keep the audit team consisting of four experienced auditors will continue, but this may not be possible in all cases and trainees may be assigned to smaller teams.			
<b>Prepared:</b> Scott Jones, Forest Certification Specialist. December 12 <sup>th</sup> , 2013.			
<b>Proposed Completion Date:</b> December 12 <sup>th</sup> , 2013. Responsible Manager: Scott Jones			
Responsible Manager Signature: <i>Scott Jones</i>		Date: December 12, 2013	
<u>Scott Whitcomb</u> Forest Resources Division Unit Manager	<u>Steve Milford</u> Forest Resources Division District Supervisor	Electronic Signature January 16 <sup>th</sup> , 2014. Date	Electronic Signature January 16 <sup>th</sup> , 2014. Date
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b> Forest Certification Specialist: Scott Jones Date:			
<b>Actual Completion Date:</b> Not applicable – action will be implemented in future audits. Responsible Manager: Scott Jones Date: December 12, 2013			
<b>Verified by:</b>  <u>David Price</u> Responsible Manager Supervisor	<b>Closed by:</b>  <u>Scott Jones</u> Forest Resources Division Forest Certification Planner	Electronic Signature January 27 <sup>th</sup> , 2014. Date	<i>Scott Jones</i> January 27 <sup>th</sup> , 2014 Signature Date

# Pigeon River Country Internal Audit 2013

**Follow Up Comments:**



Michigan Department of Natural Resources - Forest Resources Division

## 2013 INTERNAL AUDIT NON-CONFORMANCE REPORT

Unit Name: Pigeon River Country		Site location:	Non-Conformance Report Number (Unit Code - yyyy - #): 53-2013-08
Lead Auditor: Jim Ferris	Team Members: Kerry Fitzpatrick, Kristen Matson, Susan Thiel		
Date: 06/27/2013	Work Instruction or Standard and Clause Number: 2.2 Use of Pesticides and Other Chemicals on State Forest Land		
<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 – Scott Whitcomb	
<b>Requirement of Audited Standard/Work Instruction:</b> A pesticide application plan is needed when chemicals are being used.			
<b>Observed Non-conformity:</b> At south tour stop #10, auditors learned through discussion that the Huron Pines Resource Conservation and Development Council did “hand-swipe” chemical control of <i>Phragmites</i> through a volunteer agreement and a use permit. A pesticide application plan was not developed for the work.			
<b>Root Cause Analysis:</b> Huron Pines developed the project, prepared the Pesticide Application Proposal and kept the form on file in their office – a copy was not shared with Pigeon River Country staff nor filed in the Pigeon River office. <b>Prepared by:</b> Scott Whitcomb 9/24/2013			
<b>Corrective Action:</b> A copy of the Pesticide Application Proposal was obtained from Huron Pines and is now filed in the Pigeon River Country office. <b>Prepared by:</b> Scott Whitcomb 9/24/2013			
<b>Proposed Completion Date:</b> September 24, 2013. Responsible Manager: Scott Whitcomb Responsible Manager Signature: _____ Electronic _____ Date: 12/10/2013			
Scott Whitcomb _____ Forest Resources Division Unit Manager		Steve Milford _____ Forest Resources Division District Supervisor	
Electronic Signature	January 16 <sup>th</sup> , 2014 Date	Electronic Signature	January 16 <sup>th</sup> , 2014. Date
<b>CORRECTIVE ACTION PLAN ACCEPTED:</b> Forest Certification Specialist: Scott Jones Date: January 14 <sup>th</sup> , 2014.			

# Pigeon River Country Internal Audit 2013

<b>Actual Completion Date:</b> September 24 <sup>th</sup> , 2013.			
Responsible Manager: Scott Whitcomb			
Date: December 10, 2013.			
<b>Verified by:</b>		<b>Closed by:</b>	
Steve Milford		Scott Jones	<i>Scott Jones</i> January 16 <sup>th</sup> , 2014.
Responsible Manager Supervisor	Electronic Signature	January 16 <sup>th</sup> , 2014.	Date
		Forest Resources Division	Signature
		Forest Certification Planner	Date
<b>Follow Up Comments:</b>			



Michigan Department of Natural Resources - Forest Resources Division

## 2013 INTERNAL AUDIT NON-CONFORMANCE REPORT

Unit Name: Pigeon River Country	Site location: Various: Tomahawk Restoration Project, maintained wildlife openings, fisheries sand trap and woody debris project	Non-Conformance Report Number (Unit Code - yyyy - #): 53-2013-09
Lead Auditor: Jim Ferris	Team Members: Kerry Fitzpatrick, Kristen Matson, Susan Thiel	
Date: 6/27/2013	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): Fisheries Division, Habitat Biologist – Tim Cwalinski Wildlife Division, Unit biologist – Mark Monroe Forest Resources Division, Unit Manager – Scott Whitcomb
<b>Requirement of Audited Standard/Work Instruction:</b> All intrusive operations performed or permitted must be approved and documented following the Intrusive Activity Approval Procedure. In the absence of an appropriate form or letter that provides for sign off, the Forest Treatment Proposal may be used to document approvals. Completion of operations will also be documented in a form, which in this case should be a Forest Treatment Completion Report. Per the Intrusive Activities Review and Approval Process, treatments that are multi -year in nature will only require one FTP with one time approval with annual completion reports.		

**Observed Nonconformity:**

Fisheries Division forest treatment proposals F53-429 and F53-430 are incomplete. Whereas, forest treatment proposals received all needed intrusive signatures, the forest treatment proposal lacked confirmed compartment and stand numbers or specific description or attached map to identify specific location of the activity. For example, the sand trap in forest treatment proposal F53-429 did not indicate the specific location of spoils deposition and how the spoils were to be treated once deposited. The audit showed that spoils dumped in a pile on an old well-site and left without any effort to stabilize or restore vegetation to the spoils. The forest treatment plan did not indicate any plans to address this need. A completion report was not found for the most recent dredging activity from the project and timing for when this occurred. According to the forest treatment proposal this is an extension of previous permits, but no documentation of which permits and no copies of this project were attached or available in the compartment file.

Forest Resources Division staff failed to obtain a forest treatment proposal for a gas well site restoration in the Tomahawk Rehabilitation Project Area (north tour stop #3). A forest treatment proposal was not filled out and used to document intrusive activity approvals for this restoration. A forest treatment proposal was also not prepared for *Phragmites* control (see non-conformance report 53-2013-08).

Current copies of forest treatment proposals were not maintained at the unit office. Several forest treatment proposals could not be found for maintenance of wildlife openings, but completion reports were filed for the past 3 or 4 years for this activity. Copies of forest treatment proposals were retrieved from the district office by the wildlife biologist, indicating that the unit office retained the originals. The originals were not on file in the compartment file following the unit protocol for storage of forest treatment proposal documents. Examples of missing forest treatment proposals include W53-396, W53-374, W53-362 and W53-396.

**Root Cause Analysis:**

[FTP 53-430](#) details were provided to the auditors over the next couple days. The Forest Resources Division unit manager simply did not have all the details (attachments) behind the forest treatment proposal, although he signed off on them years ago. A completion report can be done (will) for this since the trap was maintained in 2012, yet could be maintained in 2013 or 2014 again, under the current Department of Environmental Quality permit [FTP53-429](#). Large woody debris installments are an ongoing project, the current forest treatment proposal is still active and the work has not been fully completed. A completion report for this forest treatment proposal is not available since the work has not yet been completed.

Unit staff are unclear as to whether a forest treatment proposal is required for well site restoration since the initial activity was already allowed by permit.

Unit has input from staff from four divisions in four different offices. Not all documentation is present at each office.

**Prepared by:** Tim Cwalinski, 7/7/2013

**Corrective Action:**

Pigeon River Country office will retain copies of forest treatment proposals that are currently stored at other offices.

**Prepared by:** Tim Cwalinski, 7/7/2013

**Proposed Completion Date:** July 7, 2013

Responsible Manager: Tim Cwalinski

Responsible Manager Signature	Electronic	Date	December 10, 2013.
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<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">Scott Whitcomb</td> <td style="width: 10%;">Electronic</td> <td style="width: 30%;">January 16<sup>th</sup>, 2014.</td> </tr> <tr> <td style="border-top: 1px solid black;">Forest Resources Division Unit Manager</td> <td style="border-top: 1px solid black;">Signature</td> <td style="border-top: 1px solid black;">Date</td> </tr> </table>	Scott Whitcomb	Electronic	January 16 <sup>th</sup> , 2014.	Forest Resources Division Unit Manager	Signature	Date	<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">Steve Milford</td> <td style="width: 10%;">Electronic</td> <td style="width: 30%;">January 16, 2014</td> </tr> <tr> <td style="border-top: 1px solid black;">Forest Resources Division District Supervisor</td> <td style="border-top: 1px solid black;">Signature</td> <td style="border-top: 1px solid black;">Date</td> </tr> </table>	Steve Milford	Electronic	January 16, 2014	Forest Resources Division District Supervisor	Signature	Date
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Forest Resources Division Unit Manager	Signature	Date											
Steve Milford	Electronic	January 16, 2014											
Forest Resources Division District Supervisor	Signature	Date											

**CORRECTIVE ACTION PLAN ACCEPTED**

Forest Certification Specialist: Scott Jones

Date: January 14<sup>th</sup>, 2014.

**Actual Completion Date:** July 7, 2013.

Responsible Manager: Tim Cwilinski, Mark Munroe, Scott Whitcomb

Date: January 14<sup>th</sup>, 2014.

<p>Verified by:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">Dave Borgeson</td> <td style="width: 10%;">Electronic</td> <td style="width: 30%;">January 16, 2014</td> </tr> <tr> <td>Brian Mastenbrook</td> <td>Electronic</td> <td>February 18, 2014</td> </tr> <tr> <td style="border-top: 1px solid black;">Steve Milford</td> <td style="border-top: 1px solid black;">Electronic</td> <td style="border-top: 1px solid black;">January 16<sup>th</sup>, 2014</td> </tr> <tr> <td style="border-top: 1px solid black;">Responsible Manager Supervisor</td> <td style="border-top: 1px solid black;">Signature</td> <td style="border-top: 1px solid black;">Date</td> </tr> </table>	Dave Borgeson	Electronic	January 16, 2014	Brian Mastenbrook	Electronic	February 18, 2014	Steve Milford	Electronic	January 16 <sup>th</sup> , 2014	Responsible Manager Supervisor	Signature	Date	<p>Closed by:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">Scott Jones</td> <td style="width: 40%;"></td> </tr> <tr> <td style="border-top: 1px solid black;">Forest Resources Division Forest Certification Planner</td> <td style="border-top: 1px solid black;"> <div style="text-align: right;">  February 18<sup>th</sup>, 2014                 </div> </td> </tr> <tr> <td style="border-top: 1px solid black;"></td> <td style="border-top: 1px solid black;"> <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">Signature</td> <td style="width: 40%;">Date</td> </tr> </table> </td> </tr> </table>	Scott Jones		Forest Resources Division Forest Certification Planner	<div style="text-align: right;">  February 18<sup>th</sup>, 2014                 </div>		<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">Signature</td> <td style="width: 40%;">Date</td> </tr> </table>	Signature	Date
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# Pigeon River Country Internal Audit 2013

Follow Up Comments



Michigan Department of Natural Resources - Forest Resources Division

## 2013 INTERNAL AUDIT NON-CONFORMANCE REPORT

Unit Name: Pigeon River Country	Site location: Pine Grove Campground, Resource Damager Report database	Non-Conformance Report Number (Unit Code - yyyy - #): 53-2013-10
Lead Auditor: Jim Ferris	Team Members: Kerry Fitzpatrick, Kristen Matson, Susan Thiel	
Date: 6/27/2013	Work Instruction or Standard and Clause Number: 3.2 Best Management Practices Non-Conformance Reporting Instructions	
<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 – Scott Whitcomb
<b>Requirement of Audited Standard/Work Instruction:</b> DNR employees are required – and other citizens and visitors are encouraged – to watch for and report best management practice problems in state forests. DNR employees must report problems using a non-conformance report form.		
<b>Observed Non-conformity:</b> Some resource damage reporting is occurring; however, no resource damage reports were filed between 4/22/2011 and 1/10/2013; only two reported in 2009; and the rest in 2005. Several entries in the resource damage report database are lacking complete information such as contact name, cost information, completion dates and comments. This issue was also cited in the 2009 internal audit as non-conformance report 53-2009-04.		
<b>Root Cause Analysis:</b> Resource damage report database has incomplete entries. Not all information is available at time of initial reporting. Initial reports filed but unless funding was obtained to correct problem Resource Damage Report database was not kept up date. Unit Manager did not see a need to fill out complete information when no resources were available to resolve the problem.		
<b>Prepared by:</b> Scott Whitcomb, 9/24/2013		
<b>Corrective Action:</b> Complete resource damage report database entries. Remind staff to enter resource damage reports promptly each year.		
<b>Prepared by:</b> Scott Whitcomb, 9/24/2013		
<b>Proposed Completion Date:</b> December 31, 2013		
Responsible Manager: Scott Whitcomb		
Responsible Manager Signature: _____		Date: December 10, 2013
Scott Whitcomb _____ Forest Resources Division Unit Manager	Steve Milford _____ Forest Resources Division District Supervisor	
Electronic Signature January 16 <sup>th</sup> , 2014 Date	Electronic Signature January 16 <sup>th</sup> , 2014 Date	

<b>CORRECTIVE ACTION PLAN ACCEPTED:</b>					
Forest Certification Specialist: Scott Jones					
Date: January 14 <sup>th</sup> , 2014					
<hr/>					
<b>Actual Completion Date:</b> December 31, 2013.					
Responsible Manager: Scott Whitcomb					
Date: January 16 <sup>th</sup> , 2014					
<b>Verified by:</b>			<b>Closed by:</b>		
Steve Milford	Electronic	January 16, 2014	Scott Jones	<i>Scott Jones</i>	January 16, 2014
Responsible Manager Supervisor	Signature	Date	Forest Resources Division Forest Certification Planner	Signature	Date
<b>Follow Up Comments:</b>					

**Major Non-Conformances**

There were no major non-conformances identified for the Pigeon River Country Forest Management Unit in this 2013 audit.

**Report and Review Procedure following the Internal Audit:**

1. - Non-conformance reports that describe observed nonconformity 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 members, 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 unit manager and send a copy to forest certification specialist and Forest Resources Division district supervisor within one week.
4. - The responsible 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 the unit manager or dispute findings with an explanation. The unit manager will send to the Forest Resources Division district supervisor with copy to forest certification specialist and lead auditor.
5. - The Forest Resources Division district supervisor will review, support and date the non-conformance reports. The Forest Resources Division district supervisor will send the internal audit report with approved non-conformance reports to the forest certification specialist within four 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 six weeks of closing meeting date.

7. - Forest certification specialist will forward final internal audit report to Forest Certification Team, Forest Resources Division management team, Forest Resources Division district supervisors, all Forest Resources Division 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-conformances to confirm that all are followed through to completion.