LSI Failed Third Party Audit Policy

Initial LSI Program Enrollment Third Party Audit Process

Scenario: A LSI logging company, currently at the LSI Tier 2 incentive (10%), has their independent third-party audit and does not receive a passing score.

Once the employer has received written notice that they did not pass the audit, the following will occur:

1. Third-Party Auditor provides a written corrective action plan to the LSI logging company with a due date for completion.
   a. The LSI program and, if applicable, the Landowner will receive notification that the LSI logging company did not pass the audit and is currently working on a corrective action plan.
   b. Completion of corrective action plan and participating in the re-audit is mandatory to remain in the LSI Program.

2. The LSI logging company works to address items in the corrective action plan and completes progress reports for the third-party auditor as outlined.
   a. Once the corrective action process is complete the third-party auditor will provide a timeframe and scope of re-audit.

3. Third-party auditor re-audits the logging company.
   a. If the company receives a passing score, they are eligible to move to Tier 3 (discount applied the following quarter).

If the company does not receive a passing score, they will be referred to the LSI Taskforce for possible termination from the program.

All decisions and actions throughout the process will be provided to the employer in writing.

LSI Year Three Recertification Third Party Audit Process

Scenario: A LSI logging company, currently certified at Tier 3 (20%) has their independent third-party recertification audit and does not receive a passing score.

Once the employer has received written notice that they did not pass the audit, the following will occur:
1. The LSI logging company’s Tier 3 (20%) discount will be reduced to Tier 2 (10%) for two full quarters (beginning the next quarter).
   a. The company will sign a new Tier 2 MOP with indicating the required actions, new timelines, and the new discount level (a new rate notice will be provided).
   b. The new memorandum of participation will expire in 2 quarters or 6 months.

Within the two quarters timeframe the logging company must complete:

2. The third party auditor will provide a written corrective action plan to the LSI logging company with a due date for completion.
   a. Completion of corrective action plan and participating in the re-audit is mandatory to remain in the LSI Program

3. Pass, or at a minimum have scheduled, a third party re-audit before the 2 quarter MOP has expired.
   a. Once the corrective action process is complete the third-party auditor will provide a timeframe and scope of re-audit.

4. Third-party auditor re-audits the logging company.
   a. If the company receives a passing score, they are eligible to move back to Tier 3 (discount applied the following quarter).
   b. If the company does not receive a passing score, they will be referred to the LSI Taskforce for possible termination from the program.

Within one year of a re-audit after becoming recertified an enrollee must:

5. Complete an additional LSI DOSH consultation visit totaling 2 visits within one year of recertification.

All decisions and actions throughout the process will be provided to the employer in writing.

Please note: if during the recertification year a company experiences a triggering event of the Safety Review Panel Policy that company may not participate a third party recertification audit until the Safety Review Panel corrective action plan has been completed, verified and authorization for premium discount has been granted by L&I.