NSF International Strategic Registrations
Management Systems Registration

December 23, 2009

Dennis Nezich, Forest Certification Specialist
Michigan Department of Natural Resources
Forest, Mineral, and Fire Management Division
1990 US-41 South
Marquette, MI 49855

Dear Mr. Nezich,

Attached is the Final 2009 Surveillance Audit Report for the Michigan DNR. I have incorporated your edits. I am recommending continuing conformance with the 2005-2009 Sustainable Forestry Initiative Standard®. Congratulations!

The report includes a "SFI Surveillance Audit Summary for Public Disclosure" (Appendix IV). This must be provided to SFI, Inc. at least two weeks before making any public statements about the audit results. I can take care of this if you authorize me to do so.

Once again it has been a pleasure to work with you.

Sincerely,

Mike Ferrucci, Lead Auditor, NSF-ISR

NSF-ISR, LTD
SURVEILLANCE AUDIT REPORT
December 1, 2009

A. Program Participant's Name: Michigan DNR **FRS #1: 5Y031**

B. Scope:

Land management on 3.9 million acres of Michigan State Forests (excluding long-term military lease lands) and related sustainable forestry activities under the 2005-2009 Edition of the Sustainable Forestry Initiative Standard.

☒ No Change
☐ Changed (revised scope statement also noted on FRS)

C. NSF Audit Team:

Lead Auditor: Mike Ferrucci Auditor: Dr. Robert Hrubes

D. Audit Date(s): October 26-29, 2009

E. Reference Documentation:

2005-2009 SFI Standard®
Michigan DNR Forest Certification Work Instructions, Date Revised: various

F. Audit Results: Based on the results at this visit, the auditor concluded

☐ Acceptable with no nonconformances; or

☒ Acceptable with existing minor nonconformances that should be corrected before the next regularly scheduled surveillance visit;

☐ Not acceptable with one or two major nonconformances - corrective action required;

☐ Several major nonconformances - the certification may be canceled unless immediate action is taken

G. Changes to Operations or to the SFI Standard:

Are there any significant changes in operations, procedures, specifications, FRS, etc. from the previous visit? ☒ Yes ☐ No If yes, provide brief description of the changes:

- Pending Merger of DNR and Department of Environmental Quality; some changes in administration, offices, etc.; otherwise no important effect on certification
- Continuing modest modifications to procedures, work instructions, and protocols
- "Work Instruction 3.3 Best Management Practices – Road Closures" draft revisions being worked on

H. Other Issues Reviewed:

☒Yes ☐No Public report from previous audits is posted on SFB web site.

☒Yes ☐No ☐N.A. SFI and other relevant logos or labels are utilized correctly. If no, document on CAR forms.

I. Corrective Action Requests: (see also Appendix IV)

Corrective Action Requests issued this visit:

SFI-2009-01:
Indicator 1.1.1 A long-term resource analysis to guide forest management planning at a level appropriate to the size and scale of the operation, including: … (items a through e are in full conformance) …f. recommended sustainable harvest levels; and g. a review of nontimber issues.
Description: There is a need to make more tangible progress on developing consensus strategic management direction for each of the management areas that comprise the core of the Regional State Forest Management Plans.

SFI-2009-02:
Indicator 3.2.5 "Where regulations or BMPs do not currently exist to protect riparian areas, use of experts to identify appropriate protection measures."
Description: BMPs or standards for ORV Routes that ensure environmental protections (while offering the desired recreational experience) have been developed for Drummond Island but are not in place for the rest of the state forests.

☐ Corrective Action Plan is not required.
☒ Corrective Action Plan is required within sixty days of this visit (for Minor Nonconformances). CARs will be verified during the next Surveillance Audit.
☐ Corrective Action Plan is required within thirty days of this visit (for Major Nonconformances). The auditor will make arrangements to verify the corrective action has been effectively implemented. All major nonconformance(s) must be closed by the auditor prior to the next scheduled surveillance audit by a special verification visit or by desk review, if possible.

Any Corrective Action Plans should be mailed to:
Mike Ferrucci, 26 Commerce Drive, North Branford, CT 06471

At the conclusion of this Surveillance Audit visit, the following Non-conformances remain open:

MAJOR(S): 0 MINOR(S): 2

In addition, two new Opportunities for Improvement (OFIs) were identified.

Appendices:

Appendix I: Surveillance Notification Letter and Audit Schedule
Appendix II: Corrective Action Requests
Appendix III: Attendance
Appendix IV: Public Surveillance Audit Report
Appendix V: Audit Matrix including Additional Notes and Key Evidence
Appendix VI: Itinerary of Field Stops
Appendix VII: SFI Reporting Form

APPENDIX I

Surveillance Notification Letter and Audit Schedule

October 12, 2009; Revised October 19, 2009

Re: Confirmation of SFI and FSC Surveillance Audits, Michigan DNR

Dennis Nezich, Forest Certification Specialist
Michigan Department of Natural Resources, Forest, Mineral, and Fire Management Division
1990 US-41 South, Marquette, MI 49855

Dear Mr. Nezich:

We are scheduled to conduct the Annual Surveillance Audits of the Michigan DNR on Tuesday Oct. 27 to Thursday October 29 as follows:

FMU/ Loc.	Day	Times	Focus Areas
PRC or	Tuesday Oct. 27	8 – 10 am 10 – 11 am	Opening Meeting, CARs, changes Meet with FMU staff
Roscommon		11 am – 4 pm	Field operations
Baraga	Wednesday Oct. 28	8:30 -10 am 10 am – 4 pm	District and Unit overview Field operations
Gwinn	Thursday Oct. 29	8 to 9:30 am 9:30 am-2:30 pm	District and Unit overview Field operations
Gwinn	Thursday Oct. 29	3- 4 pm 4 to 5 pm	Auditor deliberations Report results

This is a partial review of your SFI and FSC Programs to confirm that they continue to be in conformance with the requirements and that progress is being made in closing your CARs. The audit team will consist of Mike Ferrucci, NSF-ISR Lead Auditor and Robert Hrubes, SCS Lead auditor. During the audit we will focus on the following:

FSC Program:

- A focused assessment of the status of outstanding corrective action requests. Assess selected forests against a portion of the FSC Lake States Standard. Operations will be assessed against Criteria and Indicators of the standard where non-conformances were observed in the original assessment, as well as selected focus Criteria (P=Principle, C=Criteria):

- Review of any changes within DNR (e.g., staffing, land acquisitions, planning documents) that are pertinent to the certification.

SFI Program:

- Verify effective implementation of the corrective action plans from the previous NSF audit;
- Review progress on achieving SFI objectives and the management review of your SFI Program; and
- Review selected SFI program components: chemical use (2.2); legal compliance (11.1); Promoting Sustainable Forest Management (12.1).

Logistics

- As during the certification audit we should plan to have lunch on site to expedite the visit.
- We will travel in your vehicle(s) each day during the audit.
- Mike Ferrucci requests transportation from Lansing at the start of the audit.
- We ask that you provide hardhats.

Field Site Selections

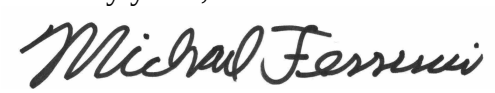
You have provided maps showing activities in these locations over the past several years. We have selected an initial subset of compartments and request additional information on them, including their accessibility and the likelihood of being actively harvested during the visit. Once we receive this information we will select a smaller number of sites that we hope to visit. On the day of the audit we would ask your local forestry staff to tell us about any sales that are being worked at that time, and we would add one or two of these if possible

Documentation Requested

When we arrive each day please provide documentation for the selected sites similar to that provided for the certification audit (maps, project descriptions, and contracts). We would also need copies of the draft or recently completed management plans and any other information that would help us determine conformance to the certification requirements.

The enclosed tentative schedule should be reviewed by all participants. This schedule can be adapted either in advance or on-site to accommodate any special circumstances. If you have any questions regarding this planned audit, please contact either of us.

Sincerely yours,



Mike Ferrucci
SFI Program Manager, NSF-ISR
26 Commerce Drive
North Branford, CT 06471
mferrucci@iforest.com
Office and Mobile: 203-887-9248

Dr. Robert Hrubes
Senior Vice-President SCS
2200 Powell St. Suite Number 725
Emeryville, CA 94608
rhrubes@scscertified.com
510-452-8007 Mobile: 510-913-0696

Enclosure: Draft Agenda for Michigan DNR 2009 Surveillance Audit

DRAFT Agenda for Michigan DNR 2009 Surveillance Audit

PRC / Roscommon	Tuesday Oct. 27	8 am to 4 pm
Time	*Activity*	
7:50 am	Arrive at Forest Management Unit (FMU) Office	
8:00 am	Opening Meeting and Office Discussions; FSC CARs and SFI CARS	
10 am	Overview of PRC / Roscommon Forest Management Units; Office Discussions; and Finalize Field Visits	
11 am - 3:30/4 pm	Field Site Visits (Roscommon end 3:30/ PRC end 4 pm)	

Roscommon Selections: C 193 (active sale, other sales, trails, other); C 190 (Stony Ridge Oak, other); C 14 (2 active or recently completed sales); C 12 (airport if time allows)
PRC Selections: C 43: High Country Oak, Town Corner Jack Pine; C 42:
Evening: Auditors and selected DNR staff travel to Marquette

Baraga FMU	Tuesday Oct. 28	8 am to 5 pm
8:20 am	Arrive at Baraga FMU Office	
8:30 am	Overview of Baraga FMU and District Operations, Office Discussions, Finalize Field Visit	
10:00 am - 4 pm	Field Site Visits (2 separate tours)	

North Tour: C 3 (2 completed and 1 marked not cut hardwood selection); possible visit to adjacent C61Sturgeon Sloughs WMA); 45-minute drive on county and state forest roads to C51/53 to view active harvesting, Campground harvest area, boating access site with RDR work, and other sales as time allows); Snowmobile / ORV trail with RDR issues
South Tour: C 5, 9, 12 (various timber management; recreation use including dedicated ORV trails; burn area being reforested through scarification and /or planting)
Evening: Auditors and selected DNR staff return to Marquette

Gwinn	Thursday Oct. 29	8 to 2:30 pm
7:50 am	Arrive at Gwinn Operations Service Center	
8:00 am	Overview of Gwinn FMU, other District specialists, Office Discussions, Finalize Field Visit	
9:30 am – 2:30 pm	Field Site Visits (2 separate tours)	
2:30 pm – 3 pm	Travel to Marquette OSC	

West Tour: C 278 (active sale and other sales), C 260 (recently closed), C 248 (if time allows, Jack Pine), other: FTP involving chemical use
South Tour: C 51 (chipping, controlled burn), HCVF/ERA in C55, C53 (recently closed)

Marquette OSC	Thursday Oct. 29	3 to 5 pm
3 pm – 4 pm	Auditor deliberations	
4 pm – 5 pm	Final FSC and SFI Exit Briefings	

Provided by MiDNR:
Forest Certification
Tentative Audit Plans

The Fourth Annual Surveillance Audit is scheduled for October 27 through 29. Auditors currently plan to visit the Roscommon, Pigeon River Country, Baraga, and Gwinn Forest Management Units. Tentative audit plan is:

October 27:

- Auditors will split with one going to the PRC FMU (Robert Hrubes) and another going to the Roscommon FMU (Mike Ferrucci).
- Auditors will meet/telephone conference with select DNR staff to review actions implemented to clear Corrective Actions Requests issued in October, 2008. One auditor will be located at the Roscommon OSC Conference Room and the other at the PRC Conference Room. This meeting is scheduled for 8 to 10 AM, and DNR staff participating in this meeting are identified in the "Audit Participation Plan".
- At approximately 10 AM, each auditor will meet with respective District and FMU staff for introductions, discussion, and an overview of FMU and District operations before departing for the field.
- Field Visits will begin approximately 11AM and will last until 3:30 to 4 PM.

October 28:

- Mike Ferrucci and Robert Hrubes will visit the Baraga FMU. There will be an opening meeting at 8:30 AM with FMU and District staff at the Baraga Field Office.
- It is expected that auditors will split and conduct two separate field tours. The field tours will begin at roughly 10 AM and end at 4 PM.

October 29:

- Mike Ferrucci and Robert Hrubes will visit the Gwinn FMU. There will be an opening meeting at 8 AM with FMU and District staff at the Gwinn Field Office.
- It is expected that auditors will split and conduct two short field tours. The field tours will begin at approximately 9:30 AM and end at 2:30 PM.
- Auditors will meet privately between 3 PM and 4 PM to prepare for a closing meeting. The closing meeting is tentatively scheduled for 4 PM at the Marquette OSC.

Other Details regarding audit planning:

- Auditors will provide an initial selection of compartments to visit on October 9, 2009.
- FMU staff will have the week of October 12-16 to critique initial selections and offer suggestions for field site visits.
- October 19, 2009 is the recommended date for Unit Managers to telephone conference with Mike Ferrucci to lock in compartments and specific field sites to visit. Dennis Nezich will contact Unit Managers to schedule the conference calls

Provided by MiDNR:
2009 SFI and FSC Surveillance Audit
October 27 Opening session – 8 AM to 10 AM
Combination of Telephone conference (TX) & Face-to-Face

Auditors: Mike Ferrucci will be at the Roscommon OSC large conference room.
Robert Hrubes will be at the Pigeon River Country field office

DNR staff involved in auditor presentations: Mike Paluda (TX), Steve Debrabander (TX), Lynne Boyd (TX), David Price (TX), Amy Clark Eagle (TX), Penney Melchoir (PRC), Dennis Nezich (PRC), Cara Boucher (TX), David Neumann (TX), Dayle Garlock (PRC), Dave Forstat (TX),

Telephone Conference Number: 1-877-411-9748 passcode 9854334
Other DNR Staff that will be present: Bill Sterrett (PRC), Larry Pedersen (Rosc OSC), Bill O'Neill (Rosc), and Steve Scott (TX). If a telephone connection is possible, also Steve Debrabander (TX),

Agenda:

1. Introductions of Participants

2. DNR Actions to Clear SFI CAR 1 and FSC CAR 2
   - Mike Paluda provides background information and resulting proposal to address Drummond Island ORV Route Issues 10 min.
   - Mike Paluda gives overview of standard developed by the ORV Route Standards Committee and brief update on progress in implementing the Statewide ORV plan 10 min

3. DNR Actions to Clear FSC CAR 1
   - Lynne Boyd provides introduction to BCPP and RSFMP efforts 5-10 min
   - David Price provides details on status of BCPP process 15 min
   - David Price provides details on RSFMP process 15 min
   - Amy Clark Eagle will be on telephone conference to support David

4. DNR Actions to Clear FSC CAR 3
   - Penney Melchoir will review the July 1 letter from L. Boyd and R. Mason, plus other detailed lists or correspondence if available by audit time 5 - 10 min

5. DNR Actions to clear FSC CAR 4
   - Dennis Nezich will highlight changes made to the internal audit process in response to CAR, and how NCRs are tracked until closure 10 min

6. DNR Actions to address SFI OFI 2 and FSC Recommendation 1
   - Cara Boucher to provide update on Biomass/Bio-Fuels recovery guidelines 10 min
   - David Neuman will be on conference call to support Cara

7. DNR Actions to address SFI OFI 4
   - Dayle Garlock will provide overview of effort to improve the consistent use of the Resource Damage Report (RDR) process. 10 Min

Telephone Conference Call Schedule
October 19, 2009

Participants: Mike Ferrucci, Lead Auditor
Dennis Nezich, FC Specialist
FMFM Unit Manager and others that the Unit Manager selects

Purpose: Review preliminary compartment selections and make final selection

Time: 9 AM – Steve Anderson, Roscommon FMFM Unit Manager
11 AM – Bill Brondyke, Gwinn FMFM Unit Manager
1 PM – Don Mankee, Baraga FMFM Unit Manager
3 PM – Scott Whitcomb, Pigeon River Country FMFM Unit Manager

Forest Cert Audit Motel Reservations
October 27- October 29, 2009
(Compiled 10-16-07)

RESERVATIONS

October 26th – Hampton Inn - Gaylord – 230 Dickerson, Gaylord – 989-731-4000

Four rooms all reserved under Dennis Nezich – Confirm # 82311842 (they also have everyone's name)

Dennis Nezich and Larry Pedersen – direct bill
Penney Melchoir – direct bill
Robert Hrubes - will pay upon arrival
Mike Ferrucci – will pay upon arrival

October 27th and 28th – Holiday Inn – Marquette – 1951 US 41 West, Marquette-906-225-1351

Five rooms all reserved under individual names

Larry Pedersen – direct bill – Confirm # 63277960
Bill Sterrett – direct bill – Confirm # 63278671
Penney Melchoir – direct bill – Confirm # 63279287 *(staying also night of 29th)*
Robert Hrubes - will pay upon arrival – Confirm # 63279793
Mike Ferrucci – will pay upon arrival – Confirm # 63280199

APPENDIX II

Corrective Action Requests

Corrective and Preventive Action Request (CAR)

Company/Location: Michigan DNR	Date: October 23, 2008 FRS # 5Y031
Auditor: Mike Ferrucci	CAR Number: SFI-2008-01
Location of Finding: SSM, Drummond Island	Previous CAR Number/Date: NA
Discussed with:, Dennis Nezich, all audit participants	Nonconformance Type (underline): Major **Minor**

AUDITOR FINDING: Standard Number and Clauses: 2005-2009 Sustainable Forestry Initiative Standard®: SFI Indicator 3.1.1 "Program to implement state or provincial equivalent BMPs during all phases of management activities" and SFI Indicator 3.2.5 "Where regulations or BMPs do not currently exist to protect riparian areas, use of experts to identify appropriate protection measures."

Description: Roads on Drummond Island are not maintained in accordance with BMPs for roads. The current routes used by Jeeps and large 4wd vehicles are, in places, not passable by 2-wd vehicles and have inadequate provisions for drainage (surfacing, road crown, etc). These roads are being upgraded, often with provisions for adequate road surface and/or drainage. Plans are under development to include "challenge road" sections that are not fully drained. There are no existing BMPs or standards for such roads that would ensure environmental protections (while offering the desired recreational experience).

IF NECESSARY, PLEASE ATTACH A SEPARATE REPORT ADDRESSING THE FOLLOWING THREE ITEMS:
1) ROOT CAUSE ANALYSIS BY COMPANY**–Include potential causes & assurance problem does not exist in other areas.**

There are several interpretations of acceptable road conditions on Drummond Island because of past customary use as well as access needs. Roads have been used for ORV events but are not currently designated as ORV routes. This has resulted in confusion as to which standards should apply. In addition, some staff did not believe BMP issues actually existed on Drummond Island roads, for two reasons: 1) the close-to-surface bedrock and solid bottoms to the pools of water on most forest roads, 2) the pools are self-contained and sedimentation does not flow into water bodies or regulated wetlands.

For the most part, forest roads on Drummond Island have existed in their present location for decades. The topographic maps from the 1950's and 1960's label most of these as Jeep Trails because of the rocky and muddy conditions on the island. These natural conditions, along with the rapidly increasing use of the trails over the last several years for permitted motorized events, coupled with the departure of the ORV Tech and the Fire and Recreation Supervisor at about the same time, severely taxed our ability to keep up with issues associated with Jeep Trails. Additionally, forest certification of the State Forest System prompted the Department to devote attention to the road and ORV management issues on Drummond Island.

In 2007, a concerted attempt was made by FMFM to work with Wildlife Division, Law Enforcement Division and Fisheries Division to designate an official ORV Route. The DNR Divisions interpreted the language of the ORV law differently. The issue was in regard to whether ORV routes could only be located on State Forest Roads or other roads passable by conventional 2 wheeled vehicles. This resulted in a suspension of all discussions until a Department interpretation of the law was provided by memo from Resource Deputy Director Mindy Koch on June 4, 2008 (copy attached).

2) CORRECTIVE ACTION BY COMPANY – Based on the Root Cause Analysis, the following action has been planned/taken to correct the problem. Please include expected completion date.

A District Trails Analyst has recently been hired and the Sault Ste. Marie FMU Fire and Recreation Supervisor position has been filled on a permanent basis. Approximately $150,000.00 in total was allocated for ORV remediation and/or Jeep Trail upgrade on Drummond Island.

A DNR Drummond Island Work Group has been appointed and charged with the review of the recreation and transportation system, which includes resource protection considerations. The Work Group's focus is on where ORV routes will be located and how many miles will be established. Leadership's expectation is a consensus product. The Work Group is comprised of DNR staff from the Resource Divisions and representatives of the various local interest groups including the Drummond Island Sportsmen's Club, Snowmobile Club, ORV Club, ORV Trails grant sponsor, local business people, Township Supervisor, The Nature Conservancy, general landowners, and the Drummond Island Tourist Association. Other members include off-island user groups including the Great Lakes 4wd Association, Jeep Jamboree USA and Hummer Club International. Updates on the first

meeting were provided to the DNR's ORV Advisory Board at their November 5, 2008 meeting. Agreement on issues was reached after two meetings and a DRAFT proposal is currently being written.

A description of acceptable conditions for ORV Routes on Drummond Island will be developed by the Department after the Work Group plan is accepted. These standards will be implemented and will ensure environmental protections, while offering the desired recreational experience These standards reportedly exist in other states, and are currently being researched by interest groups and DNR staff who are participating in the Work Group.

3) PREVENTIVE ACTION BY COMPANY – Based on the Root Cause Analysis, the following action has been planned/taken to correct the problem. Please include expected completion date.

The District Trails Analyst and Forest Management Unit staff will oversee ORV route and road upgrades and the implementation of the Work Group ORV Route plan when developed and accepted. Internal audits will continue to monitor conformance with recreational plans and BMP Standards.

AUDITOR REVIEW OF COMPANY'S PLAN:

The proposed corrective and preventive actions, while complex, appear likely to resolve the non-conformance. Implementation and success regarding closing the gap between the requirements and conditions will be reviewed during the next surveillance audit.

STATUS: Open AUDITOR/DATE: Mike Ferrucci 12.22.08

AUDITOR REVIEW OF COMPANY'S COMPLETED ACTION:

A description of acceptable conditions for ORV Routes on Drummond Island was developed. Also confirmed the "Drummond Island Work Group Summary and ORV Route Proposal" which describes the resources and needs and provides a recommended trail system and associated improvements. Reviewed MDNR Off Road Vehicle Route Standards Committee May 28, 2009 and Final Report 10-16-09" which developed "acceptable conditions for designating off-road vehicle (ORV) routes on roads that may not meet the definition of forest roads". These "BMPs" currently apply only to Drummond Island. Overall results: finalized road plan, 33 miles conventional forest roads and 13 miles challenge roads; by-pass provisions around mud-holes and challenge areas to allow conventional access; used large stone blocks to protect sensitive areas; $115,000 budgeted to implement the plan ($15,000 spent to date); now have an officially designated ORV Route on Drummond Island.

STATUS: Closed AUDITOR/DATE: Mike Ferrucci 10.27.09

STATUS LEGEND: OPEN = CA Plan Accepted **CLOSED** = CA implemented, verified & accepted **REJECTED** = C/A Plan or Implementation rejected

Corrective and Preventive Action Request (CAR)

Company/Location: Michigan DNR	Date: October 27, 2009 FRS # 5Y031
Auditor: Mike Ferrucci	CAR Number: SFI-2009-01
Location of Finding: Administrative; Regional	Previous CAR Number/Date: NA
Discussed with:, Dennis Nezich, closing meeting participants	Nonconformance Type (underline): Major **Minor**

AUDITOR FINDING: Standard Number and Clause: 2005-2009 Sustainable Forestry Initiative Standard®, SFI Indicator 1.1.1: A long-term resource analysis to guide forest management planning at a level appropriate to the size and scale of the operation, including: … (items a through e are in full conformance) …f. recommended sustainable harvest levels; and g. a review of nontimber issues.

Description: There is a need to make more tangible progress on developing consensus strategic management direction for each of the management areas that comprise the core of the Regional State Forest Management Plans.

IF NECESSARY, PLEASE ATTACH A SEPARATE REPORT ADDRESSING THE FOLLOWING THREE ITEMS:

1) ROOT CAUSE ANALYSIS BY COMPANY–Include potential causes & assurance problem does not exist in other areas.

Regional Forest Management Plans incorporating Management Areas are being developed for the Northern Lower Peninsula, Western and Eastern Upper Peninsula. This process has been delayed so as to incorporate the results of the Biodiversity Conservation Planning Process (BCPP). Progress on populating the individual Management Area (MA) descriptions has been made particularly in the Northern Lower Peninsula (NLP) and Eastern Upper Peninsula (EUP). Progress in the WUP is ongoing but a different approach is being used there. The WUP is working toward establishing consensus on several issues that have remained contentious for years prior to populating individual MA descriptions. This is a significantly different approach than is being used in the NLP and EUP. Exacerbating this issue, as of September 2009, the WUP no longer has a Wildlife Division Planner/Ecologist for the ecoregion.

2) CORRECTIVE ACTION BY COMPANY – Based on the Root Cause Analysis, the following action has been planned/taken to correct the problem. Please include expected completion date.

Additional assistance in the WUP is being acquired. Four sources of additional support include a 40% time re-assignment to the WUP for Mark MacKay (SLP Planner/ Ecologist), some assistance (10%) from the local habitat biologist Brian Roell, some assistance (10-25%) from the District Timber Management Specialist (Jim Ferris), and some assistance (10-25%) from David Price, the Forest Certification Planner.

Also, a new timeline with milestones and tasks for integration of BSAs into RSFMPs and timelines for completion of RSFMPs was submitted in November 2009 to the MI DNR Statewide Council for their approval and support. The milestones and tasks also address management concepts for BSAs, which are needed for RSFMPs. The milestones, tasks and timelines will accelerate public review of BSAs for each ecoregion, which are expected to be one of the most contentious components of RSFMPs.

The WUP Management Area Strategy spreadsheet presented at the Gwinn audit represents significant progress to date. Several difficult cover type issues have been resolved. Agreements about aspen, oak, lowland conifers, hemlock, and cedar management across the ecoregion are reflected in the rotation ages and harvest plans outlined in the spreadsheet. Work is also underway to identify wildlife habitat and timber management priorities for each MA. The agreements reflected in the spreadsheet will be the basis for populating the MA descriptions/direction in section 4 of the plan.

3) PREVENTIVE ACTION BY COMPANY – Based on the Root Cause Analysis, the following action has been planned/taken to correct the problem. Please include expected completion date.

Using the MA strategy spreadsheet, a draft of most, if not all, of the WUP plan documents should be completed by the fall of 2010 (which is the time of our next SFI audit) . WUP MA discussions will be written concurrently with the development of the Biodiversity Stewardship Area (BSA) plans. The BSA plans will then be added to the MA discussions as modifiers applying to specific areas within the MA's. These actions are anticipated to achieve more tangible progress on developing strategic management direction for the management area write-ups in the three ecoregions' plans.

AUDITOR REVIEW OF COMPANY'S PLAN:

The plan is accepted. Timelines are reasonable, and the department should be expected to be held to these timelines during the 2010 Recertification Audit

STATUS: Open AUDITOR/DATE: Mike Ferrucci, December 23, 2009

AUDITOR REVIEW OF COMPANY'S COMPLETED ACTION:

STATUS: _____ AUDITOR/DATE: _____

STATUS LEGEND: OPEN = CA Plan Accepted **CLOSED** = CA implemented, verified & accepted **REJECTED** = C/A Plan or Implementation rejected

Corrective and Preventive Action Request (CAR)

Company/Location: Michigan DNR	Date: October 27, 2009 FRS # 5Y031
Auditor: Mike Ferrucci	CAR Number: SFI-2009-02
Location of Finding: Administrative; all areas except	Previous CAR Number/Date: NA
Drummond Island	Nonconformance Type (underline): Major **Minor**
Discussed with:, Dennis Nezich, closing meeting participants	

AUDITOR FINDING: Standard Number and Clause: 2005-2009 Sustainable Forestry Initiative Standard®, SFI Indicator 1.1.1: 3.2.5 "Where regulations or BMPs do not currently exist to protect riparian areas, use of experts to identify appropriate protection measures."

Description: BMPs or standards for ORV Routes that ensure environmental protections (while offering the desired recreational experience) have been developed for Drummond Island but are not in place for the rest of the state forests.

I IF NECESSARY, PLEASE ATTACH A SEPARATE REPORT ADDRESSING THE FOLLOWING THREE ITEMS:

1) ROOT CAUSE ANALYSIS BY COMPANY–Include potential causes & assurance problem does not exist in other areas.

ORV Routes on Drummond Island are a unique situation involving an established use which has existed for many years and which is culturally important to local residents. There are no plans to offer a similar experience on other parts of the state forest system.

2) CORRECTIVE ACTION BY COMPANY – Based on the Root Cause Analysis, the following action has been planned/taken to correct the problem. Please include expected completion date.

Michigan Soil and Water Quality guidelines apply to all state forest lands and will be followed. Areas where excessive damage to state forest lands is discovered (due to ORV or any other type of use) are routinely reported on Resource Damage Reports for corrective action.

3) PREVENTIVE ACTION BY COMPANY – Based on the Root Cause Analysis, the following action has been planned/taken to correct the problem. Please include expected completion date.

If the type of ORV Route which exists on Drummond Island is offered anywhere else in the state at some point in the future, the same standards would apply.

AUDITOR REVIEW OF COMPANY'S PLAN:

The plan covers the issues, clarifies the DNR's intent with respect to ORV routes, and outlines appropriate corrective and preventive actions. It will be reviewed in the next audit during the fall of 2010.

STATUS: Open AUDITOR/DATE: Mike Ferrucci, December 23, 2009

AUDITOR REVIEW OF COMPANY'S COMPLETED ACTION:

STATUS: _____ AUDITOR/DATE: _____

STATUS LEGEND: OPEN = CA Plan Accepted **CLOSED** = CA implemented, verified & accepted **REJECTED** = C/A Plan or Implementation rejected

APPENDIX III

2009 Michigan DNR Audit – Meeting Attendance Sheets

Opening Meeting by Conference Call Date: October 27, 2009

Name	Organization	Title/position
Mike Ferrucci	NSF-ISR	SFI Lead Auditor, FSC Auditor
Dr. Robert Hrubes	SCS	FSC Lead Auditor, SFI Auditor
Lynne Boyd	DNR – FMFM	Chief, FMFM
Cara Boucher	DNR – FMFM	Assistant Chief, FMFM; State Forester
Bill Sterrett	DNR – FMFM	Section Manager, Forest Resource Mgmt.
Dave Neumann	DNR – FMFM	State Silviculturist
Dennis Nezich	DNR - FMFM	Forest Certification Specialist
Penney Melchoir	DNR – Wildlife	Field Operations Supervisor
Larry Pedersen	DNR - FMFM	Planning and Operations Unit Leader, Lansing
Mike Paluda	DNR – FMFM	Field Coordinator, UP
Jim Radabaugh	DNR – FMFM	State Trails Coordinator
William O'Neill	DNR – FMFM	LP Field Coordinator
Dayle Garlock	DNR – FMFM	District Forest Manager, ELP
David Price	DNR – FMFM	Certification Planner
Lt Creig Grey	DNR - LED	Dist.LED
Steve DeBrabander	DNR – FMFM	Head of State Trails Construction Unit
Amy Clark-Eagle	DNR – FMFM	Biodiversity Program Manager
Steve Scott	DNR – Fisheries	Basin Coordinator East UP
George Madion	DNR - Fisheries	District Supervisor

Pigeon River Country Date: October 27, 2009

Pigeon River Country FMU		
Dr. Robert Hrubes	SCS	FSC Lead Auditor, SFI Auditor
Scott Whitcomb	DNR-FMFM	Unit Manager
Matt Storey	DNR-FMFM	Intern
John Pilon	DNR-FMFM	Planning and Inventory Specialist
Nick Torsky	DNR-LED	Conservation Officer
Dennis Nezich	DNR-FMFM	Forest Certification Specialist
Mark Monroe	DNR-WLD	Wildlife Technician
Brian Bury	DNR-FISH	Natural Rivers Program Coordinator
Robin Pearson	DNR-FMFM	ELP Recreation Specialist
Jim Bielecki	DNR-FMFM	Silviculturist
Penney Melchoir	DNR-WLD	Field Operations Supervisor
Brian Mastenbrook	DNR-WLD	Wildlife Habitat Biologist
Keith Kintigh	DNR-WLD	Wildlife Ecologist
Tim Cwalinski	DNR-FISH	Fisheries Management Biologist
Dan Hopkins	DNR-LAW	District Law Enforcement Supervisor
Dayle Garlock	DNR-FMFM	District Forest Manager
Don Mittlestat	DNR-FMFM	Forester, Pigeon River Management Unit
Rick McDonald	DNR-FMFM	Forester, Pigeon River Management Unit

Location: Roscommon, MI Date: October 27, 2009

Name	Organization	Title/position
Mike Ferrucci	NSF-ISR	SFI Lead Auditor, FSC Auditor
Larry Pedersen	DNR – FMFM	Planning and Operations Unit Leader, Lansing
Bill Sterrett	DNR – FMFM	Section Manager, Forest Resource Mgmt.
William O'Neill	DNR – FMFM	LP Field Coordinator
Paige Perry	DNR – FMFM	Trails Program Analyst, ELP
Todd Neiss	DNR – FMFM	FMFM Rec, Pathway/Recreation Specialist
Tom Haxby	DNR – FMFM	FMFM Planner
Scott Throop	DNR – FMFM	Timber Management Specialist
Sgt. Glenn Gutierrez	DNR - LED	Conservation Officer Ogemaw County
Tim Reis	DNR – Wildlife	Supervisor, NE Management Unit
Lt Creig Grey		Dist.LED
Mark Boersen	DNR – Wildlife	WLD Biologist
Kathrin Schrouder	DNR – Fisheries	FSH Biologist, Ogemaw County
Steve Anderson	DNR – FMFM	Unit Manager
Jason Hartman Jason Lewicki Ben Wiese Dale Ekdom	DNR – FMFM	Foresters
Tim Croxen	DNR – FMFM	Fire Officer West Branch
Kris Polus	DNR – FMFM	Secretary (office)
Amy DeRuiter	DNR – FMFM	Acting Unit Fire and Recreation Supervisor
Kirk Bradley	DNR – FMFM	Unit Leader, Forest Fire Exp. Station
Randy Hartman	DNR – FMFM	Forest Fire Officer
	DNR – FMFM	

Location: Baraga, MI Date: October 28, 2008

Name	Organization	Title/position
Mike Ferrucci	NSF-ISR	SFI Lead Auditor, FSC Auditor
Dr. Robert Hrubes	SCS	FSC Lead Auditor, SFI Auditor
Mike Paluda	DNR – FMFM	Field Coordinator, UP
Penney Melchoir	DNR – Wildlife	Field Operations Supervisor
Dennis Nezich	DNR – FMFM	Forest Certification Specialist
Larry Pedersen	DNR – FMFM	Planning and Operations Unit Leader, Lansing
Deb Begalle	DNR – FMFM	Dist. Supervisor FMFM
Bob Doepker	DNR – Wildlife	WUP Unit Dist. Supervisor WLD
George Madison	DNR – Fisheries	Dist. Supervisor FSH
Patrick VanDale	DNR – Fisheries	Technician Supervisor
Tom Proul	DNR – FMFM	Baraga
Lt. Tim Robson	DNR – LED	Dist.Supervisor LED
Jim Ferris	DNR – FMFM	FMFM Timber Management Specialist
John Hamel	DNR – FMFM	Inventory and Planning Specialist
Ron Yesney	DNR – FMFM	FMFM Recreation Specialist
Brad Johnson	DNR – Wildlife	WLD Technician
Mark McKay	DNR – Wildlife	Southern Ecologist (formerly worked on forest planning in the WUP) still ¼ on planning here
Kevin Swanson	DNR - Wildlife	Habitat Biologist assigned to Shingleton, EUP but ¼ time in W UP
Jason Mittlestat	DNR – FMFM	Foresters
Don Mankee	DNR – FMFM	Unit Manager
Brad Carlson	DNR – FMFM	Forester
Fred Hansen	DNR – FMFM	Forest Tech
John Turunen	DNR – FMFM	Forest Tech
Greg Tarnowki	DNR – FMFM	FMU Fire Supervisor, Acting
Tom Proulx John Mattila Greg Tarnowski	DNR – FMFM	Fire Officers
Gail Voldarski, Val Miller	DNR – FMFM	Secretary (office)

Location: Gwinn FMU, MI Date: October 29, 2008

Name	Organization	Title/position
Mike Ferrucci	NSF-ISR	SFI Lead Auditor, FSC Auditor
Dr. Robert Hrubes	SCS	FSC Lead Auditor, SFI Auditor
Mike Paluda	DNR – FMFM	Field Coordinator, UP
Dennis Nezich	DNR - FMFM	Forest Certification Specialist
Penney Melchoir	DNR – Wildlife	Field Operations Supervisor
Larry Pedersen	DNR - FMFM	Planning and Operations Unit Leader, Lansing
John Pilon	DNR – FMFM	Forest Planner
Deb Begalle	DNR – FMFM	Dist. Supervisor FMFM
Bob Doepker	DNR – Wildlife	W UP Dist. Supervisor WLD
George Madison	DNR – Fisheries	Dist. Supervisor FSH
Darren Krammer	DNR – Fisheries	FSH Biologist, Upper Lake Michigan Fish Unit
Lt. Tim Robson	DNR – LED	Dist. Supervisor LED
Jim Ferris	DNR – FMFM	FMFM Timber Management Specialist
John Hamel	DNR – FMFM	FMFM Planner
Rob Katona	DNR – FMFM	FMFM ORV Trail Specialist
Deb Begalle	DNR – FMFM	Dist. Supervisor FMFM
Terry McFadden	DNR – Wildlife	WLD Biologist
Bill Brondyle	DNR – FMFM	Unit Manager
Kevin LaBumbard John Koski Dean Wilson Tom Seablom Theresa Sysol	DNR – FMFM	Foresters
Pete Glover	DNR – FMFM	FMU Fire Supervisor
Kay Countryman Jerry Maki Dan Nathan Brian Mensch	DNR – FMFM	Fire Officers
Kevin Swanson	DNR - Wildlife	Habitat Biologist assigned to Shingleton, EUP but ¼ time in W UP
Monica Weis	DNR – FMFM	Secretary (office)

Exit Briefing Location: Gwinn, MI Date: October 29, 2008

Name	Organization	Title/position
Mike Ferrucci	NSF-ISR	SFI Lead Auditor, FSC Auditor
Dr. Robert Hrubes	SCS	FSC Lead Auditor, SFI Auditor
Lynne Boyd	DNR – FMFM	Chief, FMFM
Cara Boucher	DNR – FMFM	Assistant Chief, FMFM; State Forester
Bill Sterrett	DNR – FMFM	Section Manager, Forest Resource Mgmt.
Mike Paluda	DNR – FMFM	Field Coordinator, UP
Dennis Nezich	DNR - FMFM	Forest Certification Specialist
Penney Melchoir	DNR – Wildlife	Field Operations Supervisor
Larry Pedersen	DNR - FMFM	Planning and Operations Unit Leader, Lansing
David Price	DNR – FMFM	Certification Planner
Kim Herman	DNR - FMFM	Monitoring Specialist
Cara Boucher	DNR – FMFM	Assistant Chief, FMFM; State Forester
Capt. Tom Courchaine	DNR - LED	Field Coordinator – Law Enforcement Division
Steve Scott	DNR - Fisheries	Basin Coordinator East UP
Bill O'Neill	DNR – FMFM	LP Field Coordinator
Dayle Garlock	DNR – FMFM	District Supervisor – East LP
John Pilon	DNR – FMFM	District Planner – East LP
Al Stewart	DNR - Wildlife	Upland Game Bird Specialist, Lansing
Russ Mason	DNR - Wildlife	Chief, Wildlife Division
Ron Murray	DNR – FMFM	Forest Health, Inventory, Monitoring Unit Sup.
Lisa Dygert	DNR – FMFM	Resource Analyst, Lansing
Terry MacFadden	DNR - Wildlife	Habitat Biologist, Gwinn
Kevin LaBumbard	DNR – FMFM	Forester, Gwinn
John Hamel	DNR – FMFM	District Planner – W UP
Theresa Sysol	DNR – FMFM	Forester, Gwinn
Bill Brondyke	DNR – FMFM	Unit Manager, Gwinn
John Koski	DNR – FMFM	Forester, Gwinn
Debbie Begalle	DNR – FMFM	District Supervisor – W UP
Lt. Tim Robson	DNR - LED	District Supervisor – W UP

APPENDIX IV

SFI Surveillance Audit Summary for Public Disclosure

The SFI Program of the Michigan DNR has demonstrated continuing conformance with the Sustainable Forestry Initiative Standard ®, 2005-2009 Edition (SFIS), according to the NSF-ISR SFIS Certification Audit Team.

The Michigan Department of Natural Resources manages 3.9 million acres of State Forest land throughout the northern two-thirds of Michigan, using an interdisciplinary approach to integrate the harvesting of forest products, the provision of wildlife habitat, the protection of special sites, and the provision of extensive recreational opportunities. A variety of forest products are produced, including timber, pulpwood, firewood, cabin logs, poles, and other specialty products. Michigan DNR's SFI Program is managed by Dennis Nezich, Forest Certification Specialist.

NSF-ISR initially certified the Michigan DNR to the SFIS on December 9, 2005. This report describes the fourth follow-up Surveillance Audit conducted to track progress towards closing the Minor Non-conformances, to review progress towards implementing the "Forest Certification Work Instructions", to assess the DNR's management review system and its efforts at continuous improvement, and to review other SFI requirements as appropriate.

The surveillance audit was performed by NSF-ISR on October 26-29 by an audit team headed by Mike Ferrucci, SFI Lead Auditor and Dr. Robert Hrubes, FSC Lead Auditor. These auditors fulfill the qualification criteria for conducting SFIS Certification Audits contained in the Sustainable Forestry Initiative® Audit Procedures and Qualifications (SFI APQ). The objective of the audit was to assess continuing conformance of the agency's SFI Program to the requirements of the Sustainable Forestry Initiative® Standard, 2005-2009 Edition..

This program is being audited under the standard surveillance audit option provided in the SFI program. The scope of the audit was land management on 3.9 million acres of Michigan State Forests and the related sustainable forestry activities covered by the SFIS. The audit focused on aspects of forest management involving outstanding "Corrective Action Requests" (CARs) as well as planning, inventory, operations, recreation, the program of "Resource Damage Reports", internal auditing, and management review results. In addition, SFI obligations to incorporate continual improvement systems, to make proper use of the SFI logo and providing a public summary of audit reports were also reviewed. Field inspections occurred in sites selected by the audit team within the Roscommon, Pigeon River Country, Baraga, and Gwinn Forest Management Units. The audit concluded at the DNR Field Office in Gwinn with a closing meeting.

All of the Performance Measures within SFIS Objective 8 (involving procurement of wood) were outside of the scope of the Michigan DNR SFI program and were excluded from the scope of the SFI Certificate. No indicators were modified from the standard set in the other SFIS Objectives (1-7 and 9-13).

SFIS Surveillance Audit Process

The review was governed by a detailed audit protocol designed to enable the audit team to determine continuing conformance with the applicable SFI requirements. The process included the assembly and review of audit evidence consisting of documents, interviews, and on-site inspections of ongoing or completed forest practices. Documents describing these activities were provided to the lead auditor in advance, and a sample of the available audit evidence was designated by the lead auditor for review. The NSF-ISR Audit team all reviewed all open minor non-conformances and the relevant corrective action plans.

The possible findings for specific SFI requirements included Full Conformance, Major Non-conformance, Minor Non-conformance, Opportunities for Improvement, and Practices that exceeded the Basic Requirements of the SFIS.

The program is due for a complete recertification review during 2010. The new 2010-2014 Sustainable Forestry Initiative Standard® will be available at that time, or the one-year grace period can be used.

Overview of Audit Findings

The Michigan DNR's SFI Program was found to be in continuing conformance with the SFIS Standard. A review prior to the audit, confirmed during the October 2009 surveillance audit, showed that the department has implemented the corrective plan for the previous non-conformance, which is now closed as detailed below:

Minor Non-conformance SFI-2008-01 as per the 2008 SFI Report:

> "Roads on Drummond Island are not maintained in accordance with BMPs for roads. The current routes used by Jeeps and large 4wd vehicles are, in places, not passable by 2-wd vehicles and have inadequate provisions for drainage (surfacing, road crown, etc). These roads are being upgraded, often with provisions for adequate road surface and/or drainage. Plans are under development to include 'challenge road' sections that are not fully drained. There are no existing BMPs or standards for such roads that would ensure environmental protections (while offering the desired recreational experience)."

Michigan DNR has developed, and begun to implement, a comprehensive road and trail plan for Drummond Island to address the issues of the 2008 Minor Non-conformance. In addition, the department has developed, through its Off Road Vehicle Route Standards Committee, "acceptable conditions for designating off-road vehicle (ORV) routes on roads that may not meet the definition of forest roads", applying this approach only on Drummond Island as a pilot or test.

In addition, the audit team reviewed the five opportunities for improvement which were identified during the 2008 audit. These were addressed to varying degrees:

OFI SFI-2008.01: SFI Indicator 1.1.2 requires "Documentation of annual harvest trends in relation to the sustainable forest management plan." There is an opportunity to improve the information in management plans regarding planned harvest levels.

No change, as Regional State Forest Plans, and their component Forest Management Area plans, are still being worked on. There is a plan to update the Timber Harvest Trends report of the DNR, but it has not yet been completed.

OFI SFI-2008.02: SFI Indicator 2.3.6 requires "Criteria that address harvesting and site preparation to protect soil productivity." There is an opportunity to improve by completing biomass harvesting guidelines.

These guidelines are in near final form, and are expected to be released late in 2009.

OFI SFI-2008.03: Indicator 2.2.6 requires "Use of best management practices appropriate to the situation; for example: adjoining landowners or nearby residents notified of applications and chemicals used; appropriate multi-lingual signs or oral warnings used; public road access controlled during and after applications; streamside and other needed buffer strips appropriately designated; positive shut-off and minimal drift spray valves used; drift minimized by aerially applying forest chemicals parallel to buffer zones; water quality monitored or other methods used to assure proper equipment use and stream protection of streams, lakes and other water bodies; chemicals stored at appropriate locations; state reports filed as required; or methods used to ensure protection of federally listed threatened & endangered species." There is an opportunity to improve consistency of paperwork and required notifications involving chemical use.

The department has increased its efforts in this area.

OFI SFI-2008.04: Indicator 3.1.4 requires "Monitoring of overall BMP implementation." There had been an opportunity to improve the consistent use of the Resource Damage Report (RDR) process.

The department has revised and updated its RDR process and database improvements were made to make it easier to use and more effective.

OFI SFI-2008.05: Indicator 4.2.2 requires "A methodology to incorporate research results and field applications of biodiversity and ecosystem research into forest management decisions." Indicator 9.1.1 requires "Current financial or in-kind support of research to address questions of relevance in the region of operations. The research will include … d. wildlife management at stand or landscape levels; …" There is an opportunity to improve the process for disseminating information gained through in-house research.

The audit team issued a related "Opportunity for Improvement" (see below).

The NSF-ISR SFI Certification Audit Team issued two new minor non-conformance and two opportunities for improvement. The Minor Non-conformances issued during this audit are described below:

SFI-2009-01: Indicator 1.1.1 requires "A long-term resource analysis to guide forest management planning at a level appropriate to the size and scale of the operation, including: … (items a through e are in full conformance) …f. recommended sustainable harvest levels; and g. a review of nontimber issues."

There is a need to make more tangible progress on developing consensus strategic management direction for each of the management areas that comprise the core of the Regional State Forest Management Plans.

SFI-2009-02: Indicator 3.2.5 states "Where regulations or BMPs do not currently exist to protect riparian areas, use of experts to identify appropriate protection measures."

BMPs or standards for ORV Routes that ensure environmental protections (while offering the desired recreational experience) have been developed for Drummond Island but are not in place for the rest of the state forests.

The department has developed corrective action plans to address these issues. Progress in implementing the planned corrective action will be reviewed in the next audit.

Two opportunities for improvement were also identified:

SFI OFI-2009-01: There is an opportunity to improve the system to distribute information within the organization regarding informal silvicultural trials and other "adaptive management" approaches.
(SFI Indicator 4.2.2: "A methodology to incorporate research results and field applications of biodiversity and ecosystem research into forest management decisions.")

SFI OFI-2009-02: There is an opportunity to improve the application of stand level retention by more commonly considering leaving large, decadent aspen and/or large spruce.
(SFI Indicator 4.1.4: "Development and implementation of criteria, as guided by regionally appropriate science, for retention of stand-level wildlife habitat elements.")

Positive Practices in the Michigan State Forest System

The sustainable forestry program of the Michigan DNR has many clear strengths which factored strongly into the finding of continuing conformance with the certification requirements. The audit found that the department's SFI program continues to excel with respect to the requirements of the SFI Standard 2005-2009 in the following areas:

- Assignment of certification responsibilities within the DNR (e.g. work instructions and the regular Forest Certification Updates provided to staff);
- Harvest levels can clearly be sustained and are consistent with overall goals;
- No exotic species are planted, and extensive efforts are made to remove exotic invasive plant species;
- The forest health and protection programs for Integrated Pest Management;
- Protection of rare, threatened, or endangered species and of rare and sensitive habitat types;
- Public recreation opportunities; and
- Internal audit processes, including systematic follow-up and comprehensive management review.

Relevance of Forestry Certification

Third-party certification provides assurance that forests are being managed under the principles of sustainable forestry, which are described in the Sustainable Forestry Initiative Standard as:

1. Sustainable Forestry
To practice sustainable forestry to meet the needs of the present without compromising the ability of future generations to meet their own needs by practicing a land stewardship ethic that integrates reforestation and the managing, growing, nurturing, and harvesting of trees for useful products with the conservation of soil, air and water quality, biological diversity, wildlife and aquatic habitat, recreation, and aesthetics.

2. Responsible Practices
To use and to promote among other forest landowners sustainable forestry practices that are both scientifically credible and economically, environmentally, and socially responsible.

3. Reforestation and Productive Capacity
To provide for regeneration after harvest and maintain the productive capacity of the forestland base.

4. Forest Health and Productivity
To protect forests from uncharacteristic and economically or environmentally undesirable wildfire, pests, diseases, and other damaging agents and thus maintain and improve long-term forest health and productivity.

5. Long-Term Forest and Soil Productivity
To protect and maintain long-term forest and soil productivity.

6. Protection of Water Resources
To protect water bodies and riparian zones.

7. Protection of Special Sites and Biological Diversity
To manage forests and lands of special significance (biologically, geologically, historically or culturally important) in a manner that takes into account their unique qualities and to promote a diversity of wildlife habitats, forest types, and ecological or natural community types.

8. Legal Compliance
To comply with applicable federal, provincial, state, and local forestry and related environmental laws, statutes, and regulations.

9. Continual Improvement
To continually improve the practice of forest management and also to monitor, measure and report performance in achieving the commitment to sustainable forestry.

Source: Sustainable Forestry Initiative® (SFI) Standard, 2005–2009 Edition

For Additional Information Contact:

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Michigan Department of Natural Resources
1990 US-41 South, Marquette, MI 49855
906-228-6561
nezichd@michigan.gov

APPENDIX V

Audit Matrix

NSF-ISR auditors use this document to record their findings for each SFIS Performance Measure and Indicator.
If a non-conformance is found the auditor shall fully document the reasons on the Corrective Action Request (CAR) form.
N/A in the Auditor column indicates that the associated Performance Measure or Indicator does not apply.
Findings are indicated by a date or date code: Audit Date-March 2006 Date Code- 6a; Audit Date-Oct. 2006 Date Code- 6; the other codes correspond to the audit in the listed year (Audit Date October 2009 Date Code-9).

Surveillance audits involve a partial review, so not all requirements are audited each visit. This portion of the matrix provides an overall record of audit findings over time. This ensures that all requirements are audited within the five-year life of the certificate.

Objective 1: To broaden the implementation of sustainable forestry by ensuring long-term harvest levels based on the use of the best scientific information available.

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
1.1	***Program Participants shall ensure that long-term harvest levels are sustainable and consistent with appropriate growth and-yield models and written plans.***			8			
1.1.1	A long-term resource analysis to guide forest management planning at a level appropriate to the size and scale of the operation, including: a. a periodic or ongoing forest inventory; b. a land classification system; c. soils inventory and maps, where available; d. access to growth-and-yield modeling capabilities; e. up-to-date maps or a geographic information system (GIS); f. recommended sustainable harvest levels; and g. a review of nontimber issues (e.g., pilot projects and economic incentive programs to promote water protection, carbon storage, or biological diversity conservation).	MF	g: 6a, a-g: 6,8			7, 9	6
1.1.2	Documentation of annual harvest trends in relation to the sustainable forest management plan.	MF		6, 7			8
1.1.3	A forest inventory system and a method to calculate growth.		7, 8, 9				
1.1.4	Periodic updates of inventory and recalculation of planned harvests.		7, 8, 9				
1.1.5	Documentation of forest practices (e.g., planting, fertilization, and thinning) consistent with assumptions in harvest plans.		7, 8, 9				

Objective 2: To ensure long-term forest productivity and conservation of forest resources through prompt reforestation, soil conservation, afforestation and other measures.

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
2.1	***Program Participants shall reforest after final harvest, unless delayed for site-specific environmental or forest health considerations, through artificial regeneration within two years or two planting seasons, or by planned natural regeneration methods within five years.***		7, 8, 9				
2.1.1	Designation of all management units for either natural or artificial regeneration.	MF	G: 6a, 6, 7, 8, 9				
2.1.2	Clear Requirements to judge adequate regeneration and appropriate actions to correct under-stocked areas and achieve desired species composition and stocking rates for both artificial and natural regeneration	MF	G: 6a, 7, 8, 9				
2.1.3	Minimized plantings of exotic tree species and research documentation that exotic tree species, planted operationally, pose minimal risk.	MF	8, 9	6, 7			
2.1.4	Protection of desirable or planned advanced natural regeneration during harvest.	MF	6, 7, 8, 9				
2.1.5	Artificial reforestation programs that consider potential ecological impacts of a different species or species mix from that which was harvested.	MF	7, 8, 9				7
2.2	***Program Participants shall minimize chemical use required to achieve management objectives while protecting employees, neighbors, the public and the forest environment.***		9				
2.2.1	Minimized chemical use required to achieve management objectives.	MF	7, 9				
2.2.2	Use of least toxic and narrowest spectrum pesticide narrowest spectrum and least toxic pesticides necessary to achieve management objective.		9				
2.2.3	Use of pesticides registered for the intended use and applied in accordance with the label requirements.		9				
2.2.4	Use of Integrated Pest Management where feasible.	MF	9	6			
2.2.5	Supervision of forest chemical applications by state-trained or certified applicators.		9				

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
2.2.6	Use of best management practices appropriate to the situation; for example: adjoining landowners or nearby residents notified of applications and chemicals used; appropriate multi-lingual signs or oral warnings used; public road access controlled during and after applications; streamside and other needed buffer strips appropriately designated; positive shut-off and minimal drift spray valves used; drift minimized by aerially applying forest chemicals parallel to buffer zones; water quality monitored or other methods used to assure proper equipment use and stream protection of streams, lakes and other waterbodies; chemicals stored at appropriate locations; state reports filed as required; or methods used to ensure protection of federally listed threatened & endangered species		9				8
2.3	***Program Participants shall implement management practices to protect and maintain forest and soil productivity.***		8, 9				
2.3.1	Use of soils maps where available.	MF	7, 8, 9				
2.3.2	Process to identify soils vulnerable to compaction and use of appropriate methods to avoid excessive soil disturbance.	MF	G: 6a, 8, 9				
2.3.3	Use of erosion control measures to minimize the loss of soil and site productivity.	MF, RH	6, 7, 8, 9				
2.3.4	Post-harvest conditions conducive to maintaining site productivity (e.g., limited rutting, retained down woody debris, minimized skid trails).	MF	G: 6a, 7, 8, 9				
2.3.5	Retention of vigorous trees during partial harvesting, consistent with silvicultural norms for the area.	MF	G: 6a, 6, 7, 8, 9				
2.3.6	Criteria that address harvesting and site preparation to protect soil productivity.	MF	G: 6a, 7, 9			6	8
2.3.7	Minimized road construction to meet management objectives efficiently.	MF, RH	6, 7, 8, 9				7
2.4	***Program Participants shall manage so as to protect forests from damaging agents such as environmentally or economically undesirable wildfire, pests and diseases to maintain and improve long-term forest health, productivity and economic viability.***	MF		7, 8, 9			
2.4.1	Program to protect forests from damaging agents.	MF	G: 6a	6, 7, 8, 9			
2.4.2	Management to promote healthy and productive forest conditions to minimize susceptibility to damaging agents.	MF	G: 6a	6, 7, 8, 9			
2.4.3	Participation in, and support of, fire and pest prevention and control programs.	MF	G: 6a	6, 7, 8, 9			

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
2.5	***Program Participants that utilize genetically improved planting stock including those derived through biotechnology shall use sound scientific methods and follow all applicable laws and other internationally applicable protocols.***		9				
2.5.1	Program for appropriate research, testing, evaluation and deployment of genetically improved planting stock including trees derived through biotechnology.		9				

Objective 3: To protect water quality in streams, lakes and other water bodies.

Performance Measure/ Indicator		Audit-or	- - - Indicate Only One - - -				OFI
			FC	EXR	Maj	Min	
3.1	***Program Participants shall meet or exceed all applicable federal, provincial, state and local water quality laws and meet or exceed Best Management Practices developed under Environmental Protection Agency (EPA)-approved state water quality programs other applicable federal, provincial, state or local programs.***		8, 9				
3.1.1	Program to implement state or provincial equivalent BMPs during all phases of management activities.	MF	7, 9			6, 8	
3.1.2	Contract provisions that specify BMP compliance.	MF	G: 6a, 8, 9				
3.1.3	Plans that address wet weather events (e.g., inventory systems, wet weather tracts, defining acceptable operational conditions, etc.).	MF, RH	6, 8, 9				
3.1.4	Monitoring of overall BMP implementation.	MF	G: 6a, 9	6, 7			8
3.2	***Program Participant shall have or develop, implement, and document, riparian protection measures based on soil type, terrain, vegetation and other applicable factors.***	Mf	7, 8				
3.2.1	Program addressing management and protection of streams, lakes and other water bodies and riparian zones.	MF	6, 7, 8, 9				
3.2.2	Mapping of streams, lakes and other water bodies and riparian zones, and where appropriate, identification on the ground.	MF	6, 7, 8, 9				
3.2.3	Implementation of plans to manage or protect streams, lakes and other water bodies.	MF	6, 7, 8, 9				
3.2.4	Identification and protection of nonforested wetlands, including bogs, fens, vernal pools and marshes of significant size.	MF	6, 7, 8, 9				
3.2.5	Where regulations or BMPs do not currently exist to protect riparian areas, use of experts to identify appropriate protection measures.	NA				8, 9	

Objective 4: Manage the quality and distribution of wildlife habitats and contribute to the conservation of biological diversity by developing and implementing stand- and landscape- level measures that promote habitat diversity and the conservation of forest plants and animals including aquatic fauna.

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
4.1	***Program participants shall have programs to promote biological diversity at stand- and landscape- scales.***		8				
4.1.1	Program to promote the conservation of native biological diversity, including species, wildlife habitats, and ecological or natural community types, at stand and landscape levels.	MF	G: 6a, 6, 8, 9				
4.1.2	Program to protect threatened and endangered species.	MF	G: 6a	6, 7, 8			
4.1.3	Plans to locate and protect known sites associated with viable occurrences of critically imperiled and imperiled species and communities. Plans for protection may be developed independently or collaboratively and may include Program Participant management, cooperation with other stakeholders, or use of easements, conservation land sales, exchanges, or other conservation strategies			6, 7, 8, 9			
4.1.4	Development and implementation of criteria, as guided by regionally appropriate science, for retention of stand-level wildlife habitat elements (e.g., snags, mast trees, down woody debris, den trees, nest trees).	MF	G: 6a, 7, 8				6, 9
4.1.5	Assessment, conducted individually or collaboratively, of forest cover types and habitats at the individual ownership level and, where credible data are available, across the landscape, and incorporation of findings into planning and management activities, where practical and when consistent with management objectives.	MF	G: 6a, 6, 8	9			
4.1.6	Support of and participation in plans or programs for the conservation of old-growth forests in the region of ownership.	MF, RH	6, 8, 9				
4.1.7	Participation in programs and demonstration of activities as appropriate to limit the introduction, impact, and spread of invasive exotic plants and animals that directly threaten or are likely to threaten native plant and animal communities.	MF	7, 8				
4.1.8	Program to incorporate the role of prescribed or natural fire where appropriate.	MF, RH	6, 8, 9				
4.2	***Program Participants shall apply knowledge gained through research, science, technology, and field experience to manage wildlife habitat and contribute to the conservation of biological diversity.***	MF	7, 8				
4.2.1	Collection of information on critically imperiled and imperiled species and communities and other biodiversity-related data through forest inventory processes, mapping, or participation in external programs, such as NatureServe, state or provincial heritage programs, or other credible systems. Such participation may include providing nonproprietary scientific information, time, and assistance by staff, or in-kind or direct financial support.	MF	G: 6a, 7, 8				

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
4.2.2	A methodology to incorporate research results and field applications of biodiversity and ecosystem research into forest management decisions.	MF	G: 6a, 6, 7				8, 9

Objective 5: To manage the visual impact of harvesting and other forest operations.

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
5.1	***Program Participants shall manage the impact of harvesting on visual quality.***	MF	6, 7, 8, 9				
5.1.1	Program to address visual quality management.	MF	6, 7, 8, 9				
5.1.2	Incorporation of aesthetic considerations in harvesting, road, landing design and management, and other management activities where visual impacts are a concern.	MF	6, 7, 8, 9				
5.2	***Program Participants shall manage the size, shape, and placement of clearcut harvests.***		8				
5.2.1	Average size of clearcut harvest areas does not exceed 120 acres, except when necessary to respond to forest health emergencies or other natural catastrophes.	MF		6, 7, 8			
5.2.2	Documentation through internal records of clearcut size and the process for calculating average size.	MF	6, 7, 8				
5.3	***Program Participants shall adopt a green-up requirement or alternative methods that provide for visual quality.***		8				
5.3.1	Program implementing the green-up requirement or alternative methods.	MF	6, 8				
5.3.2	Harvest area tracking system to demonstrate compliance with the green-up requirement or alternative methods.	MF	6, 8				
5.3.3	Trees in clearcut harvest areas are at least 3 years old or 5 feet high at the desired level of stocking before adjacent areas are clearcut, or as appropriate to address operational and economic considerations, alternative methods to reach the performance measure are utilized by the Program Participant.	MF	G: 6a, 6, 8				

Objective 6: To manage Program Participant lands that are ecologically, geologically, historically, or culturally important in a manner that recognizes their special qualities.

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
6.1.	***Program Participants shall identify special sites and manage them in a manner appropriate for their unique features.***		8, 9				
6.1.1	Use of existing natural heritage data and expert advice in identifying or selecting sites for protection because of their ecologically, geologically, historically, or culturally important qualities.	MF	6, 8, 9				
6.1.2	Appropriate mapping, cataloging, and management of identified special sites.	MF	6, 8, 9				

Objective 7: To promote the efficient use of forest resources.

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
7.1	***Program Participants shall employ appropriate forest harvesting technology and "in-woods" manufacturing processes and practices to minimize waste and ensure efficient utilization of harvested trees, where consistent with other SFI Standard objectives.***	MF	7, 8, 9				
7.1.1	Program or monitoring system to ensure efficient utilization, which may include provisions to ensure a. landings left clean with little waste; b. residues distributed to add organic and nutrient value to future forests; c. training or incentives to encourage loggers to enhance utilization; d. cooperation with mill managers for better utilization of species and low-grade material; e. merchandizing of harvested material to ensure use for its most beneficial purpose; f. development of markets for underutilized species and low-grade wood; g. periodic inspections and reports noting utilization and product separation; or h. exploration of alternative markets (e.g., energy markets).	MF	G: 6a, 6, 7, 8, 9				

Objective 9: To improve forestry research, science, and technology, upon which sound forest management decisions are based.

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
9.1	***Program Participants shall individually, through cooperative efforts, or through associations provide in-kind support or funding, in addition to that generated through taxes, for forest research to improve the health, productivity, and management of forest resources.***	MF	7, 8, 9				
9.1.1	Current financial or in-kind support of research to address questions of relevance in the region of operations. The research will include some or all of the following issues: a. forest health, productivity, and ecosystem functions; b. chemical efficiency, use rate, and integrated pest management; c. water quality; d. wildlife management at stand or landscape levels; e. conservation of biological diversity; and f. effectiveness of BMPs.	MF	6, 7, 9				8
9.2	***Program Participants shall individually, through cooperative efforts, or through associations develop or use state, provincial, or regional analyses in support of their sustainable forestry programs.***	MF	7, 8				
9.2.1	Participation, individually or through cooperative efforts or associations at the state, provincial, or regional level, in the development or use of a. regeneration assessments; b. growth-and-drain assessments; c. BMP implementation and compliance; and d. biodiversity conservation information for family forest owners.	MF	7, 8				

Objective 10: To improve the practice of sustainable forest management by resource professionals, logging professionals, and contractors through appropriate training and education programs.

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
10.1	***Program Participants shall require appropriate training of personnel and contractors so that they are competent to fulfill their responsibilities under the SFI Standard.***	MF	7, 8, 9				
10.1.1	Written statement of commitment to the SFI Standard communicated throughout the organization, particularly to mill and woodland managers, wood procurement staff, and field foresters.	MF	6, 7, 8, 9				
10.1.2	Assignment and understanding of roles and responsibilities for achieving SFI Standard objectives.	MF		6, 7, 8, 9			
10.1.3	Staff education and training sufficient to their roles and responsibilities.	MF	G: 6a, 7, 8, 9				6
10.1.4	Contractor education and training sufficient to their roles and responsibilities.	MF	G: 6a, 6, 7, 8, 9				
10.2	***Program Participants shall work closely with state logging or forestry associations, or appropriate agencies or others in the forestry community, to foster improvement in the professionalism of wood producers.***		8				
10.2.1	Participation in or support of SFI Implementation Committees to establish criteria and identify delivery mechanisms for wood producers' training courses that address a. awareness of sustainable forestry principles and the SFI Program; b. BMPs, including streamside management and road construction, maintenance, & retirement; c. regeneration, forest resource conservation, and aesthetics; d. awareness of responsibilities under the U.S. Endangered Species Act, the Canadian Species at Risk Act, and other measures to protect wildlife habitat; e. logging safety; f. U.S. Occupational Safety and Health Administration regulations, wage and hour rules, and other employment laws; g. transportation issues; h. business management; and i. public policy and outreach.	MF	G: 6a, 6, 7, 8				

Objective 11: Commitment to comply with applicable federal, provincial, state, or local laws and regulations.

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
11.1	***Program Participants shall take appropriate steps to comply with applicable federal, provincial, state, and local forestry and related environmental laws and regulations.***						
11.1.1	Access to relevant laws and regulations in appropriate locations.	MF	G: 6a				
11.1.2	System to achieve compliance with applicable federal, provincial, state, or local laws and regulations.	MF	9				
11.1.3	Demonstration of commitment to legal compliance through available regulatory action information.	MF	9				
11.1.4	Adherence to all applicable federal, state, & provincial regulations and international protocols for research & deployment of trees derived from improved planting stock & biotechnology.	MF	9				
11.2	***Program Participants shall take appropriate steps to comply with all applicable social laws at the federal, provincial, state, and local levels in the country in which the Program Participant operates.***		8, 9				
11.2.1	Written policy demonstrating commitment to comply with social laws, such as those covering civil rights, equal employment opportunities, antidiscrimination and anti-harassment measures, workers' compensation, indigenous peoples' rights, workers' and communities' right to know, prevailing wages, workers' right to organize, and occupational health and safety.	MF	6, 8, 9				

Objective 12: To broaden the practice of sustainable forestry by encouraging the public and forestry community to participate in the commitment to sustainable forestry and publicly report progress.

Performance Measure/ Indicator		Audit -or	- - - Indicate Only One - - -				OFI
			FC	EXR	Maj	Min	
12.1	***Program Participants shall support and promote efforts by consulting foresters, state and federal agencies, state or local groups, professional societies, and the American Tree Farm System® and other landowner cooperative programs to apply principles of sustainable forest management.***		8				
12.1.1	Support for efforts of SFI Implementation Committees.	**MF**	G: 6a, 6, 7, 8				
12.1.2	Support for the development and distribution of educational materials, including information packets for use with forest landowners.		8				
12.1.3	Support for the development and distribution of regional or statewide information materials that provide landowners with practical approaches for addressing biological diversity issues, such as specific wildlife habitat, critically imperiled or imperiled species, and threatened and endangered species.	MF	9				
12.1.4	Participation in efforts to support or promote conservation of working forests through voluntary market-based incentive programs (e.g., current-use taxation programs, Forest Legacy, or conservation easements).	MF	6				
12.1.5	Program Participants are knowledgeable about credible regional conservation planning and priority-setting efforts that include a broad range of stakeholders. Consider the results of these efforts in planning where practical and consistent with management objectives.	MF	7, 8				
12.2	***Program Participants shall support and promote, at the state, provincial or other appropriate levels, mechanisms for public outreach, education, and involvement related to forest management.***		8				
12.2.1	Support for the SFI Implementation Committee program to address outreach, education, and technical assistance (e.g., toll-free numbers, public sector technical assistance programs).	MF	6, 7, 8				
12.2.2	Periodic educational opportunities promoting sustainable forestry, such as a. field tours, seminars, or workshops; b. educational trips; c. self-guided forest management trails; or d. publication of articles, educational pamphlets, or newsletters; or e. support for state, provincial, and local forestry organizations and soil and water conservation districts.		8				
12.2.3	Recreation opportunities for the public, where consistent with forest management objectives.	MF	G: 6a	6, 7, 8, , 9			

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
12.3	***Program Participants with forest management responsibilities on public lands shall participate in the development of public land planning and management processes.***	MF	G: 6a, 7, 8, 9				
12.3.1	Involvement in public land planning and management activities with appropriate governmental entities and the public.	MF, RH	6, 7, 8, 9				
12.3.2	Appropriate contact with local stakeholders over forest management issues through state, provincial, federal, or independent collaboration.	MF, RH	6, 7, 8, 9				
12.4	***Program Participants with forest management responsibilities on public lands shall confer with affected indigenous peoples.***	***MF, RH***	6, 7, 8, 9				
12.4.1	Program that includes communicating with affected indigenous peoples to enable Program Participants to a. understand and respect traditional forest related knowledge; b. identify and protect spiritually, historically, or culturally important sites; and c. address the sustainable use of nontimber forest products of value to indigenous peoples in areas where Program Participants have management responsibilities on public lands.	***MF, RH***	6, 7, 8, 9				
12.5	***Program Participants shall establish, at the state, provincial, or other appropriate levels, procedures to address concerns raised by loggers, consulting foresters, employees, the public, or Program Participants regarding practices that appear inconsistent with the SFI*** ***Standard principles and objectives.***		8				
12.5.1	Support for SFI Implementation Committee efforts (toll-free numbers and other efforts) to address concerns about apparent nonconforming practices.	MF	6, 7, 8				
12.5.2	Process to receive and respond to public inquiries.	MF, RH	6, 8				
12.6	***Program Participants shall report annually to the SFI Program on their compliance with the SFI Standard.***	MF	7, 8, 9				
12.6.1*	Prompt response to the SFI annual progress report. (*Note: This indicator will be reviewed in all audits.)	MF	6, 7, 8, 9				
12.6.2	Recordkeeping for all the categories of information needed for SFI annual progress reports.	MF	7, 8, 9				
12.6.3	Maintenance of copies of past reports to document progress and improvements to demonstrate conformance to the SFI Standard	MF	6, 7, 8, 9				

Objective 13: To promote continual improvement in the practice of sustainable forestry and monitor, measure, and report performance in achieving the commitment to sustainable forestry.

Performance Measure/ Indicator		Audit-or	- - - *Indicate Only One* - - -				OFI
			FC	EXR	Maj	Min	
13.1*	***Program Participants shall establish a management review system to examine findings and progress in implementing the SFI Standard, to make appropriate improvements in programs, and to inform their employees of changes.*** (*This Performance Measure will be reviewed in all audits.)	MF	G: 6a, 8	9			
13.1.1	System to review commitments, programs, and procedures to evaluate effectiveness.	MF	G: 6a, 7	8, 9			
13.1.2	System for collecting, reviewing, and reporting information to management regarding progress in achieving SFI Standard objectives and performance measures.	MF	G: 6a, 8	9			6
13.1.3	Annual review of progress by management and determination of changes and improvements necessary to continually improve SFI conformance.	MF	G: 6a, 7, 8	9			

2009 Audit Notes

Requirement	Auditor	Notes
1.1		***"Program Participants shall ensure that long-term harvest levels are sustainable and consistent with appropriate growth and-yield models and written plans."*** • Harvest levels can clearly be sustained and are consistent with overall goals
1.1.1	Minor	"A long-term resource analysis to guide forest management planning at a level appropriate to the size and scale of the operation, including: a periodic or ongoing forest inventory; b. a land classification system; c. soils inventory and maps, where available; d. access to growth-and-yield modeling capabilities; e. up-to-date maps or a geographic information system (GIS); f. recommended sustainable harvest levels; and g. a review of nontimber issues (e.g., pilot projects and economic incentive programs to promote water protection, carbon storage, or biological diversity conservation)." <u>Minor Non-conformance 2009-01: There is a need to make more tangible progress on developing strategic management direction for each of the management areas that comprise the core of the Regional State Forest Management Plans.</u> • Starting efforts on Ecoregional Planning in the SLP (outside scope of certificate, but some of the same resources for analysis and planning are being used there). • Regional state forest planning process has a clear timeline and significant resources devoted. However progress is somewhat behind schedule. There are 3 regional plans to be developed for the lands within the scope: NLP: Target completion date November 2010 WUP: Target completion date January 2011 EUP: Target completion date March 2011 • A key and time-consuming part of the Regional state forest planning process is the process for determining "Biodiversity Significant Areas" (BSA). As of the October 2009 audit the work of 2 of the 3 Core Design Teams was complete and being reviewed • Efforts to complete the BCCP, particularly the BSA identification process, have diverted significant resources from the RSFMP process. Although these efforts are linked to the development of the management area strategies that are at the heart of the regional plans there is a concern that the timelines for completion continue to slip.
1.1.2	C	"Documentation of annual harvest trends in relation to the sustainable forest management plan." • From SFMP: *"Recent state forest average harvests have been close to 53,000 acres per year, with a 20-year average of about 700,000 cords per year. Timber harvest trends differ by species. The current conditions and trends for the state forest as a whole indicate that the annual production capacity for timber harvests will remain similar to what it has been or slightly increase. Harvests have predominantly occurred in five cover types: the aspen association, jack pine, the oak association, red pine, and northern hardwoods. Some significant trends can be noted since the mid-1990s for aspen, northern hardwoods, red pine, white pine and mixed swamp conifers. Due to intensive harvests in the late 1980s and early 1990s, the number of acres of aspen sold gradually decreased after 1997 and reached a low in 2003. Throughout this period, aspen volumes per acre remained steady at close to 20 cords per acre.* *Volume of production from the northern hardwoods, red pine, and white pine cover types have increased since 1996. In contrast, production from mixed swamp conifers has dropped off sharply beginning in 2001, in part reflecting changes in cover type coding. Thus, the composition of timber sales has changed over the past decade, with the most significant change being more acres of selectively-harvested upland hardwoods sold as the number of clear-cut aspen acres declined. This tradeoff has resulted in less volume harvested per acre."* • The timelines for Regional Forest Management Plans and work on Management Area descriptions was adjusted to accommodate incorporating information relating to

		Biodiversity Stewardship Areas (BSAs). It is believed that without BSA information, the Management Area descriptions would have been deficient and, in some cases, unrealistic. Management of BSAs has arisen as a critical part of the BSA identification and approval process and, in turn, this will enable improved information regarding planned harvest levels. Management Area drafts for all three ecoregions incorporating planned harvest levels are anticipated to be developed during 2010. • Another effort which will also enable improved information is updating the September 2005 Michigan State Forest Timber Harvest Trends report in 2010. This effort is expected to take into account the BSA initiative as well as biomass/bioenergy trends.
1.1.3	C	"A forest inventory system and a method to calculate growth." • Operations Inventory is the current inventory and harvest scheduling protocol. IFMAP, a more robust protocol, is being rolled out. Using either IFMAP or OI, inventory is conducted on 10% of the compartments each year. This work is assigned a very high priority, and inventory work is consistently up to date. • Growth is determined by use of FIA data.
1.1.4	C	"Periodic updates of inventory and recalculation of planned harvests." • Confirmed that about 10% of the state forest system is inventoried each year.
1.1.5	C	"Documentation of forest practices (e.g., planting, fertilization, and thinning) consistent with assumptions in harvest plans." • Documentation of all forest practices through sale and harvest records, forest treatment proposals, and follow-up documentation is superb. Fertilization or other growth accelerating treatments do not drive harvest levels; thinning (residual stocking levels) and planting (ensuring full stocking) do affect calculated harvest levels, but only after the growth effects are apparent. The thinning and planting programs appear to be on schedule for most accessible, operable stands.
2.1	C	***"Program Participants shall reforest after final harvest, unless delayed for site-specific environmental or forest health considerations, through artificial regeneration within two years or two planting seasons, or by planned natural regeneration methods within five years."***
2.1.1	C	"Designation of all management units for either natural or artificial regeneration." • Confirmed designation of regeneration method for all harvest sites visited, and for many more where paperwork was requested but time did not allow field visits.
2.1.2	C	"Clear Requirements to judge adequate regeneration and appropriate actions to correct under-stocked areas and achieve desired species composition and stocking rates for both artificial and natural regeneration." • Standards exist for all regeneration treatments. • Review of selected sites on the very nutrient poor, coarse Grayling sands showed that the department continues to allocate sufficient resources to achieve regeneration. Multiple site preparation and planting treatments are employed in those (limited) cases where drought or other factors caused initial efforts to fail. • Uneven-aged management of northern hardwood stands is done in accordance with current scientifically-tested silvicultural systems. In the face of high, but not historically high, deer populations some sites show considerable browse damage. Foresters have reasonable plans to continue to monitor these stands and adjust methods as needed. The stands reviewed during the audit, and most such stands on the state forest system, have sufficient numbers of vigorous, long-lived overstory trees that the process can take longer than hoped without compromising long-term sustainable forests. The situation does call for continued attention.
2.1.3	C	"Minimized plantings of exotic tree species and research documentation that exotic tree species, planted operationally, pose minimal risk." • Exotic tree species are not planted.
2.1.4	C	"Protection of desirable or planned advanced natural regeneration during harvest." • Field observations confirmed good results in this indicator.
2.1.5	C	"Artificial reforestation programs that consider potential ecological impacts of a different species or species mix from that which was harvested." • This is a routine part of sale planning; a number of disciplines are involved in

		planning of harvests, most of which do not change species composition.
2.2	C	***"Program Participants shall minimize chemical use required to achieve management objectives while protecting employees, neighbors, the public and the forest environment."***
2.2.1	C	"Minimized chemical use required to achieve management objectives." • Chemical use appears to be a last resort solution in most cases. The majority of sites visited and observed during travels between sites are being regenerated naturally. For Jack Pine there is significant use of anchor-chaining for scarification and to distribute cone-bearing slash. Planted sites, which were a focus during this audit, were primarily treated using mechanical site preparation. For Jack Pine this generally involves trenching prior to planting. • Chemicals are applied at or below label rates.
2.2.2	C	"Use of least toxic and narrowest spectrum pesticide narrowest spectrum and least toxic pesticides necessary to achieve management objective." • This is policy, and the chemicals applied on the sites for which paperwork was requested were narrow-spectrum.
2.2.3	C	"Use of pesticides registered for the intended use and applied in accordance with the label requirements." • Trained, licensed applicators prescribe, check, and are involved in treatment. They are careful to be certain to follow label requirements.
2.2.4	C	"Use of Integrated Pest Management where feasible." • See 2.2.1 above.
2.2.5	C	"Supervision of forest chemical applications by state-trained or certified applicators." • Trained, licensed applicators prescribe, check, and are involved in treatment.
2.2.6	C	"Use of best management practices appropriate to the situation; for example …" • Confirmed by review of paperwork and by interviews of silviculture specialists.
2.3	C	***"Program Participants shall implement management practices to protect and maintain forest and soil productivity."***
2.3.1	C	"Use of soils maps where available." • Soils maps are used during planning.
2.3.2	C	"Process to identify soils vulnerable to compaction and use of appropriate methods to avoid excessive soil disturbance." • Soils maps are used during planning, and sites are reviewed to design harvests that avoid soils that might be damaged during harvesting. • Seasonal restrictions are included in logging contracts as needed. • Foresters regularly inspect harvests to ensure that soil disturbance is not excessive.
2.3.3	C	"Use of erosion control measures to minimize the loss of soil and site productivity." • Water bars and use of slash were observed. See also previous indicator.
2.3.4	C	"Post-harvest conditions conducive to maintaining site productivity (e.g., limited rutting, retained down woody debris, minimized skid trails)." • Confirmed by field observations that there was limited rutting, considerable down woody debris, and that skid trails were planned and reasonably spaced and located.
2.3.5	C	"Retention of vigorous trees during partial harvesting, consistent with silvicultural norms for the area." • Partial harvests are quite conservative in most cases. Thinnings observed were very conservative, and most regeneration treatments left vigorous live reserve trees. • Foresters understand the silvics and silviculture and deploy appropriate methods that leave healthy, vigorous trees.
2.3.6	C	"Criteria that address harvesting and site preparation to protect soil productivity." • Cara Boucher, Michigan State Forester led the development of "DRAFT Michigan Woody biomass harvesting Guidance 10.21.09" o MO, PA, MN, WI, Ontario standards reviewed and compared; similar o Broad working group assembled

		○ Six guidelines: ○ Being reviewed by FMAC in Nov; to be finalized by December • Timber sale contracts contain clauses describing limits to site disturbance, particularly rutting.
2.3.7	C	"Minimized road construction to meet management objectives efficiently." • The road systems visited during this audit are appropriately scaled and designed and clearly meet this indicator.
2.4	C	***"Program Participants shall manage so as to protect forests from damaging agents such as environmentally or economically undesirable wildfire, pests and diseases to maintain and improve long-term forest health, productivity and economic viability."***
2.4.1	C	"Program to protect forests from damaging agents." • See next indicator; foresters and forest health specialists work to monitor forest health and pest populations.
2.4.2	C	"Management to promote healthy and productive forest conditions to minimize susceptibility to damaging agents." • The state forests continue to be inventoried on a rigorous ten-year schedule, and most stands are treated (thinned or regenerated) before they lose vigor and become susceptible to damaging agents. Some stands with access problems are not treated.
2.4.3	C	"Participation in, and support of, fire and pest prevention and control programs." • FMFM is responsible for most aspects of fire and pest prevention in Michigan. Programs exist to develop cooperative relationships and build local fire-fighting and prevention resources.
2.5	C	***"Program Participants that utilize genetically improved planting stock including those derived through biotechnology shall use sound scientific methods and follow all applicable laws and other internationally applicable protocols."***
2.5.1	C	"Program for appropriate research, testing, evaluation and deployment of genetically improved planting stock including trees derived through biotechnology." • Confirmed funding was provided to the Michigan Tree Improvement Center to do Tree Improvement Studies and implement nursery practices to improve quality of tree seedlings produced in Michigan State Forest Nurseries. The research summaries for the past few years document consistent support for this activity.
3.1	C	**"Program Participants shall meet or exceed all applicable federal, provincial, state and local water quality laws and meet or exceed Best Management Practices developed under Environmental Protection Agency (EPA)-approved state water quality programs other applicable federal, provincial, state or local programs."**
3.1.1	C	"Program to implement state or provincial equivalent BMPs during all phases of management activities." • Foresters plan and oversee all harvests, cultural treatments, and road/bridge projects, and design BMPs into these projects. • See Indicator 3.2.5 below
3.1.2	C	"Contract provisions that specify BMP compliance." • Confirmed that contracts contains a clause (5.3 Stream Protection) specifying the use of all BMPs
3.1.3	C	"Plans that address wet weather events (e.g., inventory systems, wet weather tracts, defining acceptable operational conditions, etc)." • Contracts contain provisions limiting the amount of rutting allowed.
3.1.4	C	"Monitoring of overall BMP implementation." • Have rolled out a new Resource Damage Reporting (RDR) System ○ Old system worked, but was cumbersome and web-based ○ New system in same format as other DNR programs, has automatic notifications via automatic emails ○ Tied to GIS; will flag other nearby RDRs already reported •

3.2		***"Program Participant shall have or develop, implement, and document, riparian protection measures based on soil type, terrain, vegetation and other applicable factors."***
3.2.1	C	"Program addressing management and protection of streams, lakes and other water bodies and riparian zones." • Trained foresters, wildlife biologists, and fisheries biologists work collaboratively to set up (foresters), review, and approve (all three disciplines) all proposed treatments and infrastructure development projects. Site-level planning generally commences with the forest inventory work done in each compartment on the "year of entry" cycle. Resource conditions are discussed during compartment "pre-review"; proposed treatments are developed and then shared with the public; and treatments are finalized during compartment review. All three divisions (Forest Management, Wildlife, and Fisheries) are involved in these three planning stages. A focus is on protection of streams, lakes, other water bodies and riparian zones. • Fisheries Division involvement in forestry and management: o Provide input to forestry during pre-review process o Pay closer attention to forest harvests or other projects near water; o Focus on protection of cold-water streams o Are working on beaver / trout management to identify streams that are susceptible to warming and resultant loss of habitat if beaver are allowed to alter habitat o Provide consultation on road upgrades and culvert replacement issues • Fisheries Division also administers the natural rivers program: private lands zoning for construction or vegetative management within 400 feet on either side of designated natural rivers; also have public land management standards; FC Work Instruction for Intrusive Activities help ensure that these rules are followed; much more protective river buffers within the natural vegetation strips, with less harvesting, less emphasis on early-successional species, and no clear cutting; generally foresters understand the rules and are getting good at developing initial prescriptions which meet the guidelines (less tweaking required).
3.2.2	C	"Mapping of streams, lakes and other water bodies and riparian zones, and where appropriate, identification on the ground." • Streams, lakes, etc. are shown on maps and sale offering and administrative documents (contract specifications). They are generally identified on the ground by paint marks on trees.
3.2.3	C	"Implementation of plans to manage or protect streams, lakes and other water bodies." • Field observations confirmed that streams, lakes, and other waterbodies are protected during all operations.
3.2.4	C	"Identification and protection of nonforested wetlands, including bogs, fens, vernal pools and marshes of significant size." • Non-forested wetlands of significant size are identified on aerial photos and on harvest area maps and are excluded from harvest areas; when they are enclosed within a harvest area they are "painted out".
3.2.5	Minor	"Where regulations or BMPs do not currently exist to protect riparian areas, use of experts to identify appropriate protection measures." <u>Minor Non-conformance SFI-2009-02: BMPs or standards for ORV routes that ensure environmental protections (while offering the desired recreational experience) have been developed for Drummond Island but are not in place for the rest of the state forests.</u> • Specialists were convened into an "Off-Road Vehicle Route Standards Committee" to develop written standards for providing "motorized recreational use opportunities associated with standing water and mud bogs on ORV routes within the state forest system" • Final Report October 16, 2009 provides standards for designating ORV routes on state forest roads that do not meet the definition of forest road; being tested on Drummond Island for now, but no standards are in place elsewhere • The standards include hydrological isolation, unregulated sites, protection of endangered species and natural resources; maintenance to avoid erosion to unacceptable depths; and limited width by-pass routes.

4.1		***"Program participants shall have programs to promote biological diversity at stand- and landscape- scales."***
4.1.1	C	"Program to promote the conservation of native biological diversity, including species, wildlife habitats, and ecological or natural community types, at stand and landscape levels." • Wildlife and Fisheries Biologists review all proposed actions in the state forest system. The Wildlife Division is the co-management agency, and signs off on all treatments; Fisheries Division also reviews all projects and provides input. • A process is in place to "bump-up" any conflicts between disciplines at the local level to a higher administrative level; most issues are worked out during compartment review • Fisheries Division also administers the natural rivers program: private lands zoning for construction or vegetative management within 400 feet on either side of designated natural rivers; also have public land management standards; FC Work Instruction for Intrusive Activities help ensure that these rules are followed; much more protective river buffers within the natural vegetation strips, with less harvesting, less emphasis on early-successional species, and no clear cutting; generally foresters understand the rules and are getting good at developing initial prescriptions which meet the guidelines (less tweaking required) • Significant progress has been made on the extensive Biodiversity Conservation Planning Process, (BCCP). • Featured Species Concept or Approach – emphasis area for the new Wildlife Division Chief; ID on a regional or statewide basis to describe focus species in a particular area; for example woodcock (US Forest Service, Wildlife Management Institute, and department's upland game bird specialist); core team working on this approach. • There are concerns about the impacts of the state's budget crisis on the ability to maintain the full range of programs of the past. Biologist time for state lands management will be trending downward; more grants pending and expected for private land management; Pittman-Robinson funding expected go down after record highs of recent years, and game and fish license funds are going down; LIP funds going up to do more private lands initiatives. This issue should be reconsidered during the 2010 audit.
4.1.3	EXR	"Plans to locate and protect known sites associated with viable occurrences of critically imperiled and imperiled species and communities. Plans for protection may be developed independently or collaboratively and may include Program Participant management, cooperation with other stakeholders, or use of easements, conservation land sales, exchanges, or other conservation strategies." <u>Protections extend beyond globally imperiled and imperiled to include state-ranked species for protections.</u> Confirmed that foresters and other specialists review state heritage databases during planning for harvests and other ground-disturbing activities. • Timber sale contract for sales near Kirtland's Warbler habitat contain a specification (5.8.2) prohibiting harvesting operations between May 1 and October 1.
4.1.4	OFI	"Development and implementation of criteria, as guided by regionally appropriate science, for retention of stand-level wildlife habitat elements (e.g., snags, mast trees, down woody debris, den trees, nest trees)." <u>OFI SFI-2009-02: There is an opportunity to improve the application of stand level retention by more commonly considering leaving large, decadent aspen and/or large spruce.</u> • "Within-Stand Retention Guidance" dated 10.05.06 forms the criteria; field observations at all sites visited confirmed reasonable levels of stand level retention, with the exception of Aspen clearcuts. **The Larger Context**. A separate project is underway to write silvicultural guidance and management guidance for the major cover types. The silvicultural guidance focuses on the biological characteristics of each cover type, while the management guidance will recommend management methods to achieve a range of desired outcomes within each cover type. This Guidance was originally conceived to be part of the management guidance, but time constraints and the requirement to complete within-stand retention materials to resolve a forest certification corrective action dictated that the projects be separated. As a result, this document is the first of the guidance documents to be completed. When the other documents are finished, this Guidance will be incorporated into

		the final package.
4.1.5	EXR	"Assessment, conducted individually or collaboratively, of forest cover types and habitats at the individual ownership level and, where credible data are available, across the landscape, and incorporation of findings into planning and management activities, where practical and when consistent with management objectives." The Biodiversity Conservation Planning Process, (BCCP) and the associated effort to systematically identify Biodiversity Significant Areas on this ownership in consideration of the entire resource is an exemplary approach. • Other
4.1.6	C	"Support of and participation in plans or programs for the conservation of old-growth forests in the region of ownership." • See above; the BCPP includes old growth.
4.1.8	C	"Program to incorporate the role of prescribed or natural fire where appropriate." • Fire is commonly prescribed when appropriate. Managers would like to use it on more sites, but personnel and financial resources limit further use.
4.2		***"Program Participants shall apply knowledge gained through research, science, technology, and field experience to manage wildlife habitat and contribute to the conservation of biological diversity."***
4.2.2	OFI	"A methodology to incorporate research results and field applications of biodiversity and ecosystem research into forest management decisions." OFI-2009-01: There is an opportunity to improve the system to distribute information within the organization regarding informal silvicultural trials and other "adaptive management" approaches. • Confirmed "Summary of Sustainable Forestry Research - FY 2008"
5.1	C	***"Program Participants shall manage the impact of harvesting on visual quality."***
5.1.1	C	"Program to address visual quality management." • Trained foresters plan all harvests; guidelines exist to address visual management; senior managers review all proposed treatments. • Visual management programs are in place and generally very effective – forests visited were clearly being managed with visual considerations.
5.1.2	C	"Incorporation of aesthetic considerations in harvesting, road, landing design and management, and other management activities where visual impacts are a concern." • Confirmed by field observations of selected sales and observations of large sections of the certified forests observed while traveling between selected audit sites that aesthetic management is employed.
6.1.	C	***"Program Participants shall identify special sites and manage them in a manner appropriate for their unique features."***
6.1.1	C	"Use of existing natural heritage data and expert advice in identifying or selecting sites for protection because of their ecologically, geologically, historically, or culturally important qualities." • Confirmed by interviews and by review of planning documents
6.1.2	C	"Appropriate mapping, cataloging, and management of identified special sites." • Maps were provided that showed locations of special sites for all four Michigan Forest Management Units included in the 2009 field audit.
7.1	C	***"Program Participants shall employ appropriate forest harvesting technology and "in-woods" manufacturing processes and practices to minimize waste and ensure efficient utilization of harvested trees, where consistent with other SFI Standard objectives."***
7.1.1	C	"Program or monitoring system to ensure efficient utilization, which may include..." • Field observations confirmed good utilization • Foresters monitor harvests using a "Timber Sale Contract – Field Inspection Report" which includes review of utilization.

		• Timber sale contract has a clause (2.2) defining utilization standards
9.1	C	***"Program Participants shall individually, through cooperative efforts, or through associations provide in-kind support or funding, in addition to that generated through taxes, for forest research to improve the health, productivity, & management of forest resources."***
9.1.1	C	"Current financial or in-kind support of research to address questions of relevance in the region of operations. The research will include …" • Review of "Summary of Sustainable Forestry Research - FY 2008" confirmed research support for most categories listed in this indicator.
10.1	C	***"Program Participants shall require appropriate training of personnel and contractors so that they are competent to fulfill their responsibilities under the SFI Standard."***
10.1.1	C	"Written statement of commitment to the SFI Standard communicated throughout the organization, particularly to mill and woodland managers, wood procurement staff, and field foresters." • The commitment to forest certification of is a part of Michigan state law. • Michigan DNR's leadership restated the organization's commitment to certification. • The lands out of scope and in scope were clarified (a written list was developed). Confirmed "FMFM, Wildlife_FC Lands in Scope Memo_101509" CORRECTED MEMO AND LIST was provided to the audit team.
10.1.2	EXR	"Assignment and understanding of roles and responsibilities for achieving SFI Standard objectives." Exceeds the Requirement: Michigan DNR has a Forest Certification Action Team an active working group drawn from across the Michigan DNR with assignments for all SFI Performance Measures and Indicators and a full-time Forest Certification Specialist. • All of the SFI Performance Measures and Indicators are contained in a series of Forest Certification Work Instructions, which are regularly reviewed and updated. These work instructions provide clear assignment of responsibilities by position.
10.1.3	C	"Staff education and training sufficient to their roles and responsibilities." • Staff interviewed were uniformly highly credentialed and knowledgeable • Formal training records are maintained in Lansing; personnel often maintain their own training records.
10.1.4	C	"Contractor education and training sufficient to their roles and responsibilities." • Loggers encountered during the field audits are trained under the Michigan SFI program "Sustainable Forestry Education" (SFE).
11.1		***"Program Participants shall take appropriate steps to comply with applicable federal, provincial, state, and local forestry and related environmental laws and regulations."***
11.1.2	C	"System to achieve compliance with applicable federal, provincial, state, or local laws and regulations." • The process for written prescriptions and/or project descriptions, including detailed review by specialists, across divisions, and up through the hierarchy ensures compliance.
11.1.3	C	"Demonstration of commitment to legal compliance through available regulatory action information." • No regulatory issues or problems were found.
11.1.4	C	"Adherence to all applicable federal, state, & provincial regulations and international protocols for research & deployment of trees derived from improved planting stock & biotechnology." • Foresters have training in appropriate planting approaches; specialists are involved in all planting projects
11.2	C	***"Program Participants shall take appropriate steps to comply with all applicable social laws at the federal, provincial, state, and local levels in the country in which the Program Participant operates."***

11.2.1	C	"Written policy demonstrating commitment to comply with social laws, such as those covering civil rights, equal employment opportunities, antidiscrimination and anti-harassment measures, workers' compensation, indigenous peoples' rights, workers' and communities' right to know, prevailing wages, workers' right to organize, and occupational health and safety." • Confirmed postings of policies on bulletin boards at various offices.
12.1		***"Program Participants shall support and promote efforts by consulting foresters, state and federal agencies, state or local groups, professional societies, and the American Tree Farm System® and other landowner cooperative programs to apply principles of sustainable forest management."***
12.1.3	C	"Support for the development and distribution of regional or statewide information materials that provide landowners with practical approaches for addressing biological diversity issues, such as specific wildlife habitat, critically imperiled or imperiled species, and threatened and endangered species." • The Michigan DNR provides a wide range of information, on its web site and in printed materials, for the issues and topics of this indicator. Some of the handouts were found at the field offices visited.
12.2		***"Program Participants shall support and promote, at the state, provincial or other appropriate levels, mechanisms for public outreach, education, and involvement related to forest management."***
12.2.3	EXR	"Recreation opportunities for the public, where consistent with forest management objectives." <u>Exceeds the Requirement: Public recreation opportunities are high-quality, diverse, and widely available.</u> • Confirmed recreational facilities at all four units visited, including extensive trails networks, campgrounds, boat launch areas, etc. • Example for Gwinn FMU: Extensive recreation: 7 campgrounds, 2 closed due to budget; 6 cabins, 24 miles of groomed XC ski trails; 45 miles on two motorcycle trails; one ORV route for 8.5 miles; one 15 mile horse trail; 3 interpretive trails; 397 miles of groomed snowmobile trails. • Example for Baraga FMU: 5 state forest campgrounds; 989 miles of groomed snowmobile trails, working with 8 snowmobile grants is very time-consuming; ORV routes; many rail trails, with significant infrastructure for the rail trestles • Statewide ORV Management Plan Update October 22, 2009 was provided to the audit team and reviewed.
12.3	C	***"Program Participants with forest management responsibilities on public lands shall participate in the development of public land planning and management processes."***
12.3.1	C	"Involvement in public land planning and management activities with appropriate governmental entities and the public." • The organization continues to demonstrate a very strong program of involvement with the public on planning.
12.3.2	C	"Appropriate contact with local stakeholders over forest management issues through state, provincial, federal, or independent collaboration." • DNR is currently conducting a laudable "Biodiversity Significant Areas" (BSA) planning process with considerable public involvement (through positions on the Core Design Teams… however there is considerable uncertainty about management provisions within the BSAs, which limits the value of the public process
12.4	C	***"Program Participants with forest management responsibilities on public lands shall confer with affected indigenous peoples."***
12.4.1	C	"Program that includes communicating with affected indigenous peoples to enable Program Participants to a. understand and respect traditional forest related knowledge; b. identify and protect spiritually, historically, or culturally important sites; and c. address the sustainable use of nontimber forest products of value to indigenous peoples in areas where Program Participants have management responsibilities on public lands." • Managers continue to rely mostly on mailings to tribes, although some more personal outreach is done. • Cultural sites database is used.

12.6	C	***"Program Participants shall report annually to the SFI Program on their compliance with the SFI Standard."***
12.6.1*	C	"Prompt response to the SFI annual progress report." (*Note: This indicator will be reviewed in all audits.) • Confirmed with SFI, Inc. their receipt of the report on time
12.6.2	C	"Recordkeeping for all the categories of information needed for SFI annual progress reports." • Record keeping is very good; computer systems appear to be functioning well, and databases appear to be kept up to date. Categories of information for the report are covered well.
12.6.3	C	"Maintenance of copies of past reports to document progress and improvements to demonstrate conformance to the SFI Standard." • Past reports maintained in Lansing.
13.1	EXR	***"Program Participants shall establish a management review system to examine findings and progress in implementing the SFI Standard, to make appropriate improvements in programs, and to inform their employees of changes."***
13.1.1	EXR	"System to review commitments, programs, and procedures to evaluate effectiveness." • MDNR has a robust and very well documented process of conducting internal audits and Internal NCRs
13.1.2	EXR	"System for collecting, reviewing, and reporting information to management regarding progress in achieving SFI Standard objectives and performance measures." • Forest Certification Coordinator tracks NCRs using "Status" spreadsheets
13.1.3	EXR	"Annual review of progress by management and determination of changes and improvements necessary to continually improve SFI conformance." • Confirmed January 2009 MDNR Management Review Report, which includes: o Background and Objectives o Third Annual Surveillance Audit Summary o Implementation Timeline o Decision Items

APPENDIX VI

Itinerary of Field Stops
Michigan DNR 2009 Annual Surveillance Audit

Note: Confirmed sale documentation for all sites including (as applicable) completion report, field inspection report, contract with sale specific conditions & requirements, timber sale map, and presale checklist.

Tuesday October 27, 2009 - Roscommon FMU

Site 1: RDR Site: (Grant# ORV-2008-021-21) Restored former unauthorized and poorly-sited ORV parking lot and staging area (cited in 2007 Roscommon Internal Audit). Restoration includes re-grading site and planting red pine, fencing, signs, replacing and realigning culvert, hardening adjacent road junction.

Site 2: Constructed parking lot for ORV staging to replace closed parking lot described Site 1 above.

Site 3: West Branch Field Office: Offices for 2 fire officers, public gets firewood permits here, garage and workshop space, storage for fire-fighting vehicles, LED quads, other equipment; confirmed proper chemical storage and MSDS sheets

Next 4 sites are in Compartment 193; compartment plan was reviewed.

Site 4: Ski Trail Oak Timber Sale: completed oak thinning, carefully designed and implemented to protect XC ski-trail; discussed pre-inventory and pre-review, open house, and compartment review for planning; also met with local Chamber of Commerce who maintains trail to discuss trail impacts

Site 5: Second Time Pine Timber Sale: completed second thinning of red pine stands

Site 6: Designated SCA adjacent to RDR next to Powerline ROW; ORV restoration

Site 7: Clear Lake RDR Site: damage site associated with ORV use; 2 years ago graded, planted, fenced with a rustic, light-duty fence; very limited vandalism

Final Two Sites are in Compartment 190; compartment plan was reviewed.

Site 8 Stoney Ridge Oak Timber Sale: Active harvest; interviewed logger Tom Akin (had appropriate safety gear, first aid kit and spill kit in truck, trained SFE logger); 2 to 12-foot tall white pine regeneration not mentioned in contract or discussed with logger for special protection, adequate protection during harvest; encouraging white pine in this management area will be added to draft management area plan being developed as part of the Regional State Forest Management Plan``

Site 9: Compartment 190, Stand 32: Clearcut harvest 2 years ago to regenerate oak and aspen, good green-tree retention of white oaks; combination of heavy browse, aggressive red maple sprouts, effects of sedge, and frost impacts caused concern for oak regeneration and led to FTP for trenching (done) and red pine planting (spring 2010). Observed more than 10,000 oak seedlings per acre (all less than 1 foot tall); discussed the need to nurse these to greater height under the planted red pine.

Tuesday October 27, 2009 - Pigeon River Country FMU

10 am	Overview of PRC Forest Management Unit; Office Discussions; and Finalize Field Visits
11 am - 4 pm	Field Site Visits PRC end 4 pm)
11 am	Load into vehicles and depart for C42 to visit Twin Vulture Red Pine and Twin Vulture II timber sales. Optional Natural Rivers Stop; at the new bridge over the Pigeon River (or other site) to discuss Natural Rivers Designation and implications for management.
12 pm	Lunch stop at Round Lake State Forest Campground (lunch provided)
12:30 pm	Depart for C43 to visit High Country Oak and Town Corner Jack Pine timber sales.
1:45 pm	Travel to Chandler Dam Elk Viewing Area, discussion with Wildlife Division on wildlife openings, desire for a visible elk herd
2:10	Travel to Elk Hill Group Campground for recreation issues discussion
2:40	Travel to Lost Lake to discuss fisheries management discussion and recreation management discussion
3:00	Travel to proposed BSA to discuss BCPP issues.
4:00	Debriefing at BSA site.

Wednesday October 28, 2009 - Baraga FMU

Ferrucci

Site 1: C5, Aroma Hardwood: completed hardwood selection harvest, hemlock retained (deer yard)

Site 2: C5, Skyline Aspen: completed final harvest aspen sale with significant retention

Site 3: RDR Si Mile Creek crossing of South Kelly Lake Road: temporary fix on partially-crushed double culvert, bridge decking over road fill; no current problems with fish passage, on list for repair but there is no current funding for roads

Site 4: C9, One Bite Pine: nearly complete Jack Pine final harvest; both units reviewed and logger interviewed (Eric Santii, Santii Brothers Inc) confirmed training, first aid kit, spill kit; retained dead trees standing and down, hard hat

Site 5a: ORV trail head Baraga plains: signboard includes information about surrounding Jack Pine Clearcut

Site 5b: Scotch Pine: completed Jack Pine clearcut, chipped, discussed pending biomass harvesting guidelines; confirmed Forest Treatment Proposal for trenching and planting of Jack Pine

Site 6: C12, Kenton Fried Pine: JP stands were prescribed and bid, then burned by escaped USFS prescribed fire; salvaged and in process of reforesting; reviewed trenching; reviewed natural regeneration under burned white pine portion of site

Site 7 (6b): C12, FTP-11-201: clearcut Jack Pine; anchor chained too late failed natural regeneration, failed trench and seed, failed planting 2008, planted again 2009; reviewed Forest Treatment Completion Reports for these efforts and other nearby projects

Site 8 (7a): C9, BFJ Aspen, Unit 1: Aspen-dominated diverse mixed species stand, marked not yet cut, cut all aspen, birch, maple, leave pine and most oak

Site 9 (7b): C9, BFJ Aspen, Unit 4: Marked heavy thinning in a mature mixed red pine, white pine, hardwood stand, goal to regenerate natural mixed pine stand

Thursday October 29, 2009 – Gwinn FMU

Site 1: Compartment 50, FTP 32-647 Prescribed Burn: all Aspen harvested 8 years ago, the white pine sawtimber was left to provide a seed source; aspen burned May 2008 but has resprouted vigorously enough to require another burn; stand was cut too hard initially, with inevitable results

Site 2: Compartment 53, Completed Sale #32-020-07-01: Completed selection harvest; much severely browsed Sugar Maple seedlings; some gaps were made; discussed the transition from even-aged to uneven aged; biologist has data showing that deer browse is severe from migrating deer that use the same corridors each year

Site 3: Compartment 55, Stand 2: ERA (HCVA) in Dry Mesic Forest, light thinning from below and mowing/crushing of the understory spruce-fir by the logging equipment

Site 4: Compartment 51, active sale 32-001: 75 year old aspen, nearly all being cut, with removal of hardwoods and nearly all larger spruce and fir; some softwood retention, good clumped retention, some aspen retention on the other side of the road; whole-tree chipping

APPENDIX VII

SFI Reporting Form

COMPANY CONTACT INFORMATION

Name of Certified Company		**Michigan Department of Natural Resources**			
Address	**Street, No.**	**1990 US-41 South**			
	City	Marquette	**Zip/Postal Code**	**49855**	
	State or Province	**Michigan**			
Contact person		**Dennis Nezich**			
Telephone		**(906) 228-6561**	**Fax**	**(906) 228-5245**	
E-mail	nezichd@michigan.gov	**Company website**	**http://www.michigan.gov/dnr**		

CERTIFICATE INFORMATION

Forest Certification achieved (SFI, CSA)		SFI	
Certificate number		NSF-SFIS-5Y031	
• **Certification Date (mm/dd/yy)**	December 9, 2005	**Certificate Expiry Date (mm/dd/yy)**	December 8, 2010
• **Text in Scope Line of Certificate**		Land management on 3.9 million acres of Michigan State Forests (excluding long-term military lease lands) and related sustainable forestry activities under the 2005-2009 Edition of the Sustainable Forestry Initiative Standard.	
• **Certification Body Name**		NSF-ISR	
• **Accreditation Body Name**		ANAB	
• **Accreditation Number**		NSF-ISR 1301672-071107	
Canada Only: Notification Fee Paid		Yes	No

CERTIFIED FOREST INFORMATION

Forest area (to which certification applies)	3,900,000 ACRES	HECTARES
SFI Certification Breakout by State/Province	State/Province MI ac/ha 3,900,000	State/Province ac/ha
	State/Province ac/ha	State/Province ac/ha
Land ownership	% 100 public % private	
• Is this same area certified to another forest management standard? (mark with an 'x')	X YES NO If Yes, to which standard: CSA SFI X FSC If Yes, what portion of the acres/hectares (and AAC for certificates in Canada) reported on this form was previously certified? acres OR ha AAC	
CANADA ONLY Is the certification located in the Boreal?	% Boreal (acres) % Boreal (m3)	% Boreal (hectares) % Boreal (m3)
• **CANADA ONLY** • AAC in m3 (to which certification applies)	(For private lands use annual average harvest.)	