

# FOREST MANAGEMENT AND STUMP-TO-FOREST GATE CHAIN-OF-CUSTODY SURVEILLANCE EVALUATION REPORT

*Michigan Department of Natural Resources*  
*Michigan State Forests*  
Michigan, USA

**SCS-FM/COC-00090N**

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CERTIFIED	EXPIRATION
31/Dec/2010	30/Dec/2015

DATE OF FIELD AUDIT
7-9/Oct/2014
DATE OF LAST UPDATE
05/Jan/2015

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## Foreword

Cycle in annual surveillance audits			
<input type="checkbox"/> 1 <sup>st</sup> annual audit	<input type="checkbox"/> 2 <sup>nd</sup> annual audit	<input type="checkbox"/> 3 <sup>rd</sup> annual audit	<input checked="" type="checkbox"/> 4 <sup>th</sup> annual audit
Name of Forest Management Enterprise (FME) and abbreviation used in this report:			
Michigan Department of Natural Resources (MDNR)			

All certificates issued by SCS under the aegis of the Forest Stewardship Council (FSC) require annual audits to ascertain ongoing conformance with the requirements and standards of certification. A public summary of the initial evaluation is available on the FSC Certificate Database <http://info.fsc.org/>.

Pursuant to FSC and SCS guidelines, annual / surveillance audits are not intended to comprehensively examine the full scope of the certified forest operations, as the cost of a full-scope audit would be prohibitive and it is not mandated by FSC audit protocols. Rather, annual audits are comprised of three main components:

- A focused assessment of the status of any outstanding conditions or Corrective Action Requests (CARs; see discussion in section 4.0 for those CARs and their disposition as a result of this annual audit);
- Follow-up inquiry into any issues that may have arisen since the award of certification or prior to this audit; and
- As necessary given the breadth of coverage associated with the first two components, an additional focus on selected topics or issues, the selection of which is not known to the certificate holder prior to the audit.

### Organization of the Report

This report of the results of our evaluation is divided into two sections. Section A provides the public summary and background information that is required by the Forest Stewardship Council. This section is made available to the general public and is intended to provide an overview of the evaluation process, the management programs and policies applied to the forest, and the results of the evaluation. Section A will be posted on the FSC Certificate Database (<http://info.fsc.org/>) no less than 90 days after completion of the on-site audit. Section B contains more detailed results and information for the use by the FME.

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## SECTION A – PUBLIC SUMMARY

### 1. General Information

#### 1.1 Annual Audit Team

<b>Auditor Name:</b>	Kyle Meister	<b>Auditor role:</b>	FSC Lead Auditor
<b>Qualifications:</b>	<p>Kyle Meister is a Certification Forester with Scientific Certification Systems. He has been with SCS since 2008 and has conducted FSC FM pre-assessments, evaluations, and surveillance audits in Brazil, Panama, Mexico, Costa Rica, Bolivia, Indonesia, India, Japan, New Zealand, Spain, and all major forest producing regions of the United States. He has conducted COC assessments in Oregon, Pennsylvania, and California. Mr. Meister has successfully completed CAR Lead Verifier, ISO 9001:2008 Lead Auditor, and SA8000 Social Systems Introduction and Basic Auditor Training Courses. He holds a B.S. in Natural Resource Ecology and Management and a B.A. in Spanish from the University of Michigan; and a Master of Forestry from the Yale School of Forestry and Environmental Studies.</p>		
<b>Auditor Name:</b>	Norman Boatwright	<b>Auditor role:</b>	SFI Lead Auditor
<b>Qualifications:</b>	<p>Mr. Boatwright has over twenty-eight years' experience in intensive forest management, seventeen years' experience in environmental services and ten years' experience in SFI auditing. He has conducted Phase I Assessments on over two hundred and fifty projects covering 2,000,000 acres, ESA and Endangered Species Assessment on timberland across the South, and managed soil mapping projects over 1.3 million acres. From 1985-1999, he was Division Manager at Canal Forest Resources, Inc. and was responsible for all forest management activities on about 90,000 acres of timberland in eastern South Carolina. Duties included budgeting and implementing land and timber sales, site preparation, planting, best management practices, road construction, etc. Norman is a Qualified Lead Auditor under the NSF-ISR SFI Program with extensive experience auditing procurement and land management organizations.</p>		

#### 1.2 Total Time Spent on Evaluation

A. Number of days spent on-site assessing the applicant:	3
B. Number of auditors participating in on-site evaluation:	2
C. Additional days spent on preparation, stakeholder consultation, and post-site follow-up:	1
<b>D. Total number of person days used in evaluation:</b>	<b>7</b>

#### 1.3 Standards Employed

##### 1.3.1. Applicable FSC-Accredited Standards

Title	Version	Date of Finalization
FSC-US Forest Management Standard	1.0	July 8, 2010

All standards employed are available on the websites of FSC International ([www.fsc.org](http://www.fsc.org)), the FSC-US ([www.fscus.org](http://www.fscus.org)) or the SCS Standards page ([www.scsglobalservices.com/certification-standards-and-program-documents](http://www.scsglobalservices.com/certification-standards-and-program-documents)). Standards are also available, upon request, from SCS Global Services ([www.SCSGlobalServices.com](http://www.SCSGlobalServices.com)).

### 1.3.2. SCS Interim FSC Standards

Title	Version	Date of Finalization
SCS FSC Chain of Custody Indicators for Forest Management Enterprises	5.1	December 3, 2012
<p>This SCS Interim Standard was developed by modifying SCS' Generic Interim Standard to reflect forest management in the region and by incorporating relevant components of the Draft Regional / National Standard and comments from stakeholders. More than one month prior to the start of the field evaluation, the SCS Draft Interim Standard for the country / region was sent out for comment to stakeholders identified by FSC International, SCS, the forest managers under evaluation, and the National Initiative. A copy of the standard is available at <a href="http://www.scsglobalservices.com/certification-standards-and-program-documents">www.scsglobalservices.com/certification-standards-and-program-documents</a> or upon request from SCS Global Services (<a href="http://www.SCSGlobalServices.com">www.SCSGlobalServices.com</a>).</p>		

## 2 Annual Audit Dates and Activities

### 2.1 Annual Audit Itinerary and Activities

Newberry Surveillance Audit 10/7/14 - East Tour				Auditor: Boatwright
Stop #	Comp	Name	Feature of interest	Auditor Notes
		Auditors arrive @ Newberry FO	Opening Meeting and FMU & District Briefs	See SFI report
		FMU & District Briefs		
1	78	Charcoal Grade Project 42-007-14	Completed timber sale. Road RDR's issues with clay soil types, wetlands, limited water drainage. Road frequently used for logging activities, private land access, hunting access, and is a major snowmobile trail.	
2	78	Charcoal Grade BMP's/culvert issues	Equalization culverts replaced in summer of 2014 for the Charcoal Grade Project timber sale	
3	77	Penny Creek Crossing BMP	Pending bridge installation to replace culverts and mitigate perennial beaver problem and road washout issue. DEQ permit for work.	
4	41	Rookie Ridge Red Pine 42-023-13	Active marked pine sale	
5	41	Tall Timber Red Pine 42-021-13	Completed timber sale. Marked, utility pole quality red pine. Little Two Hearted River adjacent to sale. North County Pathway in middle of sale area.	
6	38	Duck Lake Salvage #4 42-027-12	Completed salvage timber sale after Duck Lake Fire. Post-Review modification approval of salvage and cultivation- reforestation efforts.	

7	38	JP planting in Duck Lake fire area	KW planting. Roller chopping to facilitate planting and reduce future fire hazard. Research permits issued to study fire effects.	
8	38	Rainbow Lodge Trespass	ERI resolution of land use issue. Possible Two Hearted Airstrip Lease agreement.	
9	33	New Guy Jack 42-013-12	Open timber sale. Near Two Hearted River. Retention pockets left in sale area.	
10	113	Bleach Bottle Spruce 42-022-13	Open timber sale - not active. Spruce Plantation clearcut and conversion to aspen. Alternative management objective is planted Red Pine. Private property adjacent to sale with mitigation of concerns. Adjacent PRD Multi-use parking lot.	
11	104	Natalie Boat Launch	Herbicide use to control <i>Phragmites</i> spp. in Dollarville flooding.	

<b>Newberry Surveillance Audit 10/7/14 - West Tour</b>				<b>Auditor: Meister</b>
<b>Stop #</b>	<b>Comp</b>	<b>Name</b>	<b>Feature of interest</b>	<b>Auditor Notes</b>
		Auditors arrive @ Newberry FO	Opening Meeting and FMU & District Briefs	
		FMU & District Briefs		
1	108	Final Harvest Mix 42-027-13, FTP C42-841	Completed timber sale. Unit 3 chipping site. Planting FTP C42-841. Aspen area retention in Unit 1 along ORV Trail & lowland buffer. Snowmobile trail.	Old spruce plantation being converted to red pine due to site quality. Retention of spruce and aspen. Discussion of wildlife review.
2	107	West Locke Lake Hardwoods – 42-015-14	Contractor Marked Sale, not yet sold.	Northern hardwood sale with high density of maple; retain Hemlock, birch, cherry; 10-20 yr. re-entry period. RMZ buffer of 200 ft with

				no harvest.
3	103	McMillan Mix 42-021-08	Completed timber sale. Winter harvest, lowland conifer sale. Blocked temp roads off of County Road after harvest.	Discussion of winter operations.
4	102	Fourth of July Hardwoods 42-015-13	Contractor marked, completed timber sale. ORV Trail. BBD in stand.	Marked for heavy beech removal due to pathogen; attempt to recruit other hardwoods
5	102	New Puppy Hardwoods 42-017-13	Open timber sale. ORV Trail. Aspen Retention. Operating Restrictions.	Discussion of recreation management.
6	102	One Pond Mix 42-016-13	Active timber sale. Aspen retention within and outside of sale area.	Examination of aspen retention and compatibility with operations. Interview with contract loggers. Verification of location of retention pocket using GPS.
7	90	FTP W42-757 (oak planting), FTP W42-662 (Rx burn)	Prescribed burn to maintain wildlife opening. Planted oak to replace lost beech hard mast production.	Discussion of wildlife strategy, herbicide use, planting strategy, and tracking secondary treatments.
8	90	FTP C42-656	Recently planted red pine. Herbicide use to release the red pine.	
9	19	Headquarters Lake Campground, FTP P42-846	Campground closed in 2007 and re-opened in 2014 by PRD. Open to equestrian users.	Discussion of cooperation with recreation user groups.

10	17	Big Bump Pine 42-041-12, FTP C42-813	Open timber sale. Temp access from County road. Private property nearby.	Red pine thinning with removal of jack pine; retention of balsam fir, oak, and hemlock
11	17	Trout Creek Bridge	Portable bridge over Trout Creek to mitigate ORV damage (RDR site), and provide access to timber sale.	Beaver dam present. Bridge likely requires annual maintenance due to traffic and size.
12	20	Pretty Lakes Campground and DHA	Historically managed as undesignated quiet area. Currently a proposed DHA.	Discussion of ERA/DHA classification process and attributes of this proposed DHA.

<b>Shingleton Surveillance Audit 10/8/14 - Audit Route 1</b>				<b>Auditor: Meister</b>
<b>Stop #</b>	<b>Comp</b>	<b>Name</b>	<b>Feature of interest</b>	<b>Auditor Notes</b>
		Auditors arrive @ Shingleton FO	FMU Brief	
1	189	Star Siding Hardwood	Closed hardwood sale. Oak planting FTP	Sugar maple dominant; adjacent power line right of way used for wildlife corridor (maintained through mowing and planting grasses/forbs. Winter harvest for providing deer browse and cover in low density area
2	189	Wildlife Opening Powerline	Wildlife opening maintenance.	

3	187	Petrel 187 Mix	Closed timber sale	<p>Unscheduled stop at Star Creek bridge; installed to specifications. Discussion of state-level plan for upgrading stream crossings. Petrel Mix includes northern hardwood selection and small clearcuts (8 acres) for aspen regeneration; similar retention strategy throughout sale (hemlock, cedar, white pine, oak)</p>
4	180	Petrel Sunrise	<p>Completed hardwood sale marked by contractors. Some BMPs and recreation interests.</p>	<p>Northern hardwood heavy to sugar maple. Late scheduled single-tree sel'n re-entry; higher basal area removed, but quality individuals retained.</p>
5	180	Petrel Wildlife Openings	<p>Wildlife habitat opening maintenance.</p>	<p>Maintained through mowing. Within larger matrix of northern hardwood stands.</p>

6	180	Petrel Rd	Road maintenance work.	Examination of new culverts
7	172	Melstrand MoleHills	Open hardwood sale with wet seep.	Single-tree sel'n of northern hardwood stand; vernal pool and seep identified post-marking, but prior to harvest.
8	167	167 Pilot	"Pilot Sale" prepared and administered by contractors. Archeological site excluded.	Lower quality northern hardwood site; larger openings, but with retention of birch, cherry, and conifers. Harvest red maple, cherry, beech, and balsam fir to free space for residual stand and reduce impacts of BBD. Contractor marked and administered as part of pilot project.
9	142	Compartment 142	Beech herbicide treatment.	Experiment to control beech regeneration
10	136	Kingston Lake Hardwood	Active timber sale. Archeological site nearby.	One-step shelterwood treatment to favor hemlock, white pine, and yellow birch. Remove BBD-affected beech.

				Retention of groups and dispersed individuals.
11	136	Kingston Lake Campground	Fisheries FTP. Invasive species herbicide treatment. Campground.	Observation of Phragmites treatment and discussion of use of forest resources within the RMZ to enhance fish habitat.

<b>Shingleton Surveillance Audit 10/8/14 - Audit Route 2</b>				<b>Auditor: Boatwright</b>
<b>Stop #</b>	<b>Comp</b>	<b>Name</b>	<b>Feature of interest</b>	<b>Auditor Notes</b>
		Auditors arrive @ Shingleton FO	FMU Brief	
1	26	Sasquatch Thornapple Timber sale	Open timber sale - not active. Portable bridge installation for access.	See SFI report
2	27	Cranberry Pine	Active timber sale.	
3	28	PLFB Trespass	ERI Trespass case	
4	36	Beechenstein	Active hardwood timber sale - partially cut. Beech salvage.	
5,6	42,60	Stray Bullets and Camp 9 Pine	Completed timber sales. Herbicide release and herbicide site prep.	
7	58	Brace Creek	Snowmobile trail matting and chip fill completed by grant sponsors.	
8	74	14 Corners	Active hardwood timber sale marked by contractors for beech salvage.	
9	42	FTP W41-1605	Turkey opening maintenance	
10	81	Westshore Hardwoods	Open hardwood sale marked by contractors for beech salvage.	
11	81	Westshore Red Pine	Open Red Pine sale - no harvesting yet.	

			Prescription change after detection of Armillaria in stand.	
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<b>Escanaba Surveillance Audit 10/9/14 - East Audit Route</b>				<b>Auditor: Boatwright</b>
<b>Stop #</b>	<b>Comp</b>	<b>Name</b>	<b>Feature of interest</b>	<b>Auditor Notes</b>
		District Brief	District Overview and Issues	See SFI report
1	78	Government Wolf	Open timber sale no work	
2	40	Fox Road Mix	Closed timber sale	
3	45	South Fox Scarification	Scarification for Red Pine regeneration	
4	45	Worth ERA	ERA site - old growth	
5	55	551 Fawn	Active timber sale	
6	54	Chemical Use	FTP for herbicide site prep - planting	
7	54	Westman Lake	Closed timber sale	
8	47	Walking Frog	Open timber sale no work	

<b>Escanaba Surveillance Audit 10/9/14 - West Audit Route</b>				<b>Auditor: Meister</b>
<b>Stop #</b>	<b>Comp</b>	<b>Name</b>	<b>Feature of interest</b>	<b>Auditor Notes</b>
		District Brief	District Overview and Issues	
1	4/5	Carney Fen	ERA - Natural Area	Discussion of ERA classification process and use of MNFI data; involvement of volunteers in monitoring and protection; and cooperation with adjacent power line right-of-way to prevent invasive species.

2	1	Lotta Sugar	Active timber sale	Larger aspen clearcut with retention pockets mapped; adjacent northern hardwood stands marked for single-tree sel'n. Interviews with logging contractors and inspection of site for safety.
3	22	Boneyard Mix	Open timber sale some work has been done but no active now	Observation of oak wilt treatment site using harvesting and root-severing, discussion of oak wilt management strategy.
4	XX	Confidential site	Confidential site	Observation of archaeological protection measures.
		Escanaba District Office	Closing Meeting	Issuance of draft findings and discussion of next steps

## 2.2 Evaluation of Management Systems

SCS deploys interdisciplinary teams with expertise in forestry, social sciences, natural resource economics, and other relevant fields to assess an FME’s conformance to FSC standards and policies. Evaluation methods include document and record review, implementing sampling strategies to visit a broad number of forest cover and harvest prescription types, observation of implementation of management plans and policies in the field, and stakeholder analysis. When there is more than one team member, team members may review parts of the standards based on their background and expertise. On the final day of an evaluation, team members convene to deliberate the findings of the assessment jointly. This involves an analysis of all relevant field observations, stakeholder comments,

and reviewed documents and records. Where consensus between team members cannot be achieved due to lack of evidence, conflicting evidence or differences of interpretation of the standards, the team is instructed to report these in the certification decision section and/or in observations.

### 3. Changes in Management Practices

There were no significant changes in the FME’s management system that affected conformance to FSC requirements. Budgets have increased, which will allow for some long-standing vacancies to be filled and for MDNR to address several road and stream-crossing maintenance issues.

### 4. Results of the Evaluation

#### 4.1 Existing Corrective Action Requests and Observations

<b>Finding Number: 2012.3</b>	
<b>Select one:</b> <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
<b>FMU CAR/OBS issued to</b> (when more than one FMU):	
<b>Deadline</b>	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> Next audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Other deadline (specify): Observations do not have response deadlines. The subject matter underlying the Observation will be addressed during the next surveillance audit. <b>Note: this OBS is being carried over for another year.</b>
<b>FSC Indicator:</b>	Indicators 1.5.a and 1.5.b
<b>Non-Conformity:</b> Not applicable	
<p><b>Observation:</b> A chronic problem that DNR has had to deal with is unauthorized encroachment onto State Forest lands by neighbors (e.g., private structures or roads partially or entirely located on State Forest land). As the problem has grown, DNR has initiated policies, initiatives and actions aimed to control encroachment. In the last few years, the Department has ramped up its effort and it intends to be less accommodating, with regard to resolution of specific cases, after the end of 2012. As of the time of the audit (October, 2012) DNR was anticipating the finalization of a new, stronger procedure for handling encroachment cases. To avoid a possible non-conformity, DNR should:</p> <ul style="list-style-type: none"> <li>• Finalize and implement the revised procedure</li> <li>• Provide support to field staff dealing with encroachment</li> <li>• Endeavor to improve on the current approach of checking only 10% of State Forest boundary lines per year (10-year cycle).</li> </ul>	
<b>FME response 2013</b> <i>(including any evidence submitted)</i>	<p>MDNR has continued to implement an “Encroachment Resolution Initiative” (ERI) for the purpose of resolving some historical and structural trespass cases. As part of this effort, a few new contacts related to structures, claims to rights for access, and fence encroachments have been submitted.</p> <p>91 of 192 ERI cases have been resolved. Resolution of the remaining 101 ERI cases is in progress. In addition, there is a concerted effort to resolve 323 more minor encroachments which are linked to but not part of the ERI effort. MDNR trespass data base tracks all these resolved cases.</p>
<b>SCS review 2013</b>	In August 2013, MDNR updated its draft non-timber trespass resolution procedure.

	While progress on taking action against non-timber trespass increased substantially in 2013, the updated procedure is still in draft form and results of MDNR’s increased action against non-timber trespass have not been incorporated into its policies and procedures. The “case load” of documented encroachments has stabilized but much work remains to resolve all known instances. SCS concludes that the OBS should be kept open for another year to enable MDNR to report on further progress at the time of the 2014 surveillance audit.
<b>FME response 2014</b> <i>(including any evidence submitted)</i>	Attached is an update on resolution of trespass cases thus far in 2014, and two new policies related to timber and non-timber trespass. The FRD PP213 was approved last November. The DNR PP 26.26-19 will be approved this fall. Lori Burford will attend the first day of the audit in Newberry to provide an update to you and answer any questions that you may have.  Summary of Forest Resources Division (FRD) and Encroachment Resolution Initiative (ERI) cases since last audit: <ul style="list-style-type: none"> <li>• 56 FRD Cases Discovered Since 10/1/2013</li> <li>• 118 FRD Cases Resolved Since 10/1/2013</li> <li>• 351 FRD Cases Pending as of 7/29/14</li> <li>• 27 FRD, ERI Cases Pending as of 7/29/14</li> </ul>
<b>SCS review 2014</b>	The Resource Bureau has approved the Non-Timber Trespass Procedure, which formalizes the process that MDNR has implemented to document and resolve these cases. MDNR has demonstrated that the process has undergone review and trial runs prior to becoming a formally adopted procedure. Through the past two years of work on this OBS, MDNR has demonstrated that the procedure has become integrated into its management system.
<b>Status of CAR:</b>	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> <i>Other decision (refer to description above) -</i>

<b>Finding Number: 2013.1</b>	
<b>Select one:</b> <input type="checkbox"/> Major CAR <input checked="" type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
<b>FMU CAR/OBS issued to</b> (when more than one FMU):	
<b>Deadline</b>	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
<b>FSC Indicator(s): FSC-US 6.3.a.1 and Indicator 6.3.f</b>	
<b>Non-Conformity:</b> Aspen harvests include retention of trees in groups and individuals consisting mainly of oak and conifer species or existing snags. Within aspen harvest units, especially those maintained under shorter rotations, retention of older aspen age classes in larger clearcuts (e.g., >40 acres) is frequently limited to the edges of timber sale boundaries for operational efficiency. While this retention is noted within the prescription for the timber sale and would hopefully then be referenced in planning future harvests of the same stand, this retention currently is not tracked in the IFMAP system that is used for	

	<p>planning forest harvests. Aspen retained along timber sale boundaries for the purposes of maintaining a representative portion of a stand could be confused as being part of an adjacent stand or compartment that was not recently harvested. MDNR therefore risks losing this under-represented successional stage of aspen in the FMU (Indicator 6.3.a.1).</p> <p>Auditors observed oak-pine, northern hardwood, aspen, and conifer-hardwood swamp harvests in 2013. Snags and other woody debris were observed in all harvest units. Retained groups and individuals usually are conifers and oaks in aspen stands with smaller diameter aspens incidental to this retention. Non-aspen harvests include retention of dominant species throughout various diameter classes. Most areas include retention of trees representative of dominant species, with the exception of aspen harvests, where larger sized aspens are either not retained or are retained at harvest unit edges where they risk being taken during the harvest of an adjacent compartment/ stand. While MDNR included a discussion of options for retention based on species composition, dominance, opening size and other factors, incorporation of these retention options into MDNR guidelines for all districts was not completed by the time of the 2013 audit. MDNR risks failure to maintain or recruit habitat components and stand structures cited in Indicator 6.3.f associated with dominant species in aspen harvests.</p> <p><b>Note: See also OBS 2012.4.</b></p>
	<p><b>Corrective Action Request:</b> Particularly with respect to the layout and execution of aspen harvest units MDNR must develop and implement a means of tracking area retention to:</p> <ul style="list-style-type: none"> <li>• Maintain, enhance, and/or restore under-represented successional stages that would naturally occur on the types of sites found on the FMU.</li> <li>• Ensure that its management systems maintain, enhance, or restore habitat components and associated stand structures, in abundance and distribution that could be expected from naturally occurring processes, with an emphasis on measures to retain dominant species found on the site.</li> </ul>
<p><b>FME response 2014</b> <i>(including any evidence submitted)</i></p>	<p>The attached documents are provided to you in response to FSC CAR 2013.1 concerning retention in aspen clearcuts (Clarification WithinStand Retention Aspen Memo.pdf, Appendix C – Stand Examiner Checklist.pdf, Complete set of WIs_6-23-14_RBMT_Approved.pdf, Documenting Long Term (Area) Retention in harvests on State Forest Lands_Email to Staff_June_2014.pdf, Appendix P – Timber Sale Preparation Checklist.pdf). Additional guidance has now been provided to field staff concerning area retention in aspen stands and documenting and tracking area retention from one year-of-entry to another via site condition coding in our forest inventory. Our inventory manual and Forest Certification Work Instruction 1.4 – Biodiversity Management have been updated to include the site condition coding requirement.</p> <p>Work Instruction 1.4 has also been updated to provide the new definition and management direction for Ecological Reference Areas to field staff.</p>
<p><b>SCS review 2014</b></p>	<p>The actions taken respond directly to the aspen cover type and indicators cited in the CAR. Of most importance, the guidelines offer flexibility based on size of harvest area and forest health concerns, both of which could provide justification for reduced or no retention of maturing to mature aspen. IFMAP checklists and Michigan DNR work instructions have been modified accordingly to facilitate planning and documenting aspen retention within harvest units. A key tool in tracking this retention in the long-term is MDNR’s Michigan Forest Inventory System (MiFI), which now has new site codes for entering information on retention</p>

	<p>pockets based on field-level GPS data.</p> <p>On larger acreage (&gt;10 acres) aspen harvest sites in Newberry, Shingleton, and Escanaba, MDNR showed examples of retention pockets in the field that include mature aspen. Some retention areas were placed within the harvest unit as islands, while others were added to existing water course buffers. The retention areas placed along buffers now are at low risk for removal during an entry into an adjacent stand and should meet the intended objective of allowing some aspen to reach maturity. These retention areas are now tracked using GIS or MiFI so that they can be monitored during future compartment reviews. MDNR has conducted initial trainings on the new retention-tracking system along with other updates to software tools.</p>
<b>Status of CAR:</b>	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

<b>Finding Number: 2013.2</b>	
<b>Select one:</b> <input checked="" type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
<b>FMU CAR/OBS issued to</b> (when more than one FMU):	
<b>Deadline</b>	<input type="checkbox"/> Pre-condition to certification - <input checked="" type="checkbox"/> 3 months from Issuance of Final Report - <input type="checkbox"/> Next audit (surveillance or re-evaluation) - <input type="checkbox"/> Other deadline (specify): -
<b>FSC Indicator(s): FSC-US 6.3.a.2, 6.4.a, 6.4.b, 6.4.c, 6.4.d, 6.4.e.</b>	
<p><b>Non-Conformity:</b>          From the 2012 audit findings: -          Throughout much of 2012, development of the Regional State Forest Management Plans required the dedication of staff resources that, to a substantial degree, were redirected from the Biodiversity Conservation Planning Process. Now that the RSFMP process is largely completed, it is important that staff resources are rededicated to completion of the BCPP/BSA process, which has suffered from numerous delays since at least 2008. Completion of the Biodiversity Conservation Planning Process, including key tasks such as delineating Biodiversity Stewardship Areas on the state forests and identifying compatible land uses for the BSAs, has been the focus of numerous FSC Findings since 2008 (CAR 2008.1, CAR 2009.1, OBS 2010.9, OBS 2010.19). The credibility of the FSC certification process as applied to Michigan DNR is not enhanced by this protracted delay.</p> <p>In the 12 months between the 2012 and 2013 annual audits, MDNR’s Statewide Biodiversity Team completed a statewide assessment/identification of potential BSA’s. The results of the statewide assessment were conveyed to the DNR Resource Bureau Management Team on April 9, 2013, accompanied by an Issues Statement. Within the Issues Statement, three possible options for proceeding with the Living Legacies Initiative were outlined. These options were:</p> <ol style="list-style-type: none"> <li>1. Do nothing at the present time.</li> <li>2. Proceed with the current approved Living Legacy Implementation process—Internal to DNR</li> </ol>	

3. Develop a new process for conserving biodiversity to meet forest certification requirements.

At the opening meeting of the 2013 annual audit, the SCS audit team was informed that no response to or actions resulting from the April 9<sup>th</sup> submittal had as yet been issued by the Resource Bureau Management Team. The audit team construes this to mean, at least on a de facto basis, that MDNR has elected Option 1, to do nothing.

After many years of addressing the underlying issues through numerous certification findings, the lack of any action since April 9, 2013 and the ongoing failure to complete a pathway for demonstrating compliance with FSC Indicator 6.3.a.2 and Indicators 6.4.a, b, c\*, d, and e, the audit team is left with no choice but find that MDNR is in Major Non-Compliance with those elements of the FSC certification standard.

\*NOTE: The 2008 Michigan State Forest Management Plan (pages 183-184) and Forest Certification Work Instruction 1.4 define allowable management activities that are compatible with or necessary to maintain RSAs; however, how RSAs are managed is integral to the larger discussion about re-defining and updating the network of RSAs. Given this, the work instruction may or may not need to be modified once MDNR completes its RSA assessment.

**Corrective Action Request:**

MDNR must submit to SCS a written plan of action, endorsed by the Resource Bureau Management Team, for establishing a network of designated areas on the lands administered by the Department. The network of designated areas must be fully responsive to the requirements for representative sample areas (6.4.a.-6.4.e) and protected areas (6.3.a.2). The network must include representative samples of more common (S4 and S5) natural communities as well as rare ecological communities (S1, S2 and S3).

The plan of action must include timelines, milestones and allocation of staff resources that collectively provide clear indication that the designation of said areas will be completed and duly formalized by the time of the 2014 annual surveillance audit.

**FME response 2014**  
*(including any evidence submitted)*

The attached Plan of Action, summary table, and documentation of the DNR Resource Bureau Management Team endorsement thereof are provided to you for purposes of meeting the 3 month requirement of Major CAR 2013.2.

**Update September 5, 2014 (post-CAR closure):**

There is a link from the certification page to our web page that was developed for public review of our proposed updated network of Ecological Reference Areas (ERAs) and Dedicated Habitat Areas (DHAs) – which is currently underway.  
[http://www.michigan.gov/dnr/0,4570,7-153-30301\\_30505\\_33360-333691--,00.html](http://www.michigan.gov/dnr/0,4570,7-153-30301_30505_33360-333691--,00.html)

The update of ERAs and DHAs is in accordance with the plan of action previously provided to you (and attached) for FSC CAR 2013.2 and SFI CAR 2013.2. Per the attached work plan for public review, an initial public review of proposed areas occurred from July 25 to August 22. The initial public review included a webinar, which is accessible from the web page.

Final approval of the proposed areas by DNR Director Creagh is being sought through an amendment to our 2008 Michigan State Forest Management Plan

	<p>(accessible at the end of the web page) at the October 9 Natural Resources Commission (NRC) meeting. The amendment will be presented for information purposes at the September 11 NRC meeting (agenda attached).</p> <p>Stakeholder and tribal communications associated with the public review of the proposed ERAs and DHAs are also attached in zip files. We have also had extensive communication (via attached letter, and email/telephone/meetings) with 25 potential partners with regard to recognition of ERAs upon their ownerships. We have 22 confirmed partners to date (see the attached spreadsheet of partner contacts).</p>
<p><b>SCS review 2014</b></p>	<p><b>April 22, 2014:</b> MDNR provided records of a meeting during which the Plan of Action was approved by the Resource Bureau Management Team. The “Plan of Action to Address FSC &amp; SFI Corrective Action Requests Related to Rare and Common Natural Community Representative Areas” addresses the components of 6.3.a.2 and 6.4.a-e, as well as establishes a timeline, staff resources, and outcomes for each step to be taken.</p> <p>Once areas suitable for RSAs have been identified, they will be recommended for designation as High Value Conservation Areas (subcategories of Ecological Reference Area and Dedicated Habitat Area). MDNR should note that while certain RSAs may coincide with one or more of the six acceptable HCV types, some may not. It is expected that areas officially designated as HCVs be classified per the requirements of Principle 9, including public consultation.</p> <p>MDNR has not fully addressed indicator 6.4.c in its Plan of Action. Specifically, MDNR must provide measures to ensure that management activities within RSAs are limited to low impact activities compatible with the protected RSA objectives, except under the following circumstances:</p> <ul style="list-style-type: none"> <li>a) harvesting activities only where they are necessary to restore or create conditions to meet the objectives of the protected RSA, or to mitigate conditions that interfere with achieving the RSA objectives; or</li> <li>b) road-building only where it is documented that it will contribute to minimizing the overall environmental impacts within the FMU and will not jeopardize the purpose for which the RSA was designated.</li> </ul> <p><b>May 5, 2014:</b> After further discussion with MDNR staff, it was found that staff are aware of the HCV classification and consultation processes involved for designating RSAs under its HCV guidelines. MDNR provided two supporting documents that are to be approved as part of RSA/HCV designation processes this year: <i>Work Instruction 1.4 Biodiversity Management on State Forest Lands</i> and <i>DNR Ecological Reference Areas Definition and Principles of Management</i>. These documents address the requirements of indicator 6.4.c.</p> <p><b>October 14, 2014:</b> ERAs have been mapped and updated, which include RTE species and communities, and representative examples identified considering existing state forestlands and other protected lands (e.g., other DNR, state parks, federal lands, land conservancies).</p>

	Director Creagh has approved the updated network of ERAs on October 9 in a 2014 amendment to MDNR’s 2008 Michigan State Forest Management Plan. The 2014 plan amendment is now available to the public on our planning web page: <a href="http://www.michigan.gov/dnr/0,4570,7-153-30301_33360_41834_68707-331509-00.html">http://www.michigan.gov/dnr/0,4570,7-153-30301_33360_41834_68707-331509-00.html</a> . MDNR has thus completed the milestones and timeline established in its initial response to this Major CAR.
<b>Status of CAR:</b>	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> <i>Other decision (refer to description above)</i>

<b>Finding Number: 2013.3</b>	
<b>Select one:</b> <input type="checkbox"/> Major CAR <input checked="" type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
<b>FMU CAR/OBS issued to</b> (when more than one FMU):	
<b>Deadline</b>	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Next audit (surveillance or re-evaluation) <input type="checkbox"/> Other deadline (specify):
<b>FSC Indicator(s): FSC-US indicators 6.5.b and 6.5.e.1.</b>	
<b>Non-Conformity:</b> An incident was observed during the 2013 surveillance audit in which harvesting operations did not meet or exceed Best Management Practices (BMPs) that address riparian management zones (RMZs) for vernal pools. Trees were felled into a vernal pool and trees were not reserved from harvest around the entire periphery of the vernal pool, per the State DEQ BMP manual (p. 29).	
<b>Corrective Action Request:</b> MDNR must ensure that forest operations meet or exceed Best Management Practices (BMPs) that address allowable and non-allowable activities in RMZs.	
<b>FME response 2014</b> <i>(including any evidence submitted)</i>	The attached documents (Forestry BMP Email to UMs_December 2013.pdf, MSU Contract_Change Notice 6_Fen Habitat-Vernal Pools.doc, and Vernal Pools Mapping Project__online.wsj.com_article_PR-CO-20140129-908916.pdf) are provided to you in response to FSC CAR 2013.3 and SFI CAR 2013.1 concerning Vernal Pool BMPs.  The contract with MSU-Michigan Natural Features Inventory is a collaborative project in partnership with Verso Paper Corporation to identify and map vernal pools on state forest lands in Michigan’s Upper Peninsula on which Verso Paper Corporation procures wood. This project also will continue efforts to evaluate different approaches for identifying and mapping vernal pools remotely, so that they may be identified earlier in the compartment review planning process.
<b>SCS review 2014</b>	An email communication was sent to MDNR staff reminding them to review BMPs for vernal pools. MDNR provided evidence of an updated contract with the Michigan Natural Features Inventory and an article on the partnership with Verso Paper Corporation as evidence of efforts to identify and map vernal pools in the Upper Peninsula. Identifying and mapping vernal pools prior to any harvest planning or reconnaissance may help to prevent further instances of this non-conformance in the future. One vernal pool was identified post-marking in an unharvested unit in Shingleton. MDNR will be working with the timber sale buyer to

	avoid this area, as well as an adjacent seep. MDNR has presented evidence to correct this at the field-level and preventative action, and this CAR is closed.
<b>Status of CAR:</b>	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

<b>Finding Number: 2013.4</b>	
<b>Select one:</b> <input type="checkbox"/> Major CAR <input checked="" type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
<b>FMU CAR/OBS issued to</b> (when more than one FMU):	
<b>Deadline</b>	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> Next audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Other deadline (specify): CAR was closed on Oct 23 following verification that appropriate action was taken by the Department.
<b>FSC Indicator(s): FSC-US indicator 6.7.b.</b>	
<b>Non-Conformity:</b> An incident was observed during the 2013 surveillance audit in which a spill of hydraulic fluid occurred in a mechanized harvest unit where there was a failure to immediately contain the material and to complete disposal and remediation procedures, as required by DNR’s sales contract terms and by applicable law.	
<b>Corrective Action Request:</b> In the event of a hazardous material spill, MDNR must ensure that responsible parties immediately contain the material and engage qualified personnel to perform the appropriate removal and remediation, as required by applicable law, regulations and contract terms.	
<b>FME response</b> <i>(including any evidence submitted)</i>	<p>On October 23, 2013, DNR submitted the following response:</p> <p>Robert and Kyle,</p> <p>I am forwarding to you a copy of the letter that we sent to the operator on the Russell Lake Aspen timber sale which we visited during the audit on October 10. This letter is a standard follow-up action after the sale administrator (Dale Ekdorn) first observed and documented the operator contract violation of not immediately cleaning up a hydraulic oil spill on the site (see the attached Timber Sale Inspection report). A record of a follow-up inspection on October 14 is also attached, which documents that proper corrective action had been completed by the operator.</p> <p>We believe that the focus of the audit should be on our procedures for timber sale administration and inspections and any needed follow-up actions, rather than the occurrence of a contract violation by the operator. Contract violations are a matter beyond DNR control and will occasionally occur despite the best procedures and intentions of the DNR and our contractors. What is most important is that when contract of BMP violations are observed, they are documented and immediate corrective action is taken – as was done in this instance.</p> <p>Thanks for your consideration.</p>

	<p>Regards,</p> <p>David Price  MI DNR Forest Resources Division  517-241-9051  <a href="mailto:priced1@michigan.gov">priced1@michigan.gov</a></p>
<p><b>SCS review</b></p>	<p>On October 23, 2013, SCS conveyed the following response to MDNR:</p> <p>Hello David (and Dennis, Deb and Steve):</p> <p>Thanks for forwarding the letter sent to the Russell Lake Aspen timber sale operator as well as the record of the follow-up inspection.</p> <p>You suggest that perhaps we should not raise a non-conformity with respect to a contract violation (an unattended hydraulic fluid spill) and, instead, focus on DNR’s timber sale administration and inspection procedures. In fact, we are expected to focus on both procedures and field-level instances that may constitute a non-conformity with the FSC certification standard.</p> <p>In this instance, there was a hydraulic fluid spill that clearly was not addressed/remediated immediately. Irrespective of DNR’s procedures, this incident constitutes a minor non-conformity relative to Indicator 6.7.b:</p> <p style="padding-left: 40px;">“In the event of a hazardous materials spill, the forest owner or manager <i>immediately</i> contains the material and engages qualified personnel to perform the appropriate removal and remediation, as required by applicable law and regulations.” (emphasis added)</p> <p>Based upon this year’s audit and all the prior audits, we consider this to be an isolated (non-systemic) incident which is why it is raised as a minor non-conformity.</p> <p>The Minor CAR that will be part of the pending audit report will request DNR to take appropriate actions to reasonably assure that this incident not be repeated. Since it is considered by the audit team to be an isolated incident, the audit team has already concluded that the incident is not indicative of a problem with DNR’s timber sale administration and inspection procedures. Had we concluded that were the case, it would be a systemic issue and we would have been obligated to raise a major rather than minor non-conformity.</p> <p>Subsequent to the audit team (and DNR) observing this minor non-conformity, DNR has taken corrective actions in the form of sending a letter to the operator and conducting a follow-up site inspection. I will discuss this response with the other team members and it is possible that we will consider DNR’s responsive actions to be sufficient to close the non-conformity. If so, the report will reflect that a non-conformity was observed and raised on October 10<sup>th</sup> and closed on October 23<sup>rd</sup>. I suspect this will be the case but I cannot say so with certainty until conferring with my colleagues.</p>

	Subsequent to the October 23 <sup>rd</sup> response to DNR, the SCS Lead Auditor, in consultation with Kyle Meister, concluded that closure of this Minor CAR was warranted on the basis of the corrective actions undertaken by DNR.
<b>Status of CAR:</b>	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

<b>Finding Number: 2013.5</b>	
<b>Select one:</b> <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
<b>FMU CAR/OBS issued to</b> (when more than one FMU):	
<b>Deadline</b>	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> Next audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Other deadline (specify): Observations do not have response deadlines. The subject matter underlying the Observation will be addressed during the next surveillance audit.
<b>FSC Indicator(s): FSC-US 9.1.a.</b>	
<p><b>Non-Conformity</b> (or Background/ Justification in the case of Observations): Draft guidance from FSC-US under HCV3 states that “Roadless areas are forested areas without evidence of roads or skid trails.” Further draft guidance from FSC-US provides guidance on size of roadless areas: “500 acres is a general size guideline, not a definitive minimum, and generally applies to ‘block’ shaped areas rather than linear figures such as riparian zone.” Interviews with MDNR staff indicate that there is no definition for roadless area within the current management framework.</p> <p>The intent of HCV3 is to protect forest areas that are in or contain rare, threatened or endangered (RTE) ecosystems. Not all roadless areas contain RTE ecosystems; Michigan contains some large ecotypes that cover large acreages due to landform and soil parent material, but are not necessarily RTE ecosystems (e.g., boreal forest elements).</p> <p><b>Corrective Action Request</b> (or Observation): MDNR should consider completing an assessment of roadless areas (using the definition in the final draft FSC-US HCVF Assessment Framework), and identify any roadless areas that may meet the intent of HCV3 and are relatively large (i.e., &gt;500 acres) and intact with no evidence of past or current road building.</p>	
<b>FME response</b> (including any evidence submitted)	<p>Attached is an analysis for HCV-3 Roadless Areas (137,157 acres) within our proposed updated network of Ecological Reference Areas on DNR-administered lands (188,553 acres).</p> <p>This table includes 57 areas, each greater than 500 acres, which occur within ERAs for rare natural communities on DNR-managed lands. The roadless polygons were created by dividing ERAs along all roads included in the GDSE roads layer (which includes 'Poor Dirt Roads' and 'Non-Recreation Trails'), as well as along ORV Routes (intended for the largest ORVs – next smaller trail type is for vehicles with a maximum width of 50”) and railroads. Additionally, any areas in the 'Closed Timber Sales' data layer (includes sales from 2005 through present) were</p>

	discounted, due to the likely presence of skid trails.
<b>SCS review</b>	MDNR’s approach to identifying roadless areas is consistent with the intent of HCV3, which is to protect rare, threatened or endangered ecosystems. Essentially, the roadless areas were identified within areas (ERAs) that have already been classified as having rare, threatened or endangered ecosystems. These roadless areas are largely inoperable to being with due to the presence of wetlands, water courses, rocky outcrops or other difficult terrain, which explains the absence of roads. Outside of ERAs, there is very low risk of a roadless area that meets the intent of HCV3 occurring due to the presence of roads, skid trails, farms, and other historic human uses of the FMU. The fact that the vast majority of the productive forest area within the FMU was inherited through tax reversion due to the lands being unfit for agricultural or pastoral use supports MDNR’s conclusion of low risk outside of ERAs. However, MDNR’s classification of roadless areas within ERAs has not been made available for public consultation. See findings 2014.1 and 2014.2.
<b>Status of CAR:</b>	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> <i>Other decision (refer to description above)</i>

## 4.2 New Corrective Action Requests and Observations

<b>Finding Number: 2014.1</b>	
<b>Select one:</b> <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
<b>FMU CAR/OBS issued to</b> (when more than one FMU):	
<b>Deadline</b>	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> Next audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Other deadline (specify): response is optional
<b>FSC Indicator:</b>	FSC-US indicators 9.1.b and 9.1.c
<p><b>Non-Conformity</b> (or Background/ Justification in the case of Observations):</p> <p>MDNR presented evidence of completing an analysis, expert and public consultation, and approval of an updated network of ERAs in response to CAR 2013.2. MDNR also conducted a preliminary analysis of roadless areas consistent with the definition of HCV3 per indicator 9.1.a in response to OBS 2013.5, which did not result in any new areas being identified for High Conservation Values (i.e., HCV3 overlaps with existing identified HCVs). However, MDNR did not conduct any stakeholder consultation activities per 9.1.b and 9.1.c specific to this newly identified HCV attribute.</p> <p>To date, the expert and public consultation conducted by MDNR for ERAs has primarily focused been focused on HCV2 values inherent to the natural communities that provide the framework for MDNR-administered ERAs. The presence of other HCVs (including HCV3 roadless areas) for each ERA has not yet been fully vetted, and it would be inefficient to do a public consultation for a single HCV (Roadless Areas).</p>	
<p><b>Corrective Action Request</b> (or Observation):</p> <p>MDNR should develop a written plan of action to accomplish the following with respect to designated HCVs within ERAs:</p> <ol style="list-style-type: none"> <li>1. An assessment for high conservation values within MDNR’s network of ERAs as management plans for these areas are developed. The assessment should include consultation with qualified specialists, independent experts, and local community members who may have knowledge of areas that meet the definition of HCV 1, 2, 3, or 4 attributes.</li> <li>2. A summary of the assessment results and management strategies (see Criterion 9.3) to be included in the management plan summary that is made available to the public.</li> </ol>	
<b>FME response</b> (including any evidence submitted)	
<b>SCS review</b>	
<b>Status of CAR:</b>	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

<b>Finding Number: 2014.2</b>	
<b>Select one:</b> <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
<b>FMU CAR/OBS issued to</b> (when more than one FMU):	
<b>Deadline</b>	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> Next audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Other deadline (specify): response is optional
<b>FSC Indicator:</b>	FSC-US indicator 9.2.b.
<b>Non-Conformity (or Background/ Justification in the case of Observations):</b> While the roadless HCV3 designation results in no new areas being classified as ERA (i.e., no fundamental change in total protected area and management options), a transparent and accessible public review of proposed roadless HCV3 attribute, its locations, and management was not carried out. Information from stakeholder consultations and other public review was not integrated into the roadless HCV3 description, delineation and management.	
<b>Corrective Action Request (or Observation):</b> On public forests, MDNR should prepare a written plan of action to accomplish the following: <ol style="list-style-type: none"> <li>1. A transparent and accessible public review of proposed HCV attributes and management to be utilized.</li> <li>2. Integration of information from stakeholder consultations and other public review into HCVF descriptions, delineations and management.</li> </ol>	
<b>FME response</b> <i>(including any evidence submitted)</i>	
<b>SCS review</b>	
<b>Status of CAR:</b>	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

<b>Finding Number: 2014.3</b>	
<b>Select one:</b> <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
<b>FMU CAR/OBS issued to</b> (when more than one FMU):	
<b>Deadline</b>	<input type="checkbox"/> Pre-condition to certification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> Next audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Other deadline (specify): response is optional
<b>FSC Indicator:</b>	FSC-US indicator 9.3.a.
<b>Non-Conformity</b> (or Background/ Justification in the case of Observations): The management plan and relevant operational plans describe the measures necessary to ensure the maintenance and/or enhancement of all high conservation values present in all identified HCVF areas, including the precautions required to avoid risks or impacts to such values (see Principle 7). These measures are implemented.	
<b>Corrective Action Request</b> (or Observation): If any fundamental changes to the measures to maintain or enhance HCV values are identified during stakeholder consultation, the management plan and relevant operational plans should describe the measures necessary to ensure the maintenance and/or enhancement of the HCV attributes present in identified HCVF areas, including the precautions required to avoid risks or impacts to such values (see Principle 7).	
<b>FME response</b> (including any evidence submitted)	
<b>SCS review</b>	
<b>Status of CAR:</b>	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

## 5. Stakeholder Comments

In accordance with SCS protocols, consultation with key stakeholders is an integral component of the evaluation process. Stakeholder consultation takes place prior to, concurrent with, and following field evaluations. Distinct purposes of such consultation include:

- To solicit input from affected parties as to the strengths and weaknesses of the FME’s management, relative to the standard, and the nature of the interaction between the company and the surrounding communities.
- To solicit input on whether the forest management operation has consulted with stakeholders regarding identifying any high conservation value forests (HCVFs).

Principal stakeholder groups are identified based upon results from past evaluations, lists of stakeholders from the FME under evaluation, and additional stakeholder contacts from other sources

(e.g., chair of the regional FSC working group). The following types of groups and individuals were determined to be principal stakeholders in this evaluation:

### 5.1 Stakeholder Groups Consulted

Logging contractors	Indigenous people and/or their representatives
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Stakeholder consultation activities are organized to give participants the opportunity to provide comments according to general categories of interest based on the three FSC chambers, as well as the SCS Interim Standard, if one was used. The table below summarizes the major comments received from stakeholders and the assessment team’s response. Where a stakeholder comment has triggered a subsequent investigation during the evaluation, the corresponding follow-up action and conclusions from SCS are noted below.

### 5.2 Summary of Stakeholder Comments and Responses from the Team, Where Applicable

<input type="checkbox"/> <i>FME has not received any stakeholder comments from interested parties as a result of stakeholder outreach activities during this annual audit.</i>	
Stakeholder comments	SCS Response
<b>Economic concerns</b>	
None received.	
<b>Social concerns</b>	
<p>We work with DNR on hunting and gathering as part of complying with treaty rights. Other tribes have had issues of water diversions in the Northern Lower Peninsula. Our tribe deals with Michigan DNR on timber issues and land consolidation. We have the option to buy the land during land disposals for consolidation purposes. Those disposal lands go up to other units of government first, then public auction. We have been contacted by MDNR on some parcels for sale.</p> <p>For C3.2 and C3.3, it is really about a case by case basis. The State wants an inventory of special sites, but tribes would rather deal with this on a case by case basis.</p>	<p>As part of the 2014 annual surveillance audit, SCS was able to confirm that MDNR maintains the confidentiality of archaeological sites and that relevant State employees work with tribes on a case-by-case basis on existing and new finds. In all publicly available documents reviewed on management activities that had the potential to affect a given tribe’s resources, MDNR maintained the confidentiality of the site’s location and its description.</p> <p>The stakeholder’s other comments lend evidence of MDNR’s conformance to requirements to protect recognized tribal resources.</p>

<p>In regards to communication, what you (SCS) are doing by calling us up is good to help maintain contact.</p> <p>See also section 106 of Historic Preservation Act/ NEPA reviews for Federal lands. We do not often work with State government.</p> <p>Our relationship with the State has improved quite a bit; the State inquires a lot more than they used to. We had an issue a few years ago where State issued a permit on tribal trust land, but we went ahead and allowed them to install the culvert after discussion.</p>	
<b>Environmental concerns</b>	
None received.	

## 6. Certification Decision

<p>The certificate holder has demonstrated continued overall conformance to the applicable Forest Stewardship Council standards. The SCS annual audit team recommends that the certificate be sustained, subject to subsequent annual audits and the FME’s response to any open CARs.</p>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Comments:</b>	

## 7. Changes in Certification Scope

Any changes in the scope of the certification since the previous audit are highlighted in **yellow** in the tables below.

### Name and Contact Information

<b>Organization name</b>	Michigan Department of Natural Resources		
<b>Contact person</b>	David Price, Forest Certification Coordinator		
<b>Address</b>	<b>Telephone</b>	517-241-9051	
	<b>Fax</b>	517-373-2443	
	<b>e-mail</b>	<a href="mailto:priced1@michigan.gov">priced1@michigan.gov</a>	
	<b>Website</b>		

### FSC Sales Information

<b>FSC salesperson</b>	Same as above.		
<b>Address</b>	<b>Telephone</b>		
	<b>Fax</b>		
	<b>e-mail</b>		
	<b>Website</b>		

### Scope of Certificate

<b>Certificate Type</b>	<input checked="" type="checkbox"/> Single FMU		<input type="checkbox"/> Multiple FMU	
	<input type="checkbox"/> Group			
<b>SLIMF (if applicable)</b>	<input type="checkbox"/> Small SLIMF certificate		<input type="checkbox"/> Low intensity SLIMF certificate	
	<input type="checkbox"/> Group SLIMF certificate			
<b># Group Members (if applicable)</b>	N/A			
<b>Number of FMU's in scope of certificate</b>	1			
<b>Geographic location of non-SLIMF FMU(s)</b>	<i>Latitude &amp; Longitude:</i>			
<b>Forest zone</b>	<input type="checkbox"/> Boreal		<input checked="" type="checkbox"/> Temperate	
	<input type="checkbox"/> Subtropical		<input type="checkbox"/> Tropical	
<b>Total forest area in scope of certificate which is:</b> Units: <input type="checkbox"/> ha or <input checked="" type="checkbox"/> ac				
privately managed	0			
state managed	3.8 million acres (excludes military lease lands, Luce County lease lands, GMO excised croplands, Wildlife Management Areas without FMD co-management)			
community managed	0			
<b>Number of FMUs in scope that are:</b>				
less than 100 ha in area	0	100 - 1000 ha in area	0	
1000 - 10 000 ha in area	0	more than 10 000 ha in area	1	
<b>Total forest area in scope of certificate which is included in FMUs that:</b> Units: <input type="checkbox"/> ha or <input type="checkbox"/> ac				
are less than 100 ha in area	0			
are between 100 ha and 1000 ha in area	0			
meet the eligibility criteria as <i>low intensity</i> SLIMF FMUs	0			
<b>Division of FMUs into manageable units:</b>				

### Production Forests

<b>Timber Forest Products</b>	<b>Units:</b> <input type="checkbox"/> ha or <input checked="" type="checkbox"/> ac
Total area of production forest (i.e. forest from which timber may be harvested)	Approximately 2.9 million acres
Area of production forest classified as 'plantation'	None
Area of production forest regenerated primarily by replanting or by a combination of replanting and coppicing of the planted stems	Approximately 600,000 acres
Area of production forest regenerated primarily by natural	Approximately 1.9 million acres

regeneration, or by a combination of natural regeneration and coppicing of the naturally regenerated stems	
<b>Silvicultural system(s)</b>	<b>Area under type of management</b>
Even-aged management	
Clearcut (clearcut size range )	Approximately 1.7 million acres
Shelterwood	Approximately 200,000 acres
Other:	Not quantified
Uneven-aged management	
Individual tree selection	Approximately 500,000 acres
Group selection	Not quantified
Other:	
<input type="checkbox"/> Other (e.g. nursery, recreation area, windbreak, bamboo, silvo-pastoral system, agro-forestry system, etc.)	
The sustainable rate of harvest (usually Annual Allowable Harvest or AAH where available) of commercial timber (m3 of round wood)	Approximately 1,050,000 cords
<b>Non-timber Forest Products (NTFPs)</b>	
Area of forest protected from commercial harvesting of timber and managed primarily for the production of NTFPs or services	Ecological Reference Areas, Natural Areas, Potential Old Growth, Natural River buffers, and critical dunes, Type 1 & 2 Old Growth: Approximately 190,000 acres
Other areas managed for NTFPs or services	None
Approximate annual commercial production of non-timber forest products included in the scope of the certificate, by product type	None
<b>Explanation of the assumptions and reference to the data source upon which AAH and NTFP harvest rates estimates are based:</b>	
IFMAP and GIS	
<b>Species in scope of joint FM/COC certificate: <i>Scientific/ Latin Name (Common/ Trade Name)</i></b>	
Black ash ( <i>Fraxinus nigra</i> ); green ash( <i>Fraxinus Pennsylvanica</i> ); white ash ( <i>Fraxinus Americana</i> ); bigtooth aspen ( <i>Populus grandidentata</i> ); Trembling aspen ( <i>Populus tremuloides</i> ); balm of Gilead ( <i>Populus balsamifera</i> ); balsam fir ( <i>Abies balsamea</i> ); basswood ( <i>Tilia Americana</i> ); paper birch ( <i>Betula papyrifera</i> ); yellow birch ( <i>Betula alleghaniensis</i> ); white cedar ( <i>Thuja occidentalis</i> ); black cherry ( <i>Prunus serotina</i> ); Eastern Hemlock ( <i>Thuja Canadensis</i> ); sugar maple ( <i>Acer saccharum</i> ); red maple ( <i>Acer rubrum</i> ); northern red oak ( <i>Quercus rubra</i> ); northern pin oak ( <i>Quercus ellipsoidalis</i> ); white oak ( <i>Quercus alba</i> ); jack pine ( <i>Pinus banksiana</i> ); red pine ( <i>Pinus resinosa</i> ); white pine ( <i>Pinus strobes</i> ); black spruce ( <i>Picea ,mariana</i> ); white spruce ( <i>Picea glauca</i> ); tamarack ( <i>Larix laricina</i> );	

**FSC Product Classification**

<b>Timber products</b>		
<b>Product Level 1</b>	<b>Product Level 2</b>	<b>Species</b>
W1	W1.1 Roundwood	All
W1	W1.2 Fuel Wood	All
W1	W1.3 Twigs	All

W3	W3.1 Wood chips	All
<b>Non-Timber Forest Products</b>		
<b>Product Level 1</b>	<b>Product Level 2</b>	<b>Product Level 3 and Species</b>
N1 Bark		All

### Conservation Areas

Total area of forest and non-forest land protected from commercial harvesting of timber and managed primarily for conservation objectives	Approximately 190,000 acres comprised of: Dedicated and Proposed Natural Areas, National Natural Landmarks, TNC Natural Area Registry, Critical Dunes, Natural Rivers, Ecological Reference Areas, and Potential Old Growth Areas, and Type 1 & 2 Old Growth. Note: These areas are not mutually exclusive of the HCV Types as described below.
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#### High Conservation Value Forest/ Areas

High Conservation Values present and respective areas: Units:  ha or  ac

	Code	HCV Type	Description & Location	Area
<input checked="" type="checkbox"/>	HCV1	Forests or areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia).	Designated Critical Habitat Kirtland’s Warbler and Piping Plover habitat.	150,707 Acres
<input checked="" type="checkbox"/>	HCV2	Forests or areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance.	Dedicated Management Areas, Dedicated State Natural Areas, and Natural Rivers.	93,167 Acres
<input checked="" type="checkbox"/>	HCV3	Forests or areas that are in or contain rare, threatened or endangered ecosystems.	Critical Dunes, Coastal Environmental Areas and Ecological Reference Areas.	50,118 Acres
<input type="checkbox"/>	HCV4	Forests or areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).	None located upon the Michigan State Forest system.	
<input type="checkbox"/>	HCV5	Forests or areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).	None located upon the Michigan State Forest system.	

<input checked="" type="checkbox"/>	HCV6	Forests or areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).	The Michigan DNR currently utilizes other mechanisms to identify, conserve, and manage areas critical to local communities' traditional cultural identity such as THPO, SHPO, Compartment Review, land use permits, and designation as "Special Conservation Areas".	
<b>Total Area of forest classified as 'High Conservation Value Forest/ Area'</b>				<b>293,992 ac</b>

### Areas Outside of the Scope of Certification (Partial Certification and Excision)

<input type="checkbox"/> N/A – All forestland owned or managed by the applicant is included in the scope.		
<input type="checkbox"/> Applicant owns and/or manages other FMUs not under evaluation.		
<input checked="" type="checkbox"/> Applicant wishes to excise portions of the FMU(s) under evaluation from the scope of certification.		
<b>Explanation for exclusion of FMUs and/or excision:</b>	Land is excluded from the DNR's FSC Certificate primarily because the DNR does not exercise full control over management activities, or because the purposes for which the lands are held are not necessarily benefited by forest certification (e.g. the lands are not jointly co-managed by the DNR Forest Management and Wildlife Divisions and are devoted primarily to Wildlife or Fisheries management or State Parks).	
<b>Control measures to prevent mixing of certified and non-certified product (C8.3):</b>	Any timber harvests in non-certified forests are not sold or advertised as certified. Fisheries Research/ Hatcheries and agricultural areas are outside of the scope of FSC certification as no forest products or services are directly managed.	
<b>Description of FMUs excluded from or forested area excised from the scope of certification:</b>		
<b>Name of FMU or Stand</b>	<b>Location (city, state, country)</b>	<b>Size (<input type="checkbox"/> ha or <input checked="" type="checkbox"/> ac)</b>
Long Term Military Lease Lands	Otsego, Crawford, and Kalkaska Counties in the Northern Lower Peninsula of Michigan	101,567 acres
Lands Leased to Luce County	Luce County in the Upper Peninsula of Michigan	2,786 acres
Michigan State Park System	Throughout Michigan	286,000 acres
Wildlife Management Units administered by DNR Wildlife Division	Primarily located in the Southern Lower Peninsula of Michigan	350,000 acres
Fisheries Research Areas/Hatcheries	Southern and Northern Lower Peninsula of Michigan	4,145 acres
Lands available for planting to GMO corn/soybeans	Northern Lower Peninsula of Michigan	424 acres

## 8. Annual Data Update

### 8.1 Social Information

Number of forest workers (including contractors) working in forest within scope of certificate (differentiated by gender):		
544 male workers	121 female workers	
Number of accidents in forest work since last audit:	Serious: 11	Fatal: 0

### 8.2 Annual Summary of Pesticide and Other Chemical Use

<input type="checkbox"/> FME does not use pesticides.				
Commercial name of pesticide / herbicide	Active ingredient(s)	Active Ingredient Applied (lbs. AIA)	Acres Treated	Reason for use
Rodeo	Glyphosate	303.6	73	Site Prep Red Pine
Rodeo	Glyphosate	151.8	37	Site Prep Red Pine
Rodeo	Glyphosate	198.1	95	Site Prep Red Pine
Rodeo	Glyphosate	50.6	24	Site Prep Red Pine
Rodeo	Glyphosate	273.8	71	Site Prep Red Pine
Rodeo	Glyphosate	90.7	40	Site Prep Red Pine
Rodeo	Glyphosate	101.2	19	Site Prep Red Pine
Rodeo	Glyphosate	103.1	50	Site Prep Red Pine
Rodeo	Glyphosate	129.6	64	release
Rodeo	Glyphosate	78.3	29	site prep
Rodeo	Glyphosate	67.5	25	site prep
Rodeo	Glyphosate	37.8	14	site prep
Rodeo	Glyphosate	135.0	50	site prep
Rodeo	Glyphosate	89.1	33	site prep
Rodeo	Glyphosate	197.1	73	site prep
Rodeo	Glyphosate	89.1	33	Site Prep
Rodeo	Glyphosate	126.9	47	Site Prep
Rodeo	Glyphosate	46.6	23	release
Rodeo	Glyphosate	43.2	16	site prep
Rodeo	Glyphosate	83.7	31	Site Prep
Rodeo	Glyphosate	121.5	60	release
Rodeo	Glyphosate	221.4	82	site prep
Rodeo	Glyphosate	72.9	36	release
Rodeo	Glyphosate	486.0	45	Site prep
Rodeo	Glyphosate	241.0	119	release
Rodeo	Glyphosate	137.7	34	Site prep
Rodeo	Glyphosate	101.3	50	release
Garlon 4	triclopyr	6.0	2	release
Garlon 3A	triclopyr	0.2	0.125	Control woody brush on dike surface

Rodeo	Glyphosate	81.0	20	Site prep
Rodeo	Glyphosate	125.6	31	Site prep
Rodeo	Glyphosate	89.1	22	Site prep
Rodeo	Glyphosate	48.6	12	Site prep
Rodeo	Glyphosate	137.7	34	Site prep
Garlon 3A	triclopyr	51.0	34	Site prep
Rodeo	Glyphosate	30.4	7.5	Site prep
Garlon 3A	triclopyr	12.0	7.5	Site prep
Rodeo	Glyphosate	68.9	17	Site prep
Garlon 3A	triclopyr	25.5	17	Site prep
Rodeo	glyphosate	307.8	153	Wolverine power Co Power line ROW maintenance
Arsenal	Imazapyr	8.8	153	Wolverine power Co Power line ROW maintenance
Stalker	Imazapyr	2.4	96	Wolverine power Co Power line ROW maintenance
Garlon 4	triclopyr	9.2	96	Wolverine power Co Power line ROW maintenance
Rodeo	glyphosate	89.4	1230	Thunder Bay Power line ROW maintenance
Arsenal	Imazapyr	4.14	1230	Thunder Bay Power line ROW maintenance
Escort	metsulfron- methyl	0.25875	1230	Thunder Bay Power line ROW maintenance

## SECTION B – APPENDICES (CONFIDENTIAL)

### Appendix 1 – List of FMUs Selected For Evaluation

- FME consists of a single FMU -  
 FME consists of multiple FMUs or is a Group -

### Appendix 2 – List of Stakeholders Consulted

#### List of FME Staff Consulted

Name	Title	Contact Information	Consultation method
Anna Sylvester	Parks & Recreation – Field Operations	MDNR maintains contact info. for all.	Office/ Field – for all staff
Scott Heather	Forest Resource Division (FRD) – Assistant chief		
Lori Burford	FRD – Trespass specialist		
Jeff Stampfly	FRD – District supervisor		
Lee Vaughn	Parks & Recreation, Unit supervisor		
Amy Clark Eagle	FRD – Biodiversity & Conservation Program Leader		
Kristen Matson	FRD – Inventory & Planning Specialist		
Penney Melchoir	Wildlife – Field coordinator		
David Price	FRD – Certification coordinator		
Debbie Begalle	FRD – Planning & Operations Section Manager		
Cory Kovacs	Fisheries Division – Fisheries Biologist		

Skip Hagy	Law Division – District 2 Supervisor		
Scott Jones	FRD – Forest Management Planning Specialist		
Kevin Swanson	Wildlife – Biologist		
Jerry Fitzgibbon	Law enforcement		
Jeff Stampfly	FRD – Management		
Don Kuhn	TMS		
Adam Petrelius	FRD – Forester		
Scott Kentner	FRD – Forester		
Tori Irving	FRD – Forester		
Sheila Clark	FRD – Forester		
Jay Osterberg	Fire officer		
Troy Sumbera	Park ranger		
Lee Vaughn	PRD		
Todd Markham	Fire officer		
Dan Moore	PRD		
Don Brown	Wildlife		
Sherry Mackinnon	Wildlife ecologist		
Scott Lakosky	FRD – Fire supervisor		
Bob Burnham	FRD		
Rick James Hill	FRD – Forester		
Bretton Bednarski	Fire officer		
Steve Tuovila	Fire officer		
Rob Katona	PRD – Recreation specialist		
Tom Paquin	PRD		
Steve Scott	Fisheries – Lake Superior manager		
Mario Molin	FRD – Forester		
Rose Wilbur	FRD – Secretary, Shingleton/ Newberry, Pastry chef		
Craig Albright	Wildlife field manager		
William Doan	Parks & Recreation Supervisor		

Darrel Welch	Land use specialist		
John Hamel	FRD – Inventory specialist		
Darren Kramer	Fisheries		
Dan McNamee	FRD – Forester		
Steve Sanville	Fire supervisor		
Dan Racine	FRD – Forester		
Dusty Arsnoe	Wildlife biologist		
Eric Thompson	FRD – Forest Unit Supervision		
Tom Seablom	FRD – Timber Management Specialist		
John Wenzel	Law enforcement		
Marvin B. Gerlach	Law enforcement		
Colter Lubben	Wildlife		
Keith Magnuson	FRD – Forest Unit Supervisor		
Jason Taker			
Amy Douglas			
Matt Payment			
Ryan Mattila			
Kristie Sitar	Wildlife Biologist		
Bob Burnham	FRD – Forest Unit Supervisor		
Dan Brown	Wildlife		
Pete Wright			
Roger Jones			
Dustin Salter			
Craig Albright	Wildlife Field Manager		
Terry Minzey	Wildlife – UP Regional Supervisor		

**List of other Stakeholders Consulted**

Name	Organization	Contact Information	Consultation method	Requests Cert. Notf.
Paul Ripple	Bay Mills Indian Community	906-248-8649; <a href="mailto:pripple@baymill.org">pripple@baymill.org</a>	Phone/ email	No

Scott Wieting	Hannahville Indian Community	906-466-2959 ext 24; <a href="mailto:swieting@hiservice.s.org">swieting@hiservice.s.org</a>	Phone/ email	Yes
Lori Ann Sherman	Keweenaw Bay Indian Community	906-524-5757 ext 13; <a href="mailto:loriann@kbic-nsn.gov">loriann@kbic-nsn.gov</a>	Phone/ email	No
Dan Freeman (observer)	NSF-ISR	NA	NA	NA
Robert Craig	Robert Craig Logging	906-287-0906; <a href="mailto:robertjcraig@sbcgl-obal.net">robertjcraig@sbcgl-obal.net</a>	Field	Yes
Logan Erickson	Perry Erickson Forest Products	906-788-4861	Field	No
Shawn Erickson				
Kevin Bird (subcontractor)				

### Appendix 3 – Additional Audit Techniques Employed

No additional audit techniques were employed.

### Appendix 4 – Pesticide Derogations

<input type="checkbox"/> There are no active pesticide derogations for this FME.		
Name of pesticide / herbicide (active ingredient)		Date derogation approved
FSC-DER-30-001-USA 2,4-D 2-ethylhexyl ester		January 5, 2010
FSC-DER-30-001-USA Dicamba		January 5, 2010
FSC-DER-30-001-USA Diflufenzuron		January 5, 2010
FSC-DER-30-001-USA Hexazinone		January 5, 2010
Condition	Conformance (C / NC)	Evidence of progress
		MDNR did not use any chemicals permitted through its derogations in 2012-2014. Instead, alternative chemical formulations have been used.

### Appendix 5 – Detailed Observations

Evaluation Year	FSC P&C Reviewed
2010	All – (Re)certification Evaluation
2011	C1.5, C1.6, C2.3, C3.2, C3.3, C4.2, C4.4, C5.6, C6.2, C6.3, C6.4, C 6.5, C7.1, C7.2, C7.3, C8.1, C8.2, C8.5, C9.3, C9.4
2012	C1.2, C1.3, C1.4, C1.5, C1.6, C2.1, C2.2, C4.1, C4.3, C4.5, C5.1, C5.2, C5.3, C5.4, C5.6, C6.4, C6.7, C6.8, C7.2, C7.3
2013	1.1, 1.5, 2.3, 3.1, 3.2, 3.4, 4.2, 4.4, 5.5, 5.6, 6.1, 6.2, 6.3, 6.6, 6.9, 6.10, 7.4, 8.2, 8.4, 9.1, 9.2, and 9.4
2014	1.5, 2.3, 3.2, 4.2, 4.4, 5.6, 6.2, 6.3, 6.9, 8.2, 8.3

	(COC indicators for FMEs), and 9.4
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C= Conformance with Criterion or Indicator  
 NC= Nonconformance with Criterion or Indicator  
 NA = Not Applicable  
 NE = Not Evaluated

REQUIREMENT	C/NC	COMMENT/CAR
<b>Principle #1: Compliance with Laws and FSC Principles</b> Forest management shall respect all applicable laws of the country in which they occur, and international treaties and agreements to which the country is a signatory, and comply with all FSC Principles and Criteria.		
<b>1.1 Forest management shall respect all national and local laws and administrative requirements.</b>	NE	
<b>1.2. All applicable and legally prescribed fees, royalties, taxes and other charges shall be paid.</b>	NE	
<b>1.3. In signatory countries, the provisions of all binding international agreements such as CITES, ILO Conventions, ITTA, and Convention on Biological Diversity, shall be respected.</b>	NE	
<b>1.4. Conflicts between laws, regulations and the FSC Principles and Criteria shall be evaluated for the purposes of certification, on a case by case basis, by the certifiers and the involved or affected parties.</b>	NE	
<b>1.5. Forest management areas should be protected from illegal harvesting, settlement and other unauthorized activities.</b>	C	
<b>1.5.a.</b> The forest owner or manager supports or implements measures intended to prevent illegal and unauthorized activities on the <b>Forest Management Unit</b> (FMU).	C	Illegal harvesting is handled by each state forest*, with oversight and assistance provided by the Lansing Timber Sale Specialist, and Law Enforcement Division. MDNR tracks non-timber trespasses in a database and non-timber trespass resolution is coordinated by the FRD trespass specialist. Non-timber trespass reports can be generated through that data base. See additional information in Criterion 2.3.  <i>*Note: MDNR’s use of the term “forest management unit” does not coincide with FSC’s. For the purposes of this report, each state “forest management unit” is referred to as a “state forest” or “unit.”</i>
<b>1.5.b.</b> If illegal or unauthorized activities occur, the	C	MDNR law enforcement staff accompanied the audit team

<p>forest owner or manager implements actions designed to curtail such activities and correct the situation to the extent possible for meeting all land management objectives with consideration of available resources.</p>		<p>during the entire audit and responded to questions on incidents of illegal or unauthorized activities, most of which are responded to with citations or arrests when warranted. Since public use is a primary function of the FMU, law enforcement staff conduct regular patrols and remain in touch with other MDNR staff on a regular basis to respond to such activities in a timely manner. Longer term investigations may be conducted in cooperation with other state law enforcement agencies, such as in cases of illicit gathering, poaching or crop production. See completed response to OBS 2012.3.</p>
<p><b>1.6. Forest managers shall demonstrate a long-term commitment to adhere to the FSC Principles and Criteria.</b></p>	<p>NE</p>	
<p><b>Principle #2: Long-term tenure and use rights to the land and forest resources shall be clearly defined, documented and legally established.</b></p>		
<p><b>2.1. Clear evidence of long-term forest use rights to the land (e.g., land title, customary rights, or lease agreements) shall be demonstrated.</b></p>	<p>NE</p>	
<p><b>2.2. Local communities with legal or customary tenure or use rights shall maintain control, to the extent necessary to protect their rights or resources, over forest operations unless they delegate control with free and informed consent to other agencies.</b></p>	<p>NE</p>	
<p><b>2.3. Appropriate mechanisms shall be employed to resolve disputes over tenure claims and use rights. The circumstances and status of any outstanding disputes will be explicitly considered in the certification evaluation. Disputes of substantial magnitude involving a significant number of interests will normally disqualify an operation from being certified.</b></p>	<p>C</p>	
<p><b>2.3.a</b> If <i>disputes</i> arise regarding tenure claims or use rights then the forest owner or manager initially attempts to resolve them through open communication, negotiation, and/or mediation. If these good-faith efforts fail, then federal, state, and/or local laws are employed to resolve such disputes.</p>	<p>C</p>	<p>Interviews with responsible MDNR staff indicate that MDNR is taking a more active and systematic approach to addressing issues of property trespass. MDNR provided a summary of its responses to open trespass cases and new discoveries, include how the cases are documented.</p> <p>56 new trespass cases have been discovered in FY14 and MDNR continues to respond to inquiries related to forest</p>

		<p>road use and maintenance and unauthorized gating and signing of public land. Additional cases have been resolved through the continuation of the “Encroachment Resolution Initiative” (ERI) for the purpose of resolving some historical and structural trespass cases.</p> <p>149 of 192 ERI cases have been resolved. Resolution of the remaining 43 ERI cases is in progress (27 of these cases are on FRD managed lands). These cases are awaiting final surveys, payment by the private landowner, or recording of deeds. MDNR continues to resolve trespasses as it becomes aware of them. 118 trespass cases have been resolved this year, the majority of which were resolved with restoration. MDNR trespass database tracks all resolved cases. In addition, the Director will be approving new trespass policy and procedure this fiscal year.</p>
<b>2.3.b</b> The forest owner or manager documents any significant disputes over tenure and use rights.	C	See 2.3.a.
<b>Principle #3: The legal and customary rights of indigenous peoples to own, use and manage their lands, territories, and resources shall be recognized and respected.</b>		
<b>3.1. Indigenous peoples shall control forest management on their lands and territories unless they delegate control with free and informed consent to other agencies.</b>	NE	
<b>3.2. Forest management shall not threaten or diminish, either directly or indirectly, the resources or tenure rights of indigenous peoples.</b>	C	
<b>3.2.a</b> During management planning, the forest owner or manager consults with American Indian groups that have legal rights or other binding agreements to the FMU to avoid harming their resources or rights.	C	<p>MDNR did not report any management activities that impacted the legal rights or other binding agreements with tribes to the FMU.</p> <p>Interviews with tribal representatives did not indicate any new legal or other binding agreements to the FMU. MDNR staff interviewed demonstrated knowledge of a recent agreement prepared in 2007 intended to streamline the implementation of treaty obligations with tribes.</p>
<b>3.2.b</b> Demonstrable actions are taken so that forest management does not adversely affect tribal resources. When applicable, evidence of, and measures for, protecting tribal resources are incorporated in the management plan.	C	MDNR staff presented training records at all three districts showing that staff had taken archaeological site identification and protection training (HAL training). While only one of the archaeological sites visited in 2014 was tribal, MDNR staff maintained buffers around all

		archaeological sites during management activities (e.g., homestead sites within wildlife openings in Shingleton). In the Escanaba unit, MDNR detected a burial mound during scheduled review for compartment 23. This area was inspected so that staff would be aware of the need to maintain buffers around it should any harvests occur. The compartment review did not contain any detailed information on the site as to protect its confidentiality.
<b>3.3. Sites of special cultural, ecological, economic or religious significance to indigenous peoples shall be clearly identified in cooperation with such peoples, and recognized and protected by forest managers.</b>	NE	
<b>3.4. Indigenous peoples shall be compensated for the application of their traditional knowledge regarding the use of forest species or management systems in forest operations. This compensation shall be formally agreed upon with their free and informed consent before forest operations commence.</b>	NE	
<b>Principle #4: Forest management operations shall maintain or enhance the long-term social and economic well-being of forest workers and local communities.</b>		
<b>4.1. The communities within, or adjacent to, the forest management area should be given opportunities for employment, training, and other services.</b>	NE	
<b>4.2. Forest management should meet or exceed all applicable laws and/or regulations covering health and safety of employees and their families.</b>	C	
<b>4.2.a</b> The forest owner or manager meets or exceeds all applicable laws and/or regulations covering health and safety of employees and their families (also see Criterion 1.1).	C	There were 11 accidents on the FMU through Q3 FY2014 that were reported to the required MIOSHA log. OSHA and labor postings were verified at all three districts visited during the 2014 assessment. MDNR presented training records at every district office demonstrating that some trainings occurred relating to health and safety compliance (e.g., Logout/ Tag out, Forklift certification, and New Employee Orientation in Newberry and Shingleton).
<b>4.2.b</b> The forest owner or manager and their employees and contractors demonstrate a safe work environment. Contracts or other written agreements include safety requirements.	C	While at one site in Newberry (One Pond Mix 42-016-13), the auditor observed logging contractors and repairmen walking through the site without wearing hardhats and there was no first aid kit onsite. In Escanaba, the auditor

		<p>observed limited poor hand-felling technique on one site within the harvest unit (Lotta Sugar, Compartment 1). It was discovered through interviews with the loggers that the logger had little experience with hand-felling and had recently received additional training from the timber sale purchaser (Timber Products Company, SCS-COC-000573). The loggers also had no first aid kit or spill kit onsite. All other active harvest sites visited had all required safety equipment onsite and being used properly at appropriate times.</p> <p>Through discussions with MDNR staff, it was determined that much of these issues could not be examined unless an accident occurred and were limited given the number of active timber sales visited. MDNR is currently doing what it can to ensure contractor safety with its contracts. Few additional actions may help at this time without increasing MDNR’s liability.</p> <p>Contracts examined for both timber harvests and timber marking contain line items that require contractors to adhere to applicable safety laws and regulations (ex., Blanket Purchase Order contract item 2.203; Purchase Order items 21 and 23; and State Forest Timber Sale Contract item 6).</p>
<p><b>4.2.c</b> The forest owner or manager hires well-qualified service providers to safely implement the management plan.</p>	<p>C</p>	<p>All contractors are required to submit evidence of having proper qualifications and/or training to be able to bid on state contracts. MDNR sponsors safety training for loggers through the SFE program.</p>
<p><b>4.3 The rights of workers to organize and voluntarily negotiate with their employers shall be guaranteed as outlined in Conventions 87 and 98 of the International Labor Organization (ILO).</b></p>	<p>NE</p>	
<p><b>4.4. Management planning and operations shall incorporate the results of evaluations of social impact. Consultations shall be maintained with people and groups (both men and women) directly affected by management operations.</b></p>	<p>C</p>	
<p><b>4.4.a</b> The forest owner or manager understands the likely social impacts of management activities, and incorporates this understanding into management</p>	<p>C</p>	<p>No formal research has been conducted since the last evaluation. However, the MDNR is continuing discussions with faculty at Michigan State University (MSU) regarding</p>

<p>planning and operations. Social impacts include effects on:</p> <ul style="list-style-type: none"> <li>• Archeological sites and sites of cultural, historical and community significance (on and off the FMU);</li> <li>• Public resources, including air, water and food (hunting, fishing, collecting);</li> <li>• Aesthetics;</li> <li>• Community goals for forest and natural resource use and protection such as employment, subsistence, recreation and health;</li> <li>• Community economic opportunities;</li> <li>• Other people who may be affected by management operations.</li> </ul> <p>A summary is available to the CB.</p>		<p>the incorporation of social science methodologies into future monitoring protocols, as confirmed through interviews with MDNR staff. No decisions have been made yet on whether or not MDNR will have MSU conduct a new social impact assessment or monitoring evaluation.</p> <p>Currently, MDNR’s ‘DNRE Forest Resources Assessment and Strategy’ addresses social impacts and provides a summary.</p>
<p><b>4.4.b</b> The forest owner or manager seeks and considers input in management planning from people who would likely be affected by management activities.</p>	<p>C</p>	<p>In FY14, MDNR’s Forest Resource Division (FRD) received 32 logged-letters, 26 legislative requests, and 317 e-mail requests for information. These requests for information are forwarded to appropriate staff and addressed as a part of routine work responsibilities. FRD also received and addressed 5 requests for information under the Freedom of Information Act (FOIA) in FY 14.</p> <p>Other social interactions include:</p> <ul style="list-style-type: none"> <li>• Compartment reviews for Year of Entry 2015 were held in each Forest Management Unit.</li> <li>• Over 49,000 friends on the MDNR Facebook account.</li> <li>• Nearly 20,000 Twitter followers with over 6,200 tweets on the general MDNR Twitter feed, and over 4,000 followers with more than 1,600 tweets for the Upper Peninsula-specific feed.</li> </ul> <p>Through GovDelivery the MDNR provided email communication on the following subjects:</p> <ul style="list-style-type: none"> <li>• Assistance to Private Forestland Owners: 7,572</li> </ul>

		<p>subscribers</p> <ul style="list-style-type: none"> <li>• Forest Health: 6,936 subscribers</li> <li>• Forest Planning: 6,722 subscribers</li> <li>• Local Input on State Forests: 6,680 subscribers</li> <li>• Prescribed Burn Notices: 7,428 subscribers</li> <li>• Statewide MDNR News: 30,908 subscribers</li> <li>• Upper Peninsula MDNR News: 17,890 subscribers</li> <li>• Urban and Community Forestry Programs: 5,920 subscribers</li> <li>• Wildfire Incident Updates: 9,284 subscribers</li> </ul> <p>A public comment period for an updated network of Ecological Reference Areas and Dedicated Habitat Areas is being presently being conducted, for which data are not yet available.</p> <p>Thousands of routine inquiries, comments, complaints via email and telephone calls that are received and respond to by District Forest Managers and Unit Managers, but these interactions are not comprehensively documented.</p>
<p><b>4.4.c</b> People who are subject to direct adverse effects of management operations are apprised of relevant activities in advance of the action so that they may express concern.</p>	<p>C</p>	<p>In 2011, MDNR developed unit-specific webpages for all divisions within the FMU so that interested public and adjacent landowners can access information and deliver comments to MDNR.</p> <p>The websites augment Open Houses and public service announcements in newspapers and on local radio stations. While more affirmative and focused (on adjacent or nearby landowners) would be more exemplary, the efforts undertaken by DNR are considered to be adequate for demonstrating conformity to this Indicator.</p>
<p><b>4.4.d</b> For <i>public forests</i>, consultation shall include the following components:</p> <ol style="list-style-type: none"> <li>1. Clearly defined and accessible methods for public participation are provided in both long and short-term planning processes, including harvest plans and operational plans;</li> <li>2. Public notification is sufficient to allow interested stakeholders the chance to learn of upcoming opportunities for public review</li> </ol>	<p>C</p>	<p>The process for public participation is described within “Managing Michigan’s State Forest: Your Guide to Participation.” Public is notified of compartment reviews and open house meetings. Pre-inventory meetings are also open meetings, but are not currently listed at the website. Data used in decision making is available. Decisions can be appealed. FOIA process is used to respond to information requests. Tribal information is not subject to FOIA.</p>

<p>and/or comment on the proposed management;</p> <p>3. An accessible and affordable appeals process to planning decisions is available.</p> <p>Planning decisions incorporate the results of public consultation. All draft and final planning documents, and their supporting data, are made readily available to the public.</p>		
<p><b>4.5. Appropriate mechanisms shall be employed for resolving grievances and for providing fair compensation in the case of loss or damage affecting the legal or customary rights, property, resources, or livelihoods of local peoples. Measures shall be taken to avoid such loss or damage.</b></p>	NE	
<p><b>Principle #5: Forest management operations shall encourage the efficient use of the forest’s multiple products and services to ensure economic viability and a wide range of environmental and social benefits.</b></p>		
<p><b>5.1. Forest management should strive toward economic viability, while taking into account the full environmental, social, and operational costs of production, and ensuring the investments necessary to maintain the ecological productivity of the forest.</b></p>	NE	
<p><b>5.2. Forest management and marketing operations should encourage the optimal use and local processing of the forest’s diversity of products.</b></p>	NE	
<p><b>5.3. Forest management should minimize waste associated with harvesting and on-site processing operations and avoid damage to other forest resources.</b></p>	NE	
<p><b>5.4. Forest management should strive to strengthen and diversify the local economy, avoiding dependence on a single forest product.</b></p>	NE	
<p><b>5.5. Forest management operations shall recognize, maintain, and, where appropriate, enhance the value of forest services and resources such as watersheds and fisheries.</b></p>	NE	
<p><b>5.6. The rate of harvest of forest products shall not exceed levels which can be permanently sustained.</b></p>	C	

<p><b>5.6.a</b> In FMUs where products are being harvested, the landowner or manager calculates the sustained yield harvest level for each sustained yield planning unit, and provides clear rationale for determining the size and layout of the planning unit. The sustained yield harvest level calculation is documented in the Management Plan.</p> <p>The sustained yield harvest level calculation for each planning unit is based on:</p> <ul style="list-style-type: none"> <li>• documented growth rates for particular sites, and/or acreage of forest types, age-classes and species distributions;</li> <li>• mortality and decay and other factors that affect net growth;</li> <li>• areas reserved from harvest or subject to harvest restrictions to meet other management goals;</li> <li>• silvicultural practices that will be employed on the FMU;</li> <li>• management objectives and desired future conditions.</li> </ul> <p>The calculation is made by considering the effects of repeated prescribed harvests on the product/species and its ecosystem, as well as planned management treatments and projections of subsequent regrowth beyond single rotation and multiple re-entries.</p>	<p>C</p>	<p>Regional State Forest Management Plans specify an average annual proposed harvest rate of 61,128 acres over the next decade (which is expected to vary for each year of entry), with a sustainable harvest of approximately 1,050,000 cords.</p> <p>There were no updates to the AAH in 2014. Emerald Ash Borer and Beech Bark Disease salvage harvests of infected stands have continued over the past two years, with corresponding updating of the inventory and adjustment of the annual Plan of Work.</p>
<p><b>5.6.b</b> Average annual harvest levels, over rolling periods of no more than 10 years, do not exceed the calculated sustained yield harvest level.</p>	<p>C</p>	<p>61,191 acres were sold for harvest in FY 2012-13 with an estimated volume of 921,600 cords. The most recent maximum sustained yield estimate for state forest timber production is based upon a calculation of approximate current state forest annual net growth from lands that are suitable for timber production, which is about 1,050,000 cords. Extensive out-of-YOE salvage harvests of Emerald Ash Borer and Beech Bark Disease affected stands continued this year in the northern lower peninsula region which contributed to the substantially higher volume in FY</p>

		2012-13. Corresponding updates of the forest inventory will account for these, as reported by MDNR staff.
<p><b>5.6.c</b> Rates and methods of timber harvest lead to achieving desired conditions, and improve or maintain health and quality across the FMU. Overstocked stands and stands that have been depleted or rendered to be below productive potential due to natural events, past management, or lack of management, are returned to desired stocking levels and composition at the earliest practicable time as justified in management objectives.</p>	C	<p>While ash and beech salvage harvests are being conducted more routinely due to pests and disease, unaffected stands continue to receive treatments within five years of their scheduled harvest re-entry evaluations, as confirmed through field reviews and interviews with staff.</p>
<p><b>5.6.d</b> For NTFPs, calculation of quantitative sustained yield harvest levels is required only in cases where products are harvested in significant commercial operations or where traditional or customary use rights may be impacted by such harvests. In other situations, the forest owner or manager utilizes available information, and new information that can be reasonably gathered, to set harvesting levels that will not result in a depletion of the non-timber growing stocks or other adverse effects to the forest ecosystem.</p>	C	<p>There are no NTFPs that are being commercially managed and made available for commercial harvesting.</p> <p>The <a href="#">Michigan Ginseng Act</a> was passed in 1994 to regulate the harvest, sale, and distribution of American Ginseng in Michigan. This act covers both cultivated and wild ginseng, and makes it unlawful to take American ginseng from the wild without a permit from the MDNR.</p>
<p><b>Principle #6: Forest management shall conserve biological diversity and its associated values, water resources, soils, and unique and fragile ecosystems and landscapes, and, by so doing, maintain the ecological functions and the integrity of the forest.</b></p>		
<p><b>6.1. Assessments of environmental impacts shall be completed -- appropriate to the scale, intensity of forest management and the uniqueness of the affected resources -- and adequately integrated into management systems. Assessments shall include landscape level considerations as well as the impacts of on-site processing facilities. Environmental impacts shall be assessed prior to commencement of site-disturbing operations.</b></p>	NE	
<p><b>6.2 Safeguards shall exist which protect rare, threatened and endangered species and their habitats (e.g., nesting and feeding areas). Conservation zones and protection areas shall be established, appropriate to the scale and intensity of forest management and the uniqueness of the affected resources. Inappropriate hunting, fishing,</b></p>	C	

<p><b>trapping, and collecting shall be controlled.</b></p>		
<p><b>6.2.a</b> If there is a likely presence of RTE species as identified in Indicator 6.1.a then either a field survey to verify the species' presence or absence is conducted prior to site-disturbing management activities, or management occurs with the assumption that potential RTE species are present.</p> <p>Surveys are conducted by biologists with the appropriate expertise in the species of interest and with appropriate qualifications to conduct the surveys. If a species is determined to be present, its location should be reported to the manager of the appropriate database.</p>	<p>C</p>	<p>There have been no surveys for RTE species in FY14. A proposed update to the network of Ecological Reference Areas (ERAs) and Dedicated Habitat Areas has been completed, and is in the process of public review. Some new areas were provided to the Archeological Concerns Database in FY14. Some Type 1 and Type 2 Old Growth Special Conservation Areas (SCAs) were preliminarily verified in FY 14 field inventory.</p> <p>As confirmed through a review of Compartment Reviews for harvest areas visited in the 2014 audit, wildlife staff reviewed each harvest and project (i.e., FTPs or Forest Treatment Proposals) for the presence of RTE species or potential RTE species habitat.</p>
<p><b>6.2.b</b> When RTE species are present or assumed to be present, modifications in management are made in order to maintain, restore or enhance the extent, quality and viability of the species and their habitats. <b>Conservation zones</b> and/or <b>protected areas</b> are established for RTE species, including those S3 species that are considered rare, where they are necessary to maintain or improve the short and long-term viability of the species. Conservation measures are based on relevant science, guidelines and/or consultation with relevant, independent experts as necessary to achieve the conservation goal of the Indicator.</p>	<p>C</p>	<p>Management activities include: timber sales, prescribed burns, mowing, and non-commercial and commercial site preparation and tree plantings. The extent of these activities is not routinely tracked on a large scale, and would require a specific GIS analysis.</p> <p>Measures taken to protect any RTE species, habitats and/or plant communities is evaluated on a case by case basis during the Compartment inventory process using SCA, ERA, and HCVA layers in MDNR's GDSE and Rare Species guidelines. Databases for RTE species are routinely checked for ROW maintenance requests, use permits, event permits, burn plans, etc., and special management requirements are provided when known species are identified for an area.</p> <p>As confirmed through interviews with wildlife and forestry staff, MDNR is revising guidelines for Northern goshawk and Red-shouldered hawk based on the results of current management practices. Guidelines for conservation zones based on regional information and species behavior may be include different levels of retention and foraging habitat.</p> <p>Since August 2012, MDNR has been using interim guidelines for Red-shouldered hawk. These establish new minimum circular nest-buffers for active nests, which include an inner eight-acre zone of no harvest, and an outer zone in which</p>

		no management activities are to take place between March 1 and August 15.
<p><b>6.2.c</b> For medium and large public forests (e.g. state forests), forest management plans and operations are designed to meet species’ recovery goals, as well as landscape level biodiversity conservation goals.</p>	C	<p>MDNR’s recovery efforts observed during the 2014 audit include large, landscape-level Jack pine (<i>Pinus banksiana</i>) zones managed for Kirtland’s Warbler habitat in the Newberry district. Large snags and declining trees are maintained for raptors and other species that depend on structure or woody debris during parts of their lifecycles, as observed in all three districts. The Shingleton unit does not have mills that can take chip material, which means that there is usually more down woody debris material available for species of concern, such as amphibians and wood turtles.</p>
<p><b>6.2.d</b> Within the capacity of the forest owner or manager, hunting, fishing, trapping, collecting and other activities are controlled to avoid the risk of impacts to vulnerable species and communities (See Criterion 1.5).</p>	C	<p>Measures taken to protect any RTE species, habitats and/or plant communities is evaluated on a case by case basis during the Compartment inventory process using SCA, ERA, and HCVA layers in MDNR’s GDSE and Rare Species guidelines. Data bases for RTE species are routinely checked for ROW maintenance requests, use permits, event permits, burn plans, etc., and special management requirements are provided when known species are identified for an area.</p> <p>A limited hunt for wolves (<i>Canis lupus</i>) was conducted in the Upper Peninsula in FY14, as authorized by the Michigan Natural Resources Commission subsequent to USFWS de-listing and MDNR designation of the species as a game animal. Harvest numbers were strictly limited and targeted toward areas with high wolf-human conflicts, with mandatory reporting of all harvested animals. The hunt concluded with fewer animals taken than planned, as confirmed through interviews with MDNR staff.</p> <p>MDNR also conducts an annual harvest of state-threatened lake sturgeon on Black Lake and Otsego Lake, where the state forest has a limited riparian interest. This is a controlled harvest (with strict harvest limits and reporting requirements) of a threatened species where they are threatened on a statewide-scale, but secure and locally abundant in these localized areas.</p>
<p><b>6.3. Ecological functions and values shall be</b></p>	C	

<p><b>maintained intact, enhanced, or restored, including: a) Forest regeneration and succession. b) Genetic, species, and ecosystem diversity. c) Natural cycles that affect the productivity of the forest ecosystem.</b></p>		
<p><b>6.3.a.1</b> The forest owner or manager maintains, enhances, and/or restores under-represented <b>successional</b> stages in the FMU that would naturally occur on the types of sites found on the FMU. Where old growth of different community types that would naturally occur on the forest are under-represented in the landscape relative to natural conditions, a portion of the forest is managed to enhance and/or restore old growth characteristics.</p>	<p>C</p>	<p>MDNR has conducted an analysis to update the network of Ecological Reference Areas on MDNR lands and some non-MDNR ownerships to include common natural communities, and has updated a network of Dedicated Habitat Areas on MDNR lands to provide habitat for species that required interior core forest.</p> <p>Area retention in timber harvests (including aspen) are now tracked with site condition coding in the forest inventory. See response to CAR 2013.1.</p> <p>Some prescribed burns were conducted on the state forest in FY 2014 to enhance some plant species composition and abundance.</p>
<p><b>6.3.a.2</b> When a <b>rare ecological community</b> is present, modifications are made in both the management plan and its implementation in order to maintain, restore or enhance the viability of the community. Based on the vulnerability of the existing community, <b>conservation zones</b> and/or <b>protected areas</b> are established where warranted.</p>	<p>C</p>	<p>All documented rare ecological communities have been included in the updated MDNR network of Ecological Reference Areas. Work Instruction 1.4 provides guidance for land managers that conform to the intent of this indicator. Many rare ecological communities are wetlands or areas near wetlands that are rarely entered for harvests. If entered, areas within the unit are delineated for rare plant protection. Rare communities are normally detected during harvest planning and measures are devised to protect them or modify management practices to maintain or enhance them.</p>
<p><b>6.3.a.3</b> When they are present, management maintains the area, structure, composition, and processes of all <b>Type 1</b> and <b>Type 2 old growth</b>. Type 1 and 2 old growth are also protected and buffered as necessary with conservation zones, unless an alternative plan is developed that provides greater overall protection of old growth values.</p> <p>Type 1 Old Growth is protected from harvesting and road construction. Type 1 old growth is also</p>	<p>C</p>	<p>No harvests occur in old growth designations. Treatment of stands adjacent to OG stands are evaluated on a case by case basis during the compartment review process.</p>

<p>protected from other timber management activities, except as needed to maintain the ecological values associated with the stand, including old growth attributes (e.g., remove exotic species, conduct controlled burning, and thinning from below in dry forest types when and where restoration is appropriate).</p> <p>Type 2 Old Growth is protected from harvesting to the extent necessary to maintain the area, structures, and functions of the stand. Timber harvest in Type 2 old growth must maintain old growth structures, functions, and components including individual trees that function as refugia (see Indicator 6.3.g).</p> <p>On public lands, old growth is protected from harvesting, as well as from other timber management activities, except if needed to maintain the values associated with the stand (e.g., remove exotic species, conduct controlled burning, and thinning from below in forest types when and where restoration is appropriate).</p> <p>On American Indian lands, timber harvest may be permitted in Type 1 and Type 2 old growth in recognition of their sovereignty and unique ownership. Timber harvest is permitted in situations where:</p> <ol style="list-style-type: none"> <li>1. - Old growth forests comprise a significant portion of the tribal ownership.</li> <li>2. - A history of forest stewardship by the tribe exists.</li> <li>3. - High Conservation Value Forest attributes are maintained.</li> <li>4. - Old-growth structures are maintained.</li> <li>5. - Conservation zones representative of old growth stands are established.</li> </ol>		
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<p>6. Landscape level considerations are addressed.</p> <p>7. Rare species are protected.</p>		
<p><b>6.3.b</b> To the extent feasible within the size of the ownership, particularly on larger ownerships (generally tens of thousands or more acres), management maintains, enhances, or restores habitat conditions suitable for well-distributed populations of animal species that are characteristic of forest ecosystems within the landscape.</p>	<p>C</p>	<p>Most commercial harvest prescriptions benefit wildlife habitat, as confirmed through interviews with wildlife staff. During compartment review, wildlife staff review scheduled harvest areas for potential wildlife habitat amendments. Many non-commercial treatments such as mowing, burning, and planting of mast species and under-represented conifer species are done for wildlife habitat purposes. There have been 102 prescribed fires on 10,287 acres on state forest lands for purposes of fuel reduction, site preparation, habitat restoration, and invasive species control in 2014 (as of July 29, 2014). The WLD Annual Report for FY 2013 provides additional detail on wildlife habitat work.</p>
<p><b>6.3.c</b> Management maintains, enhances and/or restores the plant and wildlife habitat of <b>Riparian Management Zones (RMZs)</b> to provide:</p> <ul style="list-style-type: none"> <li>a) habitat for aquatic species that breed in surrounding uplands;</li> <li>b) habitat for predominantly terrestrial species that breed in adjacent <b>aquatic habitats</b>;</li> <li>c) habitat for species that use riparian areas for feeding, cover, and travel;</li> <li>d) habitat for plant species associated with riparian areas; and,</li> <li>e) stream shading and inputs of wood and leaf litter into the adjacent aquatic ecosystem.</li> </ul>	<p>C</p>	<p>State BMPs are followed for all management activities near riparian areas, but these are not specifically tracked. Buffer zones are established and treatments either excluded or modified to protect water quality. When required, stream crossing permits and stream restoration projects are obtained from the MI DEQ. In 2014, interviews with fisheries staff indicate that the minimum buffer of 100 ft. for perennial water courses may be extended to protect stream shading and water infiltration depending on slope or presence of native brook trout.</p>
<p><b>Stand-scale Indicators</b></p> <p><b>6.3.d</b> Management practices maintain or enhance plant species composition, distribution and frequency of occurrence similar to those that would naturally occur on the site.</p>	<p>C</p>	<p>Auditors observed several pine types, northern hardwood, aspen, mixed conifer, lowland hardwood, and conifer-hardwood swamp harvests in 2014. Levels of retention were consistent with maintaining larger individuals and seed sources on sites where even-aged harvests occurred. In selection harvests, all species were retained to varying degrees. However, most species have seed sources onsite or nearby and some have sprouting capabilities (e.g., maple species, cherry, beech). Tracking of area aspen retention</p>

		within and outside of harvest units is accomplished by site condition coding in the web-based GIS inventory system, MiFI.
<p><b>6.3.e</b> When planting is required, a local source of known provenance is used when available and when the local source is equivalent in terms of quality, price and productivity. The use of non-local sources shall be justified, such as in situations where other management objectives (e.g. disease resistance or adapting to climate change) are best served by non-local sources. <b>Native species</b> suited to the site are normally selected for regeneration.</p>	C	All seed used at the MDNR nursery originates from Michigan. Purchased red pine seedlings originate from Ontario. Wildlife Division under-plantings of oak and mesic conifers are sourced from Michigan or the Great Lakes region. Plantings of Beech Bark Disease resistant beech originate from cuttings in Michigan. In fact, some of these are being propagated at Forest Service research nurseries in Ohio.
<p><b>6.3.f</b> Management maintains, enhances, or restores habitat components and associated stand structures, in abundance and distribution that could be expected from naturally occurring processes. These components include:</p> <ul style="list-style-type: none"> <li>a) large live trees, live trees with decay or declining health, <b>snags</b>, and well-distributed coarse down and dead woody material. <b>Legacy trees</b> where present are not harvested; and</li> <li>b) vertical and horizontal complexity.</li> </ul> <p>Trees selected for <b>retention</b> are generally representative of the dominant species found on the site.</p>	C	<p>See response to Minor CAR 2013.1. Planned within stand retention can now be better tracked using the MiFI system.</p> <p>In 2014, auditors observed snags retained on all harvest sites. At beech and ash salvage units, not all individuals are harvested. Those that do not survive the disease/ pest will likely become snags well before the next scheduled entry. Woody debris was abundant on most sites. While some sites in Newberry were chipped, slash was retained distributed over the sites and in some clumps around pulled skid trails.</p> <p>More sites visited in 2014 were mixed species, with the exception of northern hardwood and jack pine stands that clearly had a single dominant species or species group. On mixed species stands, retention includes most species, but certain species may be favored for greater retention or removal depending on the size of the unit and adjacent stands. For example, on a lowland hardwood unit observed in Shingleton, more overstory red maple was removed on a stand that was 10-15 acres. However, red maple was already sprouting and adjacent stands included mature maples. Due to the small unit size, diverse species mix, red maple’s sprouting ability, and retention of den/ cavity trees, this site was low risk for failure to capture any values associated with allowing red maple to senesce.</p>
<p><b>6.3.g.1</b> In the Southeast, Appalachia, Ozark-Ouachita, Mississippi Alluvial Valley, and Pacific Coast Regions, when <b>even-aged systems</b> are</p>	C	27,860 acres of even-aged harvests occurred in fiscal year 2012-13. There were no identified issues regarding within-stand retention during the 2014 audit. Live trees included

<p>employed, and during salvage harvests, live trees and other native vegetation are retained within the harvest unit as described in Appendix C for the applicable region.</p> <p>In the Lake States Northeast, Rocky Mountain and Southwest Regions, when even-aged silvicultural systems are employed, and during salvage harvests, live trees and other native vegetation are retained within the harvest unit in a proportion and configuration that is consistent with the characteristic natural disturbance regime unless retention at a lower level is necessary for the purposes of restoration or rehabilitation. See Appendix C for additional regional requirements and guidance.</p>		<p>in clumps and dispersed individuals were observed in aspen and jack pine stands in all districts, as well as a stand in Shingleton classified as a one-step shelterwood with reserves. Wildlife staff approved of all retention strategies employed within harvest units.</p>
<p><b>6.3.g.2</b> Under very limited situations, the landowner or manager has the option to develop a qualified plan to allow minor departure from the opening size limits described in Indicator 6.3.g.1. A qualified plan:</p> <ol style="list-style-type: none"> <li>1. Is developed by qualified experts in ecological and/or related fields (wildlife biology, hydrology, landscape ecology, forestry/silviculture).</li> <li>2. Is based on the totality of the <b>best available information</b> including peer-reviewed science regarding natural disturbance regimes for the FMU.</li> <li>3. Is spatially and temporally explicit and includes maps of proposed openings or areas.</li> <li>4. Demonstrates that the variations will result in equal or greater benefit to wildlife, water quality, and other values compared to the normal opening size limits, including for sensitive and rare species.</li> <li>5. Is reviewed by independent experts in wildlife biology, hydrology, and landscape ecology, to confirm the preceding findings.</li> </ol>	<p>NA</p>	<p>There are no departures from even-aged harvest limits.</p>
<p><b>6.3.h</b> The forest owner or manager assesses the risk of, prioritizes, and, as warranted, develops and</p>	<p>C</p>	<p>MDNR reported the following highlights during 2014:</p> <ul style="list-style-type: none"> <li>• PRD staff did visual Asian Longhorned Beetle</li> </ul>

<p>implements a strategy to prevent or control <b>invasive species</b>, including:</p> <ol style="list-style-type: none"> <li>1. a method to determine the extent of invasive species and the degree of threat to native species and ecosystems;</li> <li>2. implementation of management practices that minimize the risk of invasive establishment, growth, and spread;</li> <li>3. eradication or control of established invasive populations when feasible: and,</li> <li>4. monitoring of control measures and management practices to assess their effectiveness in preventing or controlling invasive species.</li> </ol>		<p>inspections in State Parks and Recreation Areas. They also looked for Oak Wilt, Hemlock Woolly Adelgid, Thousand Cankers Disease, and other invasive species. Forest Health Program staff provided the training to inspectors at the beginning of the season and technical support throughout the survey period. Funding for this work was provided by federal partners from USDA-FS and USDA-APHIS through the 2008 Farm Bill, administered by MDARD, and specific USDA-FS grants.</p> <ul style="list-style-type: none"> <li>• Monitored spotted knapweed biocontrol on Bullock Ranch, Camp Grayling and Houghton Lake Wildlife Research Station.</li> <li>• Phragmites treatments in Mackinaw, Luce, Chippewa, Schoolcraft, Delta and Menominee Counties on state and private lands. Approximately 450 acres treated or retreated by Cooperative Weed Management Areas. Nearly half of the sites are on state land.</li> <li>• European frogbit survey of 2,000 acres and rapid response hand removal in Munuscong Bay led by Wildlife Division.</li> <li>• Experimental chemical control of European frogbit in less than 2 acres in Munuscong Bay.</li> <li>• 12,500 pounds of garlic mustard removed in the Upper Peninsula on public and private land led by Cooperative Weed Management Areas. Half came from state forest land.</li> <li>• Phragmites, Japanese knotweed, garlic mustard and oriental bittersweet treatments in Manistee, Benzie, Leelanau, Grand Traverse and Kalkaska County state forest land led by Cooperative Weed Management Area. Additional control of <i>Phragmites</i> spp. on private land adjacent to state forest land led by Wildlife Division.</li> <li>• European frogbit survey of 1,000 acres and rapid response hand removal and chemical control in Fletcher’s Pond.</li> </ul>
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	<ul style="list-style-type: none"> <li>• Flowering rush detection at Fletcher’s Pond. Chemical spot control.</li> <li>• Phragmites and other invasive plant treatments on Beaver Island Archipelago – public and private lands – led by Beaver Island Homeowner’s Association and Wildlife Division.</li> <li>• Surveyed 35 hibernacula on a variety of ownerships statewide for detection of <i>Geomyces destructans</i> (fungus that causes White Nose Syndrome or WNS). Implemented response plan when WNS was detected early in the year. Confirmed cases in upper Peninsula and the northern Lower Peninsula</li> <li>• Mute Swan control on coastal areas and inland lakes and rivers on state and private lands.</li> </ul> <p>Maintained the Midwest Invasive Species Information Network, the database of invasive species for Michigan and the Midwest. Worked to implement an EPA funded project to connect invasive species databases in the cloud.</p> <ul style="list-style-type: none"> <li>• Hands-on and virtual training for Aquatic Invasive Species Identification for 115 state staff.</li> <li>• Worked to develop Cooperative Weed Management Areas in the gaps in the northern Lower Peninsula. Assisted with prioritization, boundary identification, and networks.</li> <li>• Continued to develop the Michigan Invasive Species Coalition, a group to support the work of Cooperative Weed Management Areas and other collaborative partners working to control invasive species.</li> </ul> <p>As observed on a <i>Phragmites</i> control area in Shingleton, MDNR staff cooperated with county conservation division to implement an early detection and rapid response to a small infestation. This site will be monitored over time per MDNR monitoring protocols for invasive species.</p>
<p><b>6.3.i</b> In applicable situations, the forest owner or manager identifies and applies site-specific fuels</p>	<p>There have been 102 prescribed fires on 10,287 acres on state forest lands for purposes of fuel reduction, site</p>

<p>management practices, based on: (1) natural fire regimes, (2) risk of wildfire, (3) potential economic losses, (4) public safety, and (5) applicable laws and regulations.</p>		<p>preparation, habitat restoration, and invasive species control in 2014 (as of July 29, 2014). For the same period, there have been a statewide total of 152 wildfires that have burned 521 acres.</p>
<p><b>6.4. Representative samples of existing ecosystems within the landscape shall be protected in their natural state and recorded on maps, appropriate to the scale and intensity of operations and the uniqueness of the affected resources.</b></p>	<p>NE</p>	
<p><b>6.5 Written guidelines shall be prepared and implemented to control erosion; minimize forest damage during harvesting, road construction, and all other mechanical disturbances; and to protect water resources.</b></p>	<p>NE</p>	
<p><b>6.6. Management systems shall promote the development and adoption of environmentally friendly non-chemical methods of pest management and strive to avoid the use of chemical pesticides. World Health Organization Type 1A and 1B and chlorinated hydrocarbon pesticides; pesticides that are persistent, toxic or whose derivatives remain biologically active and accumulate in the food chain beyond their intended use; as well as any pesticides banned by international agreement, shall be prohibited. If chemicals are used, proper equipment and training shall be provided to minimize health and environmental risks.</b></p>	<p>NE</p>	
<p><b>6.7. Chemicals, containers, liquid and solid non-organic wastes including fuel and oil shall be disposed of in an environmentally appropriate manner at off-site locations.</b></p>	<p>NE</p>	
<p><b>6.8. Use of biological control agents shall be documented, minimized, monitored, and strictly controlled in accordance with national laws and internationally accepted scientific protocols. Use of genetically modified organisms shall be prohibited.</b></p>	<p>NE</p>	
<p><b>6.9. The use of exotic species shall be carefully controlled and actively monitored to avoid</b></p>	<p>C</p>	

<b>adverse ecological impacts.</b>		
<p><b>6.9.a</b> The use of <i>exotic species</i> is contingent on the availability of credible scientific data indicating that any such species is non-invasive and its application does not pose a risk to native biodiversity.</p>	C	<p>MDNR does not plant exotic tree species. Any exotic plants used are for cover crops to prevent erosion. Guidelines for selection of seed and are presented in Appendix E of Soil and Water Quality Manual, and in a flyer (revised Sept 2010) entitled: "Vegetation restoration of rights-of-way, well sites, and other cleared sited on State Forest land, Northern Lower Peninsula."</p>
<p><b>6.9.b</b> If exotic species are used, their provenance and the location of their use are documented, and their ecological effects are actively monitored.</p>	C	<p>Several non-native cover crop species are recommended for planting (e.g., annual rye, white Dutch clover), but these are recommended because of their non-invasive qualities. Planting recommendations clearly warn against using hay as mulch because of the risk of invasive seeds.</p>
<p><b>6.9.c</b> The forest owner or manager shall take timely action to curtail or significantly reduce any adverse impacts resulting from their use of exotic species</p>	C	<p>If needed, this would be consistent with other efforts to defend against invasive exotics. So far, such control has not been necessary, as reported by MDNR staff.</p>
<p><b>6.10. Forest conversion to plantations or non-forest land uses shall not occur, except in circumstances where conversion:</b>  <b>a) Entails a very limited portion of the forest management unit; and b) Does not occur on High Conservation Value Forest areas; and c) Will enable clear, substantial, additional, secure, long-term conservation benefits across the forest management unit.</b></p>	NE	
<p><b>Principle #7: A management plan -- appropriate to the scale and intensity of the operations -- shall be written, implemented, and kept up to date. The long-term objectives of management, and the means of achieving them, shall be clearly stated.</b></p>		
<p><b>Principle #8: Monitoring shall be conducted -- appropriate to the scale and intensity of forest management -- to assess the condition of the forest, yields of forest products, chain of custody, management activities and their social and environmental impacts.</b></p>		
<p><b>8.1</b> The frequency and intensity of monitoring should be determined by the scale and intensity of forest management operations, as well as, the relative complexity and fragility of the affected environment. Monitoring procedures should be consistent and replicable over time to allow comparison of results and assessment of change.</p>	NE	
<p><b>8.2.</b> Forest management should include the research and data collection needed to monitor, at a minimum, the following indicators: a) yield of all forest products harvested, b) growth rates, regeneration, and condition of the forest, c)</p>	C	

<p><b>composition and observed changes in the flora and fauna, d) environmental and social impacts of harvesting and other operations, and e) cost, productivity, and efficiency of forest management.</b></p>		
<p><b>8.2.a.1</b> For all commercially harvested products, an inventory system is maintained. The inventory system includes at a minimum: a) species, b) volumes, c) stocking, d) regeneration, and e) stand and forest composition and structure; and f) timber quality.</p>	C	<p>Regeneration surveys, compartment review field evaluations, FIA plot surveys, and forest health surveys all took place since the last audit and include the variables referenced in the indicator. Forest health surveys/reports are also discussed for Criterion 6.3.</p>
<p><b>8.2.a.2</b> Significant, unanticipated removal or loss or increased vulnerability of forest resources is monitored and recorded. Recorded information shall include date and location of occurrence, description of disturbance, extent and severity of loss, and may be both quantitative and qualitative.</p>	C	<p>Resource Damage Reports (RDR) are logged and tracked in the RDR database.</p> <p>Actual harvest levels, including any abnormal level of harvesting activity in response to, for instance, mortality, are tracked and well known to Departmental planners and managers</p> <p>MDNR expends considerable effort to monitoring pest and pathogen activity both at a large/strategic scale but also within the YOE/compartment review process.</p>
<p><b>8.2.b</b> The forest owner or manager maintains records of harvested timber and NTFPs (volume and product and/or grade). Records must adequately ensure that the requirements under Criterion 5.6 are met.</p>	C	<p>61,191 acres were sold for harvest in FY 2013 with an estimated volume of 921,600 cords, as reported by MDNR. This data is used to evaluate compliance to the calculated annual allowable harvest and make adjustments as necessary.</p>
<p><b>8.2.c</b> The forest owner or manager periodically obtains data needed to monitor presence on the FMU of:</p> <ol style="list-style-type: none"> <li>1) Rare, threatened and endangered species and/or their <b>habitats</b>;</li> <li>2) Common and rare plant communities and/or habitat;</li> <li>3) Location, presence and abundance of invasive species;</li> <li>4) Condition of protected areas, set-asides and buffer zones;</li> <li>5) High Conservation Value Forests (see</li> </ol>	C	<p>Natural community surveys are schedule for 5-11 areas (including 2 acquisitions) of the State Forest by Michigan Natural Features Inventory in FY 2014 (see section 9.4(1)).</p> <p>MDNR foresters and biologists conduct an on-site assessment of each stand proposed for treatment in a year of entry (YOE) compartment. Determining the presence of RTE species and high quality natural plant communities is part of that assessment. The Michigan Natural Features Inventory (MNFI) maintains a database of the observations and locations of RTE species and plant communities. As part of the compartment review process, foresters and biologists consult this database to check for records of RTE species or high quality natural community occurrences, and to assess the potential impacts of proposed forest</p>

<p>Criterion 9.4).</p>		<p>treatments.</p> <p>The MDNR Wildlife Division monitors some wildlife populations by conducting or cooperating with wildlife surveys. The division annually surveys for: bald eagles, osprey, woodcock, waterfowl, Kirtland’s warbler, sharp-tailed grouse, and frogs &amp; toads. A biennial survey was conducted in 2013 for wolves and moose. Biennial surveys are in the process of being conducted in 2014 for black bear and elk. An annual bear bait survey is geographically restricted to Drummond Island. The Division uses annual registration of harvested animals to monitor for population changes in deer, elk, bear, otter, fisher, and marten. The Division also cooperates in the banding of woodcock, ducks, and geese, which provides another means of monitoring survival rates and population trends. Although these surveys generally have statewide or regional scopes, they all include significant amounts of state forest land.</p>
<p><b>8.2.d.1</b> Monitoring is conducted to ensure that site specific plans and operations are properly implemented, environmental impacts of site disturbing operations are minimized, and that harvest prescriptions and guidelines are effective.</p>	<p>C</p>	<p>MDNR’s prescriptions are reviewed in the field at least biweekly during operations. Regeneration surveys are conducted as a part of monitoring natural and assisted regeneration 5-10 years post-harvest as scheduled in compartment calendars, as confirmed in interviews with state foresters and examination of harvest prescriptions for all three districts visited.</p>
<p><b>8.2.d.2</b> A monitoring program is in place to assess the condition and environmental impacts of the forest-road system.</p>	<p>C</p>	<p>Resource Damage Reports (RDR) are logged and tracked in the RDR database. Each district presented examples of RDR reports. MDNR is taking on a state-wide project to review stream-crossings for prioritizing upgrades, which may include replacing culverts with bridges or use of alternatively designed culverts.</p>
<p><b>8.2.d.3</b> The landowner or manager monitors relevant socio-economic issues (see Indicator 4.4.a), including the social impacts of harvesting, participation in local economic opportunities (see Indicator 4.1.g), the creation and/or maintenance of quality job opportunities (see Indicator 4.1.b), and local purchasing opportunities (see Indicator 4.1.e).</p>	<p>C</p>	<p>No new social studies were conducted in FY 2014. Nonetheless, the audit team concludes that MDNR, through other mechanisms, is maintaining current awareness of the socio-economic consequences of its management activities.</p>
<p><b>8.2.d.4</b> Stakeholder responses to management activities are monitored and recorded as necessary.</p>	<p>C</p>	<p>MDNR staff at local offices discussed day-to-day contacts with local elected officials, user-groups, and other</p>

		interested parties during the 2014 audit.
<b>8.2.d.5</b> Where sites of cultural significance exist, the opportunity to jointly monitor sites of cultural significance is offered to tribal representatives (see Principle 3).	C	MDNR implemented actions to invite the opportunity to jointly monitor sites of cultural significance to local tribes in its response to Minor CAR 2010.3 in 2011. Tribes and tribal representatives interviewed in 2014 did not express concerns over monitoring cultural sites.
<b>8.2.e</b> The forest owner or manager monitors the costs and revenues of management in order to assess productivity and efficiency.	C	Forest Resources Division has published an Accomplishments Report for FY 2013 that addresses productivity and efficiency of management areas under MDNR's jurisdiction.
<b>8.3 Documentation shall be provided by the forest manager to enable monitoring and certifying organizations to trace each forest product from its origin, a process known as the "chain of custody."</b>	C	
<b>8.3.a</b> When forest products are being sold as FSC-certified, the forest owner or manager has a system that prevents mixing of FSC-certified and non-certified forest products prior to the point of sale, with accompanying documentation to enable the tracing of the harvested material from each harvested product from its origin to the point of sale.	C	Refer to COC indicators for FMEs.
<b>8.3.b</b> The forest owner or manager maintains documentation to enable the tracing of the harvested material from each harvested product from its origin to the point of sale.	C	Refer to COC indicators for FMEs.
<b>8.4 The results of monitoring shall be incorporated into the implementation and revision of the management plan.</b>	NE	
<b>8.5 While respecting the confidentiality of information, forest managers shall make publicly available a summary of the results of monitoring indicators, including those listed in Criterion 8.2.</b>	NE	
<p><b>Principle #9: Management activities in high conservation value forests shall maintain or enhance the attributes which define such forests. Decisions regarding high conservation value forests shall always be considered in the context of a precautionary approach.</b></p> <p><b>High Conservation Value Forests are those that possess one or more of the following attributes:</b></p> <p>a) Forest areas containing globally, regionally or nationally significant: concentrations of biodiversity values (e.g., endemism, endangered species, refugia); and/or large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural</p>		

<b>patterns of distribution and abundance</b>		
<p><b>b) Forest areas that are in or contain rare, threatened or endangered ecosystems</b></p> <p><b>c) Forest areas that provide basic services of nature in critical situations (e.g., watershed protection, erosion control)</b></p> <p><b>d) Forest areas fundamental to meeting basic needs of local communities (e.g., subsistence, health) and/or critical to local communities’ traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).</b></p>		
<b>9.1 Assessment to determine the presence of the attributes consistent with High Conservation Value Forests will be completed, appropriate to scale and intensity of forest management.</b>	C	
<p><b>9.1.a</b> The forest owner or manager identifies and maps the presence of High Conservation Value Forests (HCVF) within the FMU and, to the extent that data are available, adjacent to their FMU, in a manner consistent with the assessment process, definitions, data sources, and other guidance described in Appendix F.</p> <p>Given the relative rarity of old growth forests in the contiguous United States, these areas are normally designated as HCVF, and all old growth must be managed in conformance with Indicator 6.3.a.3 and requirements for legacy trees in Indicator 6.3.f.</p>	C	MDNR’s Work Instruction 1.4 provides guidance for identification of HCVFs. The most significant change to MDNR’s HCV analysis was its identification of roadless areas consistent with the definition of HCV3, which has simply resulted in an identification of an HCV attribute that overlaps existing HCV areas (known in MDNR terminology as ERAs). See response to OBS 2013.5.
<b>9.1.b</b> In developing the assessment, the forest owner or manager consults with qualified specialists, independent experts, and local community members who may have knowledge of areas that meet the definition of HCVs.	C	See <b>OBS 2014.1.</b>
<b>9.1.c</b> A summary of the assessment results and management strategies (see Criterion 9.3) is included in the management plan summary that is made available to the public.	C	See <b>OBS 2014.1.</b>
<b>9.2 The consultative portion of the certification process must place emphasis on the identified conservation attributes, and options for the maintenance thereof.</b>	C	
<b>9.2.a</b> The forest owner or manager holds consultations with stakeholders and experts to confirm that proposed HCVF locations and their	C	Due to the overlap of HCV3 roadless areas with existing identified HCVs, there is no change in HCV area and no change in maintenance options. These areas were already

<p>attributes have been accurately identified, and that appropriate options for the maintenance of their HCV attributes have been adopted.</p>		<p>under heavy-equipment exclusion and no new road or skid trail construction largely to being inoperable to begin with.</p>
<p><b>9.2.b</b> On public forests, a transparent and accessible public review of proposed HCV attributes and HCVF areas and management is carried out. Information from stakeholder consultations and other public review is integrated into HCVF descriptions, delineations and management.</p>	<p>C</p>	<p>See <b>OBS 2014.2.</b></p>
<p><b>9.3 The management plan shall include and implement specific measures that ensure the maintenance and/or enhancement of the applicable conservation attributes consistent with the precautionary approach. These measures shall be specifically included in the publicly available management plan summary.</b></p>	<p>C</p>	
<p><b>9.3.a</b> The management plan and relevant operational plans describe the measures necessary to ensure the maintenance and/or enhancement of all high conservation values present in all identified HCVF areas, including the precautions required to avoid risks or impacts to such values (see Principle 7). These measures are implemented.</p>	<p>C</p>	<p>See <b>OBS 2014.3.</b></p>
<p><b>9.3.b</b> All management activities in HCVFs must maintain or enhance the high conservation values and the extent of the HCVF.</p>	<p>NE</p>	
<p><b>9.3.c</b> If HCVF attributes cross ownership boundaries and where maintenance of the HCV attributes would be improved by coordinated management, then the forest owner or manager attempts to coordinate conservation efforts with adjacent landowners.</p>	<p>NE</p>	
<p><b>9.4 Annual monitoring shall be conducted to assess the effectiveness of the measures employed to maintain or enhance the applicable conservation attributes.</b></p>	<p>C</p>	
<p><b>9.4.a</b> The forest owner or manager monitors, or participates in a program to annually monitor, the status of the specific HCV attributes, including the effectiveness of the measures employed for their maintenance or enhancement. The monitoring program is designed and implemented consistent</p>	<p>C</p>	<p>Natural community surveys are being conducted by Michigan Natural Features Inventory in FY 2014 for the Cudlip acquisition in the Gaylord FMU, the Thies acquisition and the proposed Grindstone Creek Dedicated Habitat Area in the Pigeon River Country FMU, proposed Betsie River Dedicated Habitat Area in the Traverse City FMU, and the</p>

<p>with the requirements of Principle 8.</p>		<p>Big Bass Lake Pine Barrens in the Gaylord FMU. An additional 6 survey sites may also be visited in the Traverse City, Sault Ste. Marie, and Gladwin FMUs pending additional FY14 contract funding. An annual report of these surveys will be provided to DNR, which will describe additional element occurrence records added to the Natural Heritage database. About ten percent of HCVAs are also examined by DNR field staff each year as part of the compartment review process.</p> <p>For roadless HCV3, existing monitoring activities are sufficient to capture the condition of its integrity. Since new road/ skid trail construction is already excluded from the management of these areas, risk of current monitoring activities failing to track roadless conditions is low.</p>
<p><b>9.4.b</b> When monitoring results indicate increasing risk to a specific HCV attribute, the forest owner/manager re-evaluates the measures taken to maintain or enhance that attribute, and adjusts the management measures in an effort to reverse the trend.</p>	<p>C</p>	<p>There are no newly identified risks to HCV attributes. Existing risks include the spreading of invasive species. For example, there is a power line right-of-way near the Carney Fen in the Escanaba district where new poles are to be installed. MDNR has been working with the rights holder to prevent the spread/ introduction of invasive species near the Fen.</p>

### Appendix 6 – Chain of Custody Indicators for FMEs

Chain of Custody indicators were not evaluated during this annual audit.

**SCS FSC Chain of Custody Indicators for Forest Management Enterprises  
Version 5-1: 12/03/12**

<p align="center"><b>REQUIREMENT</b></p>	<p align="center"><b>C/ NC</b></p>	<p align="center"><b>COMMENT/CAR</b></p>
<p><b>1. Quality Management</b></p>		
<p>1.1 The organization shall appoint a management representative as having overall responsibility and authority for the organization’s compliance with all applicable requirements of this standard.</p>	<p>C</p>	<p>Overall authority lies with the Certification Coordinator, David Price. Since timber sale administration is conducted at the level of each state forest, responsibilities are defined per job titles, which frequently are duplicated throughout the state forest system.</p>

<p>1.2 The FME shall maintain complete records of all FSC-related COC activities, including sales and training, for at least 5 years.</p>	<p>C</p>	<p>Training records were examined for Timber Sale Administration, the latest round of which were conducted in 2013 for the Eastern and Western Upper Peninsula. Timber sale contracts include all pre-harvest volumes and are saved for at least seven years.</p>
<p>1.3 The FME shall define its forest gate(s) (check all that apply):  <i>The forest gate is defined as the point where the change in ownership of the certified-forest product occurs.</i></p>	<p>C</p>	<p><input checked="" type="checkbox"/> <b>Stump</b>  <i>Stumpage sale or sales of standing timber; transfer of ownership of certified-forest product occurs upon harvest.</i></p> <p><input type="checkbox"/> <b>On-site concentration yard</b>  <i>Transfer of ownership of certified-product occurs at concentration yard under control of FME.</i></p> <p><input type="checkbox"/> <b>Off-site Mill/Log Yard</b>  <i>Transfer of ownership occurs when certified-product is unloaded at purchaser's facility.</i></p> <p><input type="checkbox"/> <b>Auction house/ Brokerage</b>  <i>Transfer of ownership occurs at a government-run or private auction house/ brokerage.</i></p> <p><input checked="" type="checkbox"/> <b>Lump-sum sale/ Per Unit/ Pre-Paid Agreement</b>  <i>A timber sale in which the buyer and seller agree on a total price for marked standing trees or for trees within a defined area before the wood is removed — the timber is usually paid for before harvesting begins. Similar to a per-unit sale.</i></p> <p><input type="checkbox"/> <b>Log landing</b>  <i>Transfer of ownership of certified-product occurs at landing/yarding areas.</i></p> <p><input type="checkbox"/> <b>Other</b> <i>(Please describe):</i></p>
<p>1.4 The FME shall have sufficient control over its forest gate(s) to ensure that there is no risk of mixing of FSC-certified forest products covered by the scope of the FM/COC certificate with forest products from outside of the scope prior to the transfer of ownership.</p>	<p>C</p>	<p>There is no risk of mixing since MDNR only makes sales of standing timber through stumpage or lump-sum sales, which means that the purchaser takes legal possession prior to the transport of harvested materials and is therefore responsible for maintaining the chain of custody.</p>
<p>1.5 The FME and its contractors shall not process FSC-certified material prior to transfer of ownership at the forest gate without conforming to applicable chain of custody requirements.  <i>NOTE: This does not apply to log cutting or de-barking units, small portable sawmills or on-site processing of chips/biomass originating from the FMU under evaluation.</i></p>	<p>C</p>	<p>No processing occurs prior to the transfer of ownership.</p>
<p><b>2. Product Control, Sales and Delivery</b></p>		
<p>2.1. Products from the certified forest area shall be identifiable as certified at the forest gate(s).</p>	<p>C</p>	<p>Stumpage purchasers shall be notified that under FSC's Chain of Custody standards they may be required to show evidence that their wood comes from a certified source. This notice is included in timber sale contracts; upon severance from the stump, all COC procedures become the responsibility of the purchaser.</p>

<p>2.2 The FME shall maintain records of quantities/volumes of FSC-certified product(s).</p>	<p>C</p>	<p>MDNR maintains records of all pre-harvest volumes of timber products. All are sold as certified regardless of whether or not the purchaser maintains COC.</p>
<p>2.3. The FME shall ensure that all sales documents issued for outputs sold with FSC claims include the following information:</p> <ul style="list-style-type: none"> <li>a) name and contact details of the organization;</li> <li>b) name and address of the customer;</li> <li>c) date when the document was issued;</li> <li>d) description of the product;</li> <li>e) quantity of the products sold;</li> <li>f) the organization’s FSC Forest Management (FM/COC) or FSC Controlled Wood (CW/FM) code;</li> <li>g) clear indication of the FSC claim for each product item or the total products as follows:             <ul style="list-style-type: none"> <li>i. the claim “FSC 100%” for products from FSC 100% product groups;</li> <li>ii. the claim “FSC Controlled Wood” for products from FSC Controlled Wood product groups.</li> </ul> </li> <li>h) If separate transport documents are issued, information sufficient to link the sales document and related transport documentation to each other.</li> </ul>	<p>C</p>	<p>The State Forest Timber Sale Contract template includes all information a)-g). Items f) and g) are explicitly addressed in clause 7.10.</p>
<p>2.4 The FME shall include the same information as required in 2.3 in the related delivery documentation, if the sales document (or copy of it) is not included with the shipment of the product.</p> <p><b>Note: 2.3 and 2.4 above are based on FSC-STD-40-004 V2-1 Clause 6.1.1 and 6.1.2</b></p>	<p>NA</p>	<p>MDNR does not issue delivery documents (trip tickets); COC procedures become the responsibility of the purchaser upon severance of timber from the stump.</p>

<p>2.5 When the FME has demonstrated it is not able to include the required FSC claim as specified above in 6.1.1 and 6.1.2 in sales and delivery documents due to space constraints, through an exception, SCS can approve the required information to be provided through supplementary evidence (e.g. supplementary letters, a link to the own company’s webpage with verifiable product information). This practice is only acceptable when SCS is satisfied that the supplementary method proposed by the FME complies with the following criteria:</p> <ul style="list-style-type: none"> <li>a) There is no risk that the customer will misinterpret which products are or are not FSC certified in the document;</li> <li>b) The sales and delivery documents contain visible and understandable information so that the customer is aware that the full FSC claim is provided through supplementary evidence;</li> <li>c) In cases where the sales and delivery documents contain multiple products with different FSC Claims, a clear identification for each product shall be included to cross-reference it with the associated FSC claim provided in the supplementary evidence.</li> </ul> <p><i>FSC-ADVICE-40-004-05</i></p>	<p>NA</p>	<p>No delivery documents used.</p>
<p><b>3. Labeling and Promotion</b> <span style="float: right;"><input type="checkbox"/> n/a</span></p>		
<p>3.1 Describe where/how the organization uses the SCS and FSC trademarks for promotion.</p>	<p>C</p>	<p>MDNR uses the FSC logo on its website.</p>
<p>3.2 The FME shall request authorization from SCS to use the FSC on-product labels and/or FSC trademarks for promotional use.</p>	<p>C</p>	<p>MDNR requested new authorization on September 25, 2014 and has received approval for current logo use.</p>
<p>3.3 Records of SCS and/or FSC trademark use authorizations shall be made available upon request.</p>	<p>C</p>	<p>MDNR supplied the email for case #124450 for use of the FSC logo on the website.</p>
<p><b>4. Outsourcing</b> <span style="float: right;"><input checked="" type="checkbox"/> n/a</span></p>		
<p>4.1 The FME shall provide the names and contact details of all outsourced service providers.</p>		

<p>4.2 The FME shall have a control system for the outsourced process which ensures that:</p> <ul style="list-style-type: none"> <li>a) The material used for the production of FSC-certified material is traceable and not mixed with any other material prior to the point of transfer of legal ownership;</li> <li>b) The outsourcer keeps records of FSC-certified material covered under the outsourcing agreement;</li> <li>c) The FME issues the final invoice for the processed or produced FSC-certified material following outsourcing;</li> <li>d) The outsourcer only uses FSC trademarks on products covered by the scope of the outsourcing agreement and not for promotional use.</li> </ul>		
<p><b>5. Training and/or Communication Strategies</b></p>		
<p>5.1 All relevant FME staff and outsourcers shall be trained in the FME's COC control system commensurate with the scale and intensity of operations and shall demonstrate competence in implementing the FME's COC control system.</p>	<p>C</p>	<p>COC is addressed in Section 3 of MI DNR Forest Certification Work Instruction 7.2:  <a href="http://www.michigan.gov/documents/7_133228_7.2.pdf">http://www.michigan.gov/documents/7_133228_7.2.pdf</a>.                      All MDNR staff involved in timber sale administration have been trained in contract administration and the use of timber sale templates that contain MDNR's FSC code and claim (see 1.2).</p>
<p>5.2 The FME shall maintain up-to-date records of its COC training and/or communications program, such as a list of trained employees, completed COC trainings, the intended frequency of COC training (i.e. training plan), and related program materials (e.g., presentations, memos, contracts, employee handbooks, etc).</p>	<p>C</p>	<p>See 1.2. MDNR employees provided summaries of all trainings, including contract administration. Each staff member maintains his or her own training records, which are then summarized for certification. Work Instruction 7.2 cited above was updated in 2014. Contract administration trainings are held on an as-needed basis. As the burden of maintaining COC largely lies with the buyer since MDNR uses contract templates with the required information, current COC training and guidance is sufficient to prevent any breaks in COC while timber is under MDNR's responsibility.</p>