

Gwinn Forest Management Unit

2016 Forest Certification Internal Audit Report

Internal Audit Dates: July 19-21, 2016

Initial Post Audit Draft Audit Report:

July 21st, 2016

Lead Auditor: Scott Jones

Internal Auditors: Mike Donovan, Patrick Mohnney, Heidi Frei

Observers/Trainees: None

Opportunities for Improvement: 4

Minor Non-Conformances: 5

Multi-Unit Non-Conformances: 0

Major Non-Conformances: 0

Follow-Up Required:

Opportunities for Improvement: 1

Minor Non-Conformances: 0

Multi-Unit Non-Conformances: 0

Internal Audit Report

Opening Comments:

The internal audit of the Gwinn forest management unit was held July 19th through July 21st, 2016. The scope of the audit was state forest land within the Gwinn forest management unit. The audit criteria were the June 1, 2016 version of the work instructions (WIs) and all supporting DNR policy, procedures, rules, management guides, guidance documents, plans and handbooks that were relevant to the management of state forest land including any Management Review decisions. The June 1, 2016 version of the work instructions was not made available to the forest management unit staff until six weeks before the internal audit, so the audit team agreed to evaluate any potential non-conformances against the prior version of the work instructions. We agreed that if the observed activity was not in conformance with the June 1st, 2016 AND the June 1st, 2015 versions of work instructions, the activity warranted a non-conformance designation.

A candidate set of compartments and topics was sent to the forest management unit manager prior to arrival of the audit team. On Tuesday July 19th, the lead auditor worked with the forest management unit manager to finalize the route and stops. We selected two audit routes: 1) Ishpeming Tour - south of the Ishpeming office toward the Palmer Moraine and Chain Lakes management areas and 2) Gwinn Tour - south of the Gwinn field office into the Ralph Ground

Moraine management areas. On Tuesday afternoon, we conducted an opening meeting with the audit participants at the Gwinn field office which consisted of staff introductions, purpose of the audit, management unit overview and a series of staff presentations covering a number of topics that would likely not get fully addressed in the field. On Wednesday the Ishpeming team visited sites that included: aspen, mixed northern hardwood, maple association, red pine and we discussed some resource damage sites. The Gwinn team visited sites consisting mostly of northern hardwood, mixed hardwood, aspen-spruce/fir, aspen sites, resource damage sites and a campground with some trails. Thursday morning we reviewed the audit findings, conducted follow-up interviews and further reviewed documents as needed. A closing meeting was held on Thursday at 1:00 pm. The audit team gathered evidence to determine work instruction conformance through interviews, document review and field observations.

Definitions:

Opportunities for improvement: An opportunity for improvement is a finding that does not necessarily represent a deficiency, but does indicate a function that can be strengthened thus improving some aspect of forest management or preventing a potential non-conformance in the future.

Unit-Level Minor Non-Conformance: A lapse in the implementation of a forest certification work instruction. A minor non-conformance is written against an individual work instruction – it does not cover multiple work instructions.

- Written against the responsible position.

Unit-Level Major Non-Conformance: This is issued against something that would jeopardize certification such as the use of a banned chemical, an external audit non-conformance that has not been addressed at the unit level or the use of a plant that is a genetically modified organism.

- Written against the unit manager.

Multi-Unit Non-Conformance: Two or more occurrences of the same or similar unit-level major non-conformances or three or more occurrences of a unit-level minor non-conformance or as recommended by the audit team and approved by the Forest Certification Team following the internal audit process.

- Written against higher levels of management
- Could trigger a ‘theme’ for the next round of internal audits (i.e. all units get assessed).

Audit Findings:

We greatly appreciated the cooperation, involvement and openness of the Gwinn unit staff. We were particularly impressed with the following aspects of their management program:

1. New staff was very knowledgeable about their respective programs despite being on the unit for a very short time.
2. The degree of cooperation among staff from all divisions - staff appeared to work very closely together.
3. The degree of effort expended by all staff in trying to engage the public in their respective areas of management responsibility.
4. The amount of concern over regeneration failure and the effort to ensure that regeneration is successful.

An audit theme was added for the 2016 audits and this theme was the pesticide/herbicide application process defined in Work Instruction 2.2. The audit of this theme for the Gwinn unit resulted in two non-conformances.

Opportunities for Improvement (OFI):

OFI 32-1, WI 2.2

A greater effort needs to be put towards ensuring that all required information is entered on the required forms. In some cases (e.g., C32-730 (Forest Treatment Completion Report), C32-792 (Pesticide Use Evaluation Report) and C32-808 (Forest Treatment Completion Report)) the information was not complete. This has implications to monitoring and the development of annual summaries.

The pre-review meetings of the compartment review process will be used to encourage staff to aware of the need to completely fill in the required information on forms related to timber sale administration and the application of pesticides on state land.

OFI 32-2, WI 2.3

A discussion of ecological reference area management lead to the observation that proper consideration is not being given to the potential spread of invasive species as staff is unable to require contractors to decontaminate equipment before operating in high quality areas of the state forest. Staff is currently aware of contractors operating in contaminated areas off the state forest and also working on the state forest without decontaminating the equipment.

This issue is beyond the scope of the forest management unit to resolve and will be discussed during the management review process. This issue is not addressed in the appropriate work instruction. Revision is necessary to resolve this issue and the solution will take some time to implement. The management review process is the appropriate vehicle for discussion and resolution.

OFI 32-3, WI 3.1

It was noted in the paperwork for Forest Treatment Proposal W32-790 that the work pre-dated the signing of the sharecropping agreement. Good business practices suggest that all the required paperwork and approvals should be in place before the work is undertaken.

The pre-review meetings of the compartment review process will be used to ensure that staff are aware of the need to complete required paper work in a timely fashion and in the proper sequence

as a project unfolds.

OFI 32-4, WI 7.1

It was observed that staff were slowly transitioning into the new timber sale inspection forms (Form R4050 Revision Date 3/24/2016). Forms should be filled out completely at all times, logger training should be verified and documented and pre-sale meetings should be documented with attendees and details that were discussed. In some cases it was observed that this had not been taking place.

Staff will be reminded of the requirement of using the correct forms and completing the timber sale administration documents completely.

The DNR's internal audit review process (Work Instruction 1.2) requires a record, evaluation and report of non-conformances with forest certification standards and related work instruction at all levels of the department. As part of that process, we documented the unit's conformity with policy, procedures, management review decisions and work instructions. The observed non-conformances are listed below. There were five unit-level and two higher level minor non-conformances and no unit-level major non-conformances.

Minor Nonconformance 32-2016-01

- 2.2 Use of Pesticides and Other Chemicals on the State Forest

Requirement of Audited Standard/Work Instruction:

- 1.a When a Forest Treatment Proposal (FTP, R-4048) requiring a pesticide application is approved, complete a Pesticide Application Plan (PAP, R-4029E). Attach the PAP to the FTP. The PAP must include personal and environmental safety precautions, potential environmental effects, and the location of any environmentally sensitive areas, including threatened or endangered species and species of special concern. The PAP must also document planned public notification methods for each application.
- 2.b Review of all PAPs: PAPs must be reviewed and approved by DNR staff certified as commercial applicators with the appropriate commodity or site-specific certification for the work proposed and knowledge of the subject matter attained through work experience and continuing education (Note: A staff person cannot approve their own PAP).
- 2.c Application and Evaluation: Pesticide applications are accomplished with either DNR staff or contract applicators. Upon completion of a pesticide application for all DNR authored projects DNR staff will complete a Forest Treatment Completion form (FTC, R-4048-1) and attach a Pesticide Use Evaluation Report (PUER, R-4029-1). Note that public notification methods used must be documented on the PUER. For herbicide applications, complete Section 9 of the PUER during the growing season following treatment.

Observed Nonconformities:

- No Pesticide Use Evaluation Report attached to the Forest Treatment Completion Report for Forest Treatment Proposal C32-794 as required by Work Instruction 2.2.2.c.
- No certified applicator approval on or attached to the Pesticide Application Plan for Forest Treatment Proposals C32-790 and C32-730 as required by Work Instruction 2.2.2.b.
- No indication that the sharecrop farmer identified in Forest Treatment Proposal C32-790 was a certified applicator or was supervised by a certified applicator as required by Work Instruction 2.2.2.a.
- No Pesticide Application Plan attached to Forest Treatment Proposals where herbicide is “directed” in Forest Treatment Proposals C32-873 and C32-821. Also, Forest Treatment Proposal C32-873 has no approvals attached. Required by Work Instruction 2.2.2.a.

Root Cause:

- [FTP 32-794](#) pre-dates the current Unit Manager so an exact root cause is unknown. Work on this FTP was accomplished via the local Conservation District. A lack of communication between the UM and CD is the assumed cause of the problem.
- FTP C32-730 pre-dates the previous 2 UM's, why the approval is not attached is unknown. There is a clear communication breakdown when it comes to approvals and PAP's for FTP's. Due to electronic approvals being allowed on the PAP's, these e-mails sometimes are not forwarded to the secretary for filing.
- It is assumed that those persons involved in a contract with the State of Michigan applying herbicide, other than ready-to-use, are certified applicators in the correct commodity field. Nowhere on the FTCTCR is a space allocated for providing the applicator's or that person(s) supervising the applicator is indeed certified.
- There was a lack of understanding in regards to when a FTP requiring herbicide use needed a PAP attached to it once the FTP was approved. PAP's were not created until the time of herbicide application.
- **Prepared by and date:** Thomas J. Seablom, Sr. August 25th, 2016

Corrective Action: (To be completed by the Unit and relevant Divisions):

- As all of the Observed Nonconformities indicate a clear breakdown in communication, a tracking checklist for FTP's will be developed and attached to the individual FTP folder. This checklist will include boxes indicating approval for the FTP has been received by all necessary parties, boxes indicating whether or not use of herbicide is needed which will trigger another set of boxes for the PAP and PUER to be received. There will also be a place holder on the checklist for the applicators certification number to be written which will then be transferred to the FTCTCR when it is received.

Prepared by and date: Thomas J. Seablom, Sr. August 25th, 2016

Actual Completion Date: December 19th, 2016.

Responsible Manager: Tom Seablom

Date: December 19th, 2016

Minor Nonconformance 32-2016-02

- Work Instruction 3.1 Forest Operations, Part 2 Intrusive Activities

Requirement of Audited Standard/Work Instruction:

- Intrusive activities in support of Forest Road improvement within 500ft of surface water require Fisheries Division Unit Supervisor approval.

Observed Nonconformity

- Staff received an ORV restoration grant to stabilize the exit and entry erosion and washout associated the Deshambo Ford of the Escanaba River by installing rip rap and crushed rock. Fisheries Division approval of this activity was not sought by Forest Resource Division staff planning the work.

Root Cause:

- The root cause is lack of clarity in the work instructions. General road maintenance is not considered to be an intrusive activity therefore Fish Div. does not need to be notified. However, in the table under Forest Road Construction/Improvement (Internal and External) it is stated that Fish must be consulted if surface water is within 500 feet. Improvement can be construed as general road maintenance as was the case here with rip rap being placed to minimize the erosion.
- **Prepared by and date:** Thomas J. Seablom, Sr. August 25th, 2016

Corrective Action:

- The work instruction will be clearly communicated to staff at the next Unit meeting, highlighting the fact that when road maintenance of this magnitude is being executed and within 500 feet of surface water that Fisheries Division must be consulted and it must be documented.
- A new Resource Damage Report for this site has been submitted to the system. The new report is numbered: 32076522016049
- **Prepared by and date:** Thomas J. Seablom, Sr. August 25th, 2016

Actual Completion Date: December 22, 2016

Responsible Manager: Tom Seablom

Date: December 22, 2016

Minor Non-Conformance 32-2016-03

- Work Instruction 3.2: Best Management Practices Non-Conformance Reporting Instructions

Requirement of Audited Standard/Work Instruction:

- 3.2-4 DNR employees must report problems using a non-conformance report form. This information will be sent to the Forest Resources Division unit manager who is responsible for the site. The unit manager is responsible for recording and tracking all best management practice problems reported.

Observed Nonconformity:

- Although there is an extensive database going back to 2005, the database is not being maintained to the standard suggested in WI 3.2-4. The information that should be included in the database for each entry is often incomplete and in some cases totally absent which makes conformance to WI 3.2-5 difficult and sub-standard. Completion dates are often missing for entries that have a closed status indicated; some have incomplete data; and some have not useful information at all. There are more than enough to indicate a systematic failure.

Root Cause:

- The current Unit Manager has only been in place since February of 2015. Maintenance from that point forward is due to the UM not putting forth the necessary time to keep it up to the spirit of the Work Instruction.
- Staff has also not been filling out the entries to the extent possible in the database.
- **Prepared by and date:** Thomas J. Seablom, Sr. August 25th, 2016

Corrective Action:

- The role for maintaining the database and ensuring adequate and complete information is entered will be assigned to the Fire Supervisor.
- Staff will be instructed to review the pertinent Work Instruction and will be given a review on filling out the form and database at the next Unit staff meeting.
- **Prepared by and date:** Thomas J. Seablom August 25th, 2016

Actual Completion Date: December 19th, 2016

Responsible Manager: Tom Seablom, Unit Manager

Date: December 19th, 2016

Minor Non-Conformance 32-2016-04

- Work Instruction 6.2 Integrating Public Recreational Opportunities on State Forest Lands

Requirement of Audited Standard/Work Instruction:

- DNR evaluates recreational facilities and ensures that changes are made when needed. A.) Open/closure of campgrounds /facilities and/or public land areas is recommended when determined by the monitoring process

Observed Non-Conformity:

- The former Black River Falls State Forest Campground has been closed for approximately 20 years and decommissioned shortly after closure. Directional signage and infrastructure (fire pits/grill, bridge) still exists and invites use although the site has not been formally maintained since closure. Forest Resources Division field staff is aware of the closure, remaining infrastructure and continuing public use. The remaining infrastructure is not maintained and currently exists in state that presents a hazard to public use. Parks and Recreation Division staff is not aware of this former State Forest Campground as current staff has taken over maintenance of active State Forest Campground sites within the last five years.

Root Cause:

- The campground has been closed for over 30 years. At that time some infrastructure was left in place because the public would still be able to utilize that area. It has scenic waterfalls that are an attraction for locals and visitors. Since FRD no longer maintains this area from a recreational aspect, infrastructure and signage have fallen into a state of becoming a hazard.
- **Prepared by and date:** Thomas J. Seablom, Sr. August 25th, 2016

Corrective Action:

- Directional signage and fire pits/grills will be removed from the site.
- A plan for removal of the bridge will be developed and executed.

- **Prepared by and date:** Thomas J. Seablom, Sr. August 25th, 2016

Actual Completion Date: October 19th, 2017

Responsible Manager: Thomas J. Seablom, Sr.

Date: October 19th, 2017

Minor Non-Conformance 32-2016-05

- Work Instruction 8.1 Michigan DNR Staff Training for State Forest Management

Requirement of Audited Standard/Work Instruction:

- 2.c. Employees shall inform Division Training Officers/ Parks and Recreation Division Supervisors of the completion of all required training and of any additional training completed, with the exception of department or division sponsored training for which there was a sign-in sheet.
- 3.a. Division Training Officers and Parks and Recreation Division Park Supervisors will maintain training records to ensure training is up-to-date within 90 days of course completion

Observed Non-Conformity:

- Gwinn unit staff and Parks and Recreation Division staff were unaware of requirement to inform Training Officers/ Parks and Recreation Division Supervisors of completion of relevant training. Forest Resources Division staff was not aware of individual obligation to submit records of externally organized trainings.
- Gaps were found in Parks and Recreation Division record keeping system. Some relevant training was not recorded in staff files (Parks and Recreation Division).

Root Cause:

- The current Forest Resources Division Unit Manager assumed that this was understood by veteran staff as this Work Instruction has been in place for several years.
- There are a few reasons why employees may have been unaware of this requirement.
 - In terms of the Forest Certification training that is sponsored by Forest Resources Division, employees are not required to track this type of training due to the exception of 2.c. which negates needing to inform the Parks and Recreation Division supervisor when there is a sign-in sheet for the department/division sponsored training.
 - There may also be a lack of awareness of what requirements the employees have in the responsibility to track trainings at the local unit.
- Parks and Recreation Division does not have a central record keeping system like other divisions, which is why 3.a. specifically addresses that Parks and Recreation Division Park Supervisors will maintain training records. There is also no definition on what a “training record” for forest certification should look like, other than tracking that the employee went.

- **Prepared by and date:** Tom Seablom, August 25th, 2016 and Lisa Hobaugh, September 30th, 2016

Corrective Action:

- Staff will be instructed via e-mail to review Work Instruction 8.1 as it pertains to informing the Division Training Officer of any training record received outside of division sponsored training.

- The sign-in sheet records of department/division sponsored trainings should be maintained by the sponsor responsible the training and as such should also provide a copy of the training record to all training coordinators who division employees have attended.
- The non-conformance needs to be discussed with the appropriate chain of command to ensure that future trainings are logged in an employee's working file at the local unit.
- Employees must be informed/reminded to notify their supervisors of training they have taken so proper documentation can take place.
- Send notice to Parks and Recreation Division supervisors reminding that they should maintain a file of their employees' training records. Identify that a training log (similar to that used for state workers) may suffice.
 - **Prepared by and date:** Thomas J. Seablom, Sr. August 25th, 2016 Lisa Hobaugh September 30th, 2016

Actual completion date: December 1, 2016 (Parks and Recreation Division) and December 8, 2016 (Forest Resources Division) Responsible Manager: Lisa Hobaugh (Parks and Recreation) and Tom Seablom (Forest Resources)

Date: December 10th, 2016