

Office of the Auditor General
Performance Audit Report

Pesticide Program
Pesticide and Plant Pest Management Division
Michigan Department of Agriculture and Rural Development

May 2018

State of Michigan Auditor General
Doug A. Ringler, CPA, CIA

The auditor general shall conduct post audits of financial transactions and accounts of the state and of all branches, departments, offices, boards, commissions, agencies, authorities and institutions of the state established by this constitution or by law, and performance post audits thereof.

Article IV, Section 53 of the Michigan Constitution



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Report Summary

Performance Audit

Pesticide Program

Pesticide and Plant Pest Management Division (PPPM), Michigan Department of Agriculture and Rural Development

Report Number:
791-0215-17

Released:
May 2018

PPPM's Pesticide Program is responsible for ensuring that pesticide application businesses, restricted use pesticide (RUP) dealers, and agricultural pesticide dealers are in compliance with applicable laws and regulations. To ensure that pesticides are sold and applied according to State law, PPPM inspectors conduct various audits, investigations, and inspections. The Laboratory Division's Central Licensing Unit (CLU) issues pesticide business and dealer licenses and registers pesticide products. The Pesticide Program is composed of 4 central office program areas, 4 regions, and 20 districts across the State. For fiscal years 2016 and 2017, PPPM expended \$11.1 million and \$11.2 million, respectively. As of September 30, 2017, Pesticide Program staff consisted of 10 central office and 18 regional employees.

Audit Objective		Conclusion		
Objective #1: To assess the effectiveness of PPPM's efforts to license pesticide application businesses and certify or register pesticide applicators.		Effective		
Findings Related to This Audit Objective		Material Condition	Reportable Condition	Agency Preliminary Response
None reported.		Not applicable.		

Audit Objective		Conclusion		
Objective #2: To assess the effectiveness of CLU's efforts to register pesticide products.		Effective		
Findings Related to This Audit Objective		Material Condition	Reportable Condition	Agency Preliminary Response
CLU did not properly file and retain all pesticide product registration records after entering application information into the Pesticide Registration Tracking System (PRTS). CLU could not locate hard copy files for 20 (31%) of the 64 records we sampled (Finding #1).			X	Agrees

Audit Objective			Conclusion
Objective #3: To assess the sufficiency of PPPM's monitoring of manufacturers, distributors, retailers, and pesticide applicators for compliance with pesticide laws and regulations.			Sufficient, with exceptions
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
PPPM did not ensure that RUP dealers were audited at a regular interval or in accordance with PPPM procedures. RUP audits help safeguard the general public against RUP sales to individuals who do not possess the knowledge or experience necessary to be a certified applicator (<u>Finding #2</u>).		X	Agrees

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Doug A. Ringler, CPA, CIA
Auditor General

May 1, 2018

Mr. Bob Kennedy, Chair
Michigan Commission of Agriculture and Rural Development
and
Mr. Gordon Wenk, Director
Michigan Department of Agriculture and Rural Development
Constitution Hall
Lansing, Michigan

Dear Mr. Kennedy and Mr. Wenk:

This is our performance audit report on the Pesticide Program, Pesticide and Plant Pest Management Division, Michigan Department of Agriculture and Rural Development.

We organize our findings and observations by audit objective. Your agency provided preliminary responses to the recommendations at the end of our fieldwork. The *Michigan Compiled Laws* and administrative procedures require an audited agency to develop a plan to comply with the recommendations and to submit it within 60 days of the date above to the Office of Internal Audit Services, State Budget Office. Within 30 days of receipt, the Office of Internal Audit Services is required to review the plan and either accept the plan as final or contact the agency to take additional steps to finalize the plan.

We appreciate the courtesy and cooperation extended to us during this audit.

Sincerely,

Doug Ringler
Auditor General

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AUDIT OBJECTIVES, CONCLUSIONS, FINDINGS, AND OBSERVATIONS

LICENSING OF BUSINESSES AND CERTIFICATION OR REGISTRATION OF APPLICATORS

BACKGROUND

The Pesticide and Plant Pest Management Division's (PPPM's) Pesticide Program is responsible for ensuring that pesticide application businesses*, restricted use pesticide* (RUP) dealers*, and agricultural pesticide dealers* are in compliance with applicable laws and regulations. RUPs are those pesticides* that the U.S. Environmental Protection Agency (EPA) or the Michigan Department of Agriculture and Rural Development (MDARD) Director has classified for restricted use because of their potential to cause unreasonable adverse effects to the environment and injury to applicators or bystanders without added restrictions.

The Laboratory Division's Central Licensing Unit (CLU) is responsible for issuing pesticide business and dealer licenses. The Pesticide Application Business License System* (PABL) and the Restricted Use Pesticide System* (RUPS) are the primary information systems used to record and store application data. In fiscal year 2017, CLU issued licenses to approximately 2,400 pesticide application businesses, 250 RUP dealers, and 350 agricultural pesticide dealers.

PPPM issues pesticide applicator credentials to enable individuals to purchase pesticides, operate pesticide application businesses, and apply pesticides in the course of their employment. Part 83 of the Natural Resources and Environmental Protection Act, Public Act 451 of 1994, authorizes certified applicators to purchase or apply RUPs. First-time applicants must pass a core examination and may require training to obtain their certified or registered applicator credentials. All applicators must renew their credentials by passing an examination or by obtaining credits through attendance at PPPM preapproved seminars, meetings, and training events.

PPPM staff input pesticide applicator applications and issue credentials using the Pesticide Applicator Certification System* (PACS). As of September 30, 2017, PPPM reported approximately 23,400 individuals with applicator credentials.

AUDIT OBJECTIVE

To assess the effectiveness* of PPPM's efforts to license pesticide application businesses and certify or register pesticide applicators.

CONCLUSION

Effective.

* See glossary at end of report for definition.

**FACTORS
IMPACTING
CONCLUSION**

- CLU accurately processed applications and issued licenses for the 85 pesticide business and dealer applications we reviewed.
- PPPM accurately processed applications and issued pesticide applicator credentials for the 32 applications we tested.
- PPPM preapproved seminar content and monitored seminar sessions on location for the seven seminars we reviewed that allowed pesticide applicators to earn credits toward renewing their certification or registration credentials.

PESTICIDE PRODUCT REGISTRATION

BACKGROUND

PPPM's Pesticide Program is responsible for ensuring that all pesticides distributed in Michigan are registered. Manufacturers, distributors, and agents submit applications that include one or more pesticide products. The Laboratory Division's CLU staff enter pesticide product application information into the Pesticide Registration Tracking System* (PRTS). PRTS gives PPPM the ability to review, cancel, suspend, and remove pesticides that pose a human or environmental risk. Also, PPPM may update PRTS to register an additional use of a federally registered pesticide product to meet special local needs, subject to EPA approval. CLU registered approximately 32,500 pesticide products during fiscal years 2016 and 2017.

AUDIT OBJECTIVE

To assess the effectiveness of CLU's efforts to register pesticide products.

CONCLUSION

Effective.

FACTORS IMPACTING CONCLUSION

- CLU accurately registered pesticide products in PRTS for the 44 pesticide product registration records we reviewed.
- Reportable condition* related to properly filing and retaining pesticide product registration records (Finding #1).

* See glossary at end of report for definition.

FINDING #1

Improved filing and retention of pesticide product registration records needed.

CLU did not properly file and retain all pesticide product registration records after entering application information into PRTS. The registration of pesticide products provides a mechanism for the Pesticide Program to identify and track pesticides being sold and used in Michigan and a means of canceling or restricting the use of a pesticide in the event that it has adverse effects on human health or the environment.

The Natural Resources and Environmental Protection Act, Public Act 451 of 1994, requires that all pesticides distributed, sold, exposed, or offered for sale in Michigan be registered with MDARD. MDARD's records retention and disposal schedule requires that pesticide registration files be retained for a total of four fiscal years.

Our review of 64 pesticide product registration records in PRTS disclosed that CLU could not locate hard copy files for 20 (31%) of the 64 records. Although pesticide product information is maintained in PRTS, the hard copy files contain information that is required by State laws and regulations, such as pesticide product registration application forms, pesticide product labels, and registrant EPA agreements. Also, the hard copy files include documentation to verify that registrants paid the proper registration fees based on the number of pesticide products listed on their applications.

MDARD indicated that temporary employees and student interns misfiled the pesticide product registration files. In addition to the 20 missing files, it is possible that other files are missing.

RECOMMENDATION

We recommend that CLU properly file and retain all pesticide product registration records after entering application information into PRTS.

AGENCY PRELIMINARY RESPONSE

MDARD provided us with the following response:

MDARD agrees with this recommendation. To prevent further occurrences, MDARD has made changes to its filing policy which now stipulates that only permanent Laboratory Division employees are to file records. However, it should be noted, the official record is that of the electronic database and the paper records are almost never-accessed.

COMPLIANCE WITH PESTICIDE LAWS AND REGULATIONS

BACKGROUND

Part 83 of the Natural Resources and Environmental Protection Act, Public Act 451 of 1994, requires applicators to use pesticides in accordance with their labeling. Pesticide Enforcement* (PE) investigates complaints involving pesticides, monitors pesticide use, provides compliance assistance, and takes enforcement actions, when necessary. Sources of complaints include MDARD's hotline, Web site, phone, and e-mail.

Part 83 of Public Act 451 and Regulation No. 633, Restricted Use Pesticides (*Michigan Administrative Code R 285.633.1 - 285.633.7*), require all businesses selling RUPs to submit monthly sales reports and undergo regular audits. The purpose of RUP dealer audits is to ensure that RUP dealers sell to only certified applicators and track the quantity and location of RUPs sold in Michigan.

PE responsibilities include:

- Investigating pesticide misuse complaints filed by consumers, other agencies, and licensed firms.
- Conducting planned use investigations of commercial and private pesticide users.
- Performing compliance inspections, including road patrol inspections, State marketplace monitoring, unlicensed pesticide application business inspections, school and day-care facility pesticide use inspections, and compliance monitoring.
- Conducting RUP audits to verify information reported in RUP dealers' sales reports, including reviewing sales receipts to verify buyers, items sold, and quantity.

AUDIT OBJECTIVE

To assess the sufficiency of PPPM's monitoring of manufacturers, distributors, retailers, and pesticide applicators for compliance with pesticide laws and regulations.

CONCLUSION

Sufficient, with exceptions.

FACTORS IMPACTING CONCLUSION

- PE staff documented enforcement actions taken, when applicable, in the Pesticide Investigation Tracking System* (PITS) for the 25 records we tested.

* See glossary at end of report for definition.

- PE staff uploaded pesticide complaints, inspections, and audit reports to PPPM's computer network and properly documented reports in PITS for 114 (97%) of the 117 reports we reviewed.
- Inspectors properly performed business license requirement inspections for the seven pesticide application businesses we reviewed.
- Reportable condition related to improved process for conducting RUP dealer audits (Finding #2).

FINDING #2

Improved process for conducting RUP dealer audits needed.

PPPM should improve its process for conducting RUP dealer audits to help safeguard against the sale of RUPs to noncertified individuals.

The Natural Resources and Environmental Protection Act requires RUP dealers to make their records available for inspection and report RUP sales to PPPM. PPPM inspectors conduct audits of RUP dealers to verify that all RUP sales are reported, RUPs are sold to only certified applicators, and RUP dealers maintain required records. PPPM field inspectors conduct Tier 1 audits of new RUP dealers and RUP dealers with a history of significant violations (e.g., sales to noncertified applicators) and Tier 2 audits of RUP dealers with a good compliance history and who do not have Tier 1 violations.

We noted:

- a. PPPM should enhance its methodology for conducting RUP dealer audits based on a risk assessment by using additional factors such as a sales analysis to identify dealers with high RUP sales volumes and the date of the dealers' most recent audit. A risk-based methodology would help PPPM's regional supervisors prioritize their resources for conducting RUP dealer audits.
- b. PPPM's four regional supervisors did not maintain documentation of their processes for selecting RUP dealers to audit. PPPM management indicated that the four regional supervisors and field inspectors verbally discussed and determined which RUP dealers to audit; however, they did not document their determinations. As a result, we could not verify that the regional supervisors used a sound process to select RUP dealers for Tier 1 and Tier 2 audits.
- c. PPPM did not define the frequency at which it should conduct RUP dealer audits. PPPM Procedures Manual, chapter 6, section 4, requires all dealers to be audited at regular intervals. However, PPPM has not defined the time period that it considers to be a regular interval. For fiscal years 2016 and 2017, inspectors conducted RUP dealer audits for 46 (16%) of the 291 licensed dealers.

16% of RUP licensed dealers received audits for fiscal years 2016 and 2017.

Because PPPM did not maintain sufficient RUP dealer audit records prior to fiscal year 2014, we could not determine the most recent RUP audit for the remaining dealers.

- d. PPPM should provide its inspectors with additional guidance to help ensure that RUP audits are conducted in

Additional audit guidance may help improve calculations and documentation.

accordance with PPPM procedures. Our review of four Tier 1 and one Tier 2 audits disclosed:

- (1) For three (75%) of the four Tier 1 audits, sales amounts calculated by inspectors from RUP dealers' monthly sales reports did not agree with the amounts that RUP dealers reported in the monthly reports. This prevented the inspectors from properly reconciling the RUP dealers' monthly sales reports to the dealers' sales register records.
- (2) For two (50%) of the four Tier 1 audits, the inspector did not document his/her verification of the RUP dealers' licenses. PPPM procedures require inspectors to verify that a dealer has an active license in compliance with State law.
- (3) For the Tier 2 audit, the inspector did not ensure the accuracy of the information reported by the RUP dealer. The inspector did not document the dealer's beginning and ending inventories and verify that the dealer maintained the shipping, receiving, and sales registers. PPPM procedures require that inspectors establish accurate beginning inventory counts at the start of all audits and verify that dealers maintain shipping and receiving information for one year and sales registers for two years. The inspector indicated that he was unaware that the procedure applied to all RUP dealer audits.

Improving the process for conducting RUP dealer audits by developing checklists and providing training would help ensure that inspectors conduct RUP dealer audits in accordance with PPPM procedures.

RECOMMENDATION

We recommend that PPPM improve its process for conducting RUP dealer audits to help safeguard against the sale of RUPs to noncertified individuals.

AGENCY PRELIMINARY RESPONSE

MDARD provided us with the following response:

PPPM agrees with the recommendation to improve its process for conducting RUP dealer audits to help safeguard against the sale of RUPs to noncertified individuals.

PPPM will enhance and formally document risk assessment methodologies to determine audit types and frequencies, beyond those already used to establish the Tier 1 and Tier 2 audits. PPPM and CLU have begun fine-tuning and documenting the current assessment process that includes reviewing all monthly

sales registers, monitoring targeted data at selected dealers, auditing sales and distribution at assigned licensed dealers, and reviewing enforcement history to categorize dealers as high, medium, or low audit priority.

As previously discussed, the overall frequency of audits conducted annually by PPPM is directly affected by the minimum number of audits negotiated with EPA in our Performance Partnership Agreement. This negotiation results in assignment numbers which are then provided to regional supervisors during annual workload planning. PPPM will formally document a process for selecting where to conduct audits based on the categorization of dealers as high, medium or low audit priority and for communicating annual selections. This process will be included in standard operating procedures documents and the PPPM Procedures Manual by the end of 2018.

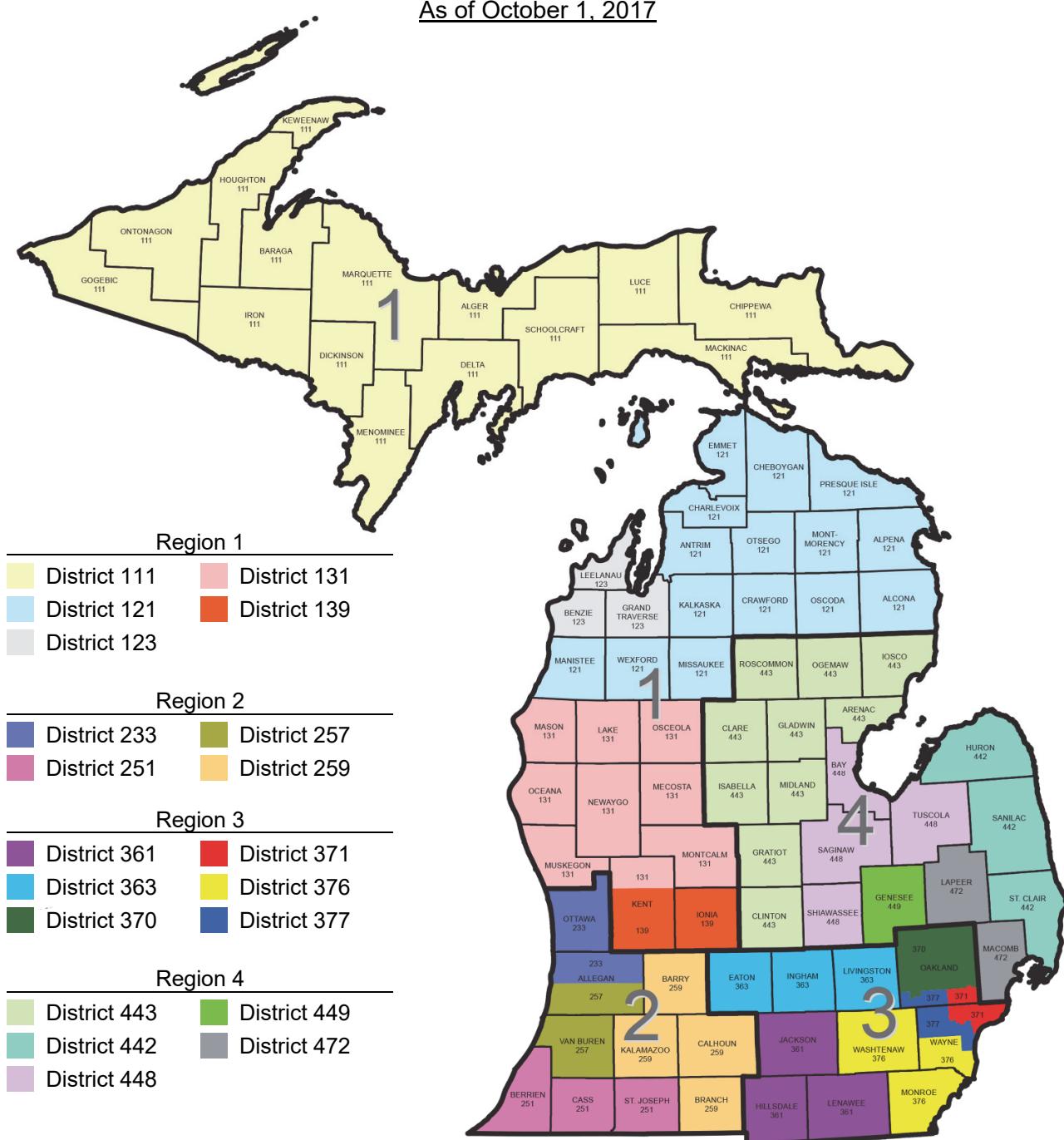
PPPM agrees with the recommendation to amend its procedure to ensure that audits are conducted consistently. Inspectors will be trained in large group and regional meetings to select high and medium priority dealers for Tier 1 and Tier 2 audits and to consistently document their activities in inspection reports. This corrective action plan will also be completed by the end of 2018.

SUPPLEMENTAL INFORMATION

UNAUDITED

PESTICIDE PROGRAM
Pesticide and Plant Pest Management Division
Michigan Department of Agriculture and Rural Development

Map of Pesticide Regions and Districts
As of October 1, 2017



Source: Pesticide and Plant Pest Management Division.

PROGRAM DESCRIPTION

PPPM's mission* is to protect human health and the environment while fostering a diverse, viable Michigan agriculture. Part 83 of the Natural Resources and Environmental Protection Act, Public Act 451 of 1994, provides enabling authority for PPPM to implement programs and enforce State law and regulations regarding the distribution, sale, and use of pesticides in Michigan. The Pesticide Program helps to ensure that the intentional release of pesticides in the environment is carefully regulated to prevent or minimize the potential for human exposure to pesticides and, consequently, adverse health effects as well as contamination of food, water, and other environmental components.

The Pesticide Program is composed of 4 central office program areas, 4 regions, and 20 districts across the State (see supplemental information). For fiscal years 2016 and 2017, PPPM expended \$11.1 million and \$11.2 million, respectively. As of September 30, 2017, Pesticide Program staff consisted of 10 central office and 18 regional employees.

* See glossary at end of report for definition.

AUDIT SCOPE, METHODOLOGY, AND OTHER INFORMATION

AUDIT SCOPE

To examine the program and other records of the Pesticide Program. We conducted this performance audit* in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

PERIOD

Our audit procedures, which included a preliminary survey, audit fieldwork, report preparation, analysis of agency responses, and quality assurance, generally covered October 1, 2015 through November 30, 2017.

METHODOLOGY

We conducted a preliminary survey of PPPM. During our preliminary survey, we:

- Interviewed PPPM and CLU management and staff to obtain an understanding of processes related to:
 - Pesticide business and dealer licensing.
 - Pesticide applicator certification or registration.
 - Pesticide product registration.
 - Inspections, complaints, and enforcement.
- Reviewed applicable laws, rules, regulations, policies, and procedures.
- Analyzed available records, data, and statistics.
- Interviewed a PPPM regional supervisor to gain an understanding of her duties and responsibilities.
- Obtained an understanding of PABL, RUPS, PACS, and PRTS.

OBJECTIVE #1

To assess the effectiveness of PPPM's efforts to license pesticide application businesses and certify or register pesticide applicators.

To accomplish this objective, we:

- Reviewed applications for 20 of the 4,948 pesticide application business licenses issued from

* See glossary at end of report for definition.

October 1, 2015 through September 30, 2017 to verify that CLU staff accurately processed and issued pesticide application business licenses. We randomly sampled the 20 applications to enable us to project the results to the entire population.

- Reviewed applications for 32 of the 542 RUP dealer licenses issued from October 1, 2015 through September 30, 2017 to verify that CLU staff accurately processed and issued RUP dealer licenses. We randomly sampled the 32 applications to enable us to project the results to the entire population.
- Reviewed applications for 33 of the 322 agricultural pesticide dealer licenses issued from October 1, 2015 through September 30, 2017 to verify that CLU staff accurately processed and issued agricultural pesticide dealer licenses. We randomly sampled the 33 applications to enable us to project the results to the entire population.
- Reviewed applications for 32 of the 16,473 certified or registered pesticide applicator credentials issued from October 1, 2015 through September 30, 2017 to verify that PPPM staff accurately processed and issued certified or registered pesticide applicator credentials. We randomly sampled the 32 applications to enable us to project the results to the entire population.
- Performed analytical procedures using PABL, PACS, CLU's database, and PPPM's fee schedule to assess the accuracy and completeness of pesticide business, dealer, and pesticide applicator revenue in the State's accounting system for fiscal years 2016 and 2017.
- Reviewed seminar content and monitoring for 7 of the 70 certified applicator recertification seminars held between October 1, 2015 and September 30, 2017 to verify that PE central office staff preapproved seminar content and that field inspectors monitored and evaluated seminars on location. We randomly sampled the 7 certified applicator recertification seminars to enable us to project the results to the entire population.

OBJECTIVE #2

To assess the effectiveness of CLU's efforts to register pesticide products.

To accomplish this objective, we:

- Reviewed 64 of the 34,971 pesticide product registration records processed in PRTS from October 1, 2015 through September 30, 2017 to verify that CLU staff accurately registered pesticide products in compliance with State law. We randomly and judgmentally selected

the 64 pesticide product registration records; therefore, we could not project the results to the entire population.

- Reviewed 64 of the 34,971 pesticide product registration records processed from October 1, 2015 through September 30, 2017 to verify that the registrant paid the correct amount of registration fees. We randomly sampled and judgmentally selected the 64 pesticide product registration records; therefore, we could not project the results to the entire population.
- Performed analytical procedures using PRTS data and pesticide product registration fees to assess the accuracy and completeness of pesticide product registration revenues in the State's accounting system for fiscal years 2016 and 2017.

OBJECTIVE #3

To assess the sufficiency of PPPM's monitoring of manufacturers, distributors, retailers, and pesticide applicators for compliance with pesticide laws and regulations.

To accomplish this objective, we:

- Reviewed 25 of the 2,728 records in PITS from October 1, 2015 through September 30, 2017 to assess whether PITS enforcement action data matched actual enforcement action taken by PE staff. We randomly sampled the 25 records to enable us to project the results to the entire population.
- Reviewed 117 complaint investigations, inspections, and audit reports completed from October 1, 2015 through September 30, 2017 to assess whether PE staff properly documented their reports in PITS. We randomly and judgmentally selected the 117 case files; therefore, we could not project the results to the entire population.
- Reviewed 7 of the 71 pesticide application business license nonrenewals for calendar year 2017 as of February 2, 2017 to verify that field inspectors performed inspections to determine whether there was evidence of businesses operating without current pesticide application business licenses. We randomly sampled the 7 pesticide application business license nonrenewals to enable us to project the results to the entire population.
- Reviewed 5 of the 46 RUP dealer audits performed from October 1, 2015 through September 30, 2017 to verify that field inspectors timely and accurately completed the audits. We randomly sampled the 5 RUP dealer audits to enable us to project the results to the entire population.

CONCLUSIONS

We base our conclusions on our audit efforts and any resulting material conditions* or reportable conditions.

When selecting activities or programs for audit, we direct our efforts based on risk and opportunities to improve State government operations. Consequently, we prepare our performance audit reports on an exception basis.

AGENCY RESPONSES

Our audit report contains 2 findings and 2 corresponding recommendations. MDARD's preliminary response indicates that it agrees with both of the recommendations.

The agency preliminary response that follows each recommendation in our report was taken from the agency's written comments and oral discussion at the end of our fieldwork. Section 18.1462 of the *Michigan Compiled Laws* and the State of Michigan Financial Management Guide (Part VII, Chapter 4, Section 100) require an audited agency to develop a plan to comply with the recommendations and to submit it within 60 days after release of the audit report to the Office of Internal Audit Services, State Budget Office. Within 30 days of receipt, the Office of Internal Audit Services is required to review the plan and either accept the plan as final or contact the agency to take additional steps to finalize the plan.

PRIOR AUDIT FOLLOW-UP

Following is the status of the reported findings related to pesticide management from our September 2000 performance audit of the Environmental Stewardship, Marketing and Communications, and Pesticide and Plant Pest Management Divisions and the Office of Agriculture Development, Department of Agriculture (79-120-99):

Prior Audit Finding Number	Topic Area	Current Status	Current Finding Number
1	Implementation of Continuous Quality Improvement (CQI) Processes	Complied	Not applicable
10	Commercial Pesticide Applicators	Complied	Not applicable

SUPPLEMENTAL INFORMATION

Our audit report includes supplemental information. Our audit was not directed toward expressing a conclusion on this information.

* See glossary at end of report for definition.

GLOSSARY OF ABBREVIATIONS AND TERMS

agricultural pesticide dealer	A licensed pesticide dealer engaged in distributing, selling, or offering for sale general use agricultural pesticides to the ultimate user.
CLU	Central Licensing Unit.
effectiveness	Success in achieving mission and goals.
EPA	U.S. Environmental Protection Agency.
material condition	A matter that, in the auditor's judgment, is more severe than a reportable condition and could impair the ability of management to operate a program in an effective and efficient manner and/or could adversely affect the judgment of an interested person concerning the effectiveness and efficiency of the program.
MDARD	Michigan Department of Agriculture and Rural Development.
mission	The main purpose of a program or an entity or the reason that the program or the entity was established.
performance audit	An audit that provides findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria. Performance audits provide objective analysis to assist management and those charged with governance and oversight in using the information to improve program performance and operations, reduce costs, facilitate decision-making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.
pesticide	Any substances or mixture of substances intended for preventing, destroying, repelling, or mitigating pests or intended for use as a plant regulator, defoliant, or desiccant. Some exceptions apply.
pesticide application business	A business including individuals that advertise pesticide application services that accepts bids for pesticide application services and/or applies pesticides for hire.
Pesticide Application Business License System (PABL)	A system used to process applications and issue licenses to pesticide application businesses on an annual basis.

Pesticide Applicator Certification System (PACS)	A system used to process and issue credentials for certified and registered pesticide applicators; create certification and recertification examinations; and build content materials and record recertification credits by seminar.
Pesticide Enforcement (PE)	PPPM's four regions and its Pesticide Enforcement Section.
Pesticide Investigation Tracking System (PITS)	A system used to oversee pesticide inspections, complaint investigations, and enforcement actions.
Pesticide Registration Tracking System (PRTS)	A system used to process pesticide product registration applications.
PPPM	Pesticide and Plant Pest Management Division.
reportable condition	A matter that, in the auditor's judgment, is less severe than a material condition and falls within any of the following categories: an opportunity for improvement within the context of the audit objectives; a deficiency in internal control that is significant within the context of the audit objectives; all instances of fraud; illegal acts unless they are inconsequential within the context of the audit objectives; significant violations of provisions of contracts or grant agreements; and significant abuse that has occurred or is likely to have occurred.
restricted use pesticide (RUP)	A pesticide classified for restricted use by the EPA or the MDARD Director because of its potential to cause unreasonable adverse effects to the environment and injury to applicators or bystanders without added restrictions.
Restricted Use Pesticide System (RUPS)	A system used to process RUP dealer applications and issue annual licenses. Also, RUPS stores the dealers' examination results and their monthly RUP sales data.
RUP dealer	Any person licensed to sell or distribute a RUP to the ultimate user (certified private or commercial pesticide applicator).



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