




RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF AGRICULTURE  
AND RURAL DEVELOPMENT

GORDON WENK  
DIRECTOR

**DATE:** June 29, 2018

**TO:** Director Rick Lowe  
Office of Internal Audit Services  
Office of the State Budget  
George W. Romney Building  
111 South Capitol, 8<sup>th</sup> Floor  
Lansing, MI 48913

**FROM:** Gordon Wenk, Director   
Michigan Department of Agriculture and Rural Development

**SUBJECT:** Corrective Action Plan for the Performance Audit of the Pesticide Program, Report # 791-0215-17

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In accordance with the State of Michigan, Financial Management Guide, Part VII, attached is a summary table identifying our responses and corrective action plans to address recommendations contained within the Office of the Auditor General's audit report of the Pesticide Program in the Michigan Department of Agriculture and Rural Development.

Questions regarding the summary table or corrective action plans should be directed to Maria Tyszkiewicz, Director of Financial and Office Services at 517-284-5722.

cc: Executive Office  
Doug A. Ringler, Office of the Auditor General  
Mary Ann Cleary, House Fiscal Agency  
Ellen Jeffries, Senate Fiscal Agency  
House & Senate Appropriations Sub-committees on Agriculture and Rural Development  
House & Senate Standing Committees on Agriculture and Rural Development  
Kenneth McFarlane, Chief Deputy, MDARD  
Maria Tyszkiewicz, Director of Financial and Office Services, MDARD  
Gina Alessandri, Pesticide and Plant Pest Management Division Director, MDARD  
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**Performance Audit of the Pesticide Program  
Michigan Department of Agriculture & Rural Development  
Summary of Agency Responses to Recommendations  
10/1/2015 thru 9/30/2017**

1. **Audit recommendations the agency complied with:**
  - **Finding 1**
  
2. **Audit recommendations the agency agrees with and will comply:**
  - **Finding 2**
  
3. **Audit recommendations the agency disagrees with:**
  - **NONE**

**Michigan Department of Agriculture and Rural Development  
Performance Audit of the Pesticide Program 791-0215-17  
Corrective Action Plan**

<b>Findings Related to Audit Objective</b>	<b>Reportable Condition</b>	<b>Agency Preliminary Response</b>	<b>Preliminary Plan</b>
<p>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).</p>	<p align="center">X</p>	<p align="center">Agrees and has complied.</p>	<p>To prevent further occurrences, the Department has made changes to its filing policy which now stipulates only permanent Lab Division employees are to file records.</p>
<p>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. (Finding #2)</p>	<p align="center">X</p>	<p align="center">Agrees and will comply.</p>	<p>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 2 audits.</p> <p>Specifically, PPPM and the CLU have begun fine-tuning 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.</p> <p>PPPM has begun using the IMPACT system to capture the last date a RUP dealer was audited. This information will further enhance PPPM's ability to determine how frequently a RUP dealer is audited. It will be provided to Regional Supervisors during workload planning with instructions to use the information when audit assignments are made.</p> <p>PPPM has begun to amend its procedure to include a written process for choosing which RUP dealers will be audited to ensure audits are conducted consistently</p>

			<p>and timely.</p> <p>PPPM has begun the development of a standard operating procedure (SOP) document for RUP audits.</p> <p>PPPM has reinforced to the inspectors at pesticide team meetings the need to select high and medium priority dealers for Tier 1 and Tier 2 audits. This will be included in the SOP and procedures revisions mentioned previously.</p> <p>PPPM has begun communicating to inspectors to consistently document their activities in inspection reports.</p> <p>Training will be provided to inspectors in large group and regional meetings.</p> <p>This corrective action plan will be completed by the end of 2018.</p>
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