Bureau Veritas Certification
North America, Inc.
SFI Forest Management Audit Report

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PQC Code	E01E
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Certification Audit:		Re-Certification Audit:		Surveillance Audit:	#1	Scope extension audit:	

Audit Summary

Introduction

This report summarizes the results of the first surveillance audit conducted on the Missouri Department of Conservation's (MDC's) SFI program for forest management. The audit was conducted by Mr. Richard Boitnott, Bureau Veritas Certification lead auditor. Mr. Boitnott is an SAF certified forester, a Texas accredited forester, and has wildlife management expertise.

Audit Scope, Objectives and Process

The scope of this audit is "land management on Department of Conservation owned land in the state of Missouri". The audit was conducted against the SFI 2015-2019 Standard Forest Management Edition. All SFI Objectives were covered during the audit. There was no substitution or modification of indicators. Specifically, two objectives of the SFI audit were to verify that the Program Participant's SFI Program is in conformance with the SFI Objectives, Performance Measures, and Indicators, and any additional indicators that the Program Participant chooses, and verify whether the Program Participant has effectively implemented its SFI Standard program requirements on the ground. Standard Bureau Veritas Certification protocols and forms were applied throughout the audit as provided by the most recent version of the Bureau Veritas Certification SFI Auditor Handbook available on the auditor access website.

Audit Plan

The audit began with an opening meeting on 9/4/2018 followed by a review of system documentation in the morning for ½ day. This was followed by field audits of two conservation areas during the afternoon. The field audit continued on the 5th and 6th, with a closing meeting held at the close of business on the 6th. An audit plan was developed and is on file with Bureau Veritas Certification.

Company Information

The Missouri Conservation Department is a public entity tasked with restoring, conserving, and regulating Missouri's fisheries, forests, and wildlife. The department manages more than 975,000 acres of land in the state, of which approximately 650,000 are forested and covered by the scope of this audit. The forest type is generally an oak-hickory forest, mixed with some shortleaf pine. However, a portion of the ownership is located in the Mississippi alluvial plain, consisting of a bottomland forest. Most of the ownership is moderately to relatively steeply dissected, with the

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exception of the bottomland areas. MDC manages its forest using natural regeneration. Very little clearcutting occurs, and the only herbicide use is for the control of invasive species.

Multi-Site Requirements

MDC maintains a multi-site certification consisting of eight regions. Headquarters of the management system is in Jefferson City, Missouri. The agency qualifies for multi-site sampling since the management system is controlled and directed by the central office. The SFI manager now operates an internal audit program that is one upon which Bureau Veritas Certification can place a high degree of reliance to ensure continued conformance with the SFI standard. Regions are responsible for developing corrective actions and reporting to the central office.

Two regions are required to be audited during each surveillance. Two regions that were not covered during the initial audit were originally selected to be audited during this first surveillance. However, the lead auditor in conjunction with the MDC SFI manager decided to add harvest sites in the Ozark region. This region along with the Southeast region conduct most of the harvest operations throughout the organization. The Ozark region was added to provide more opportunities for the auditor to review harvesting operations. This trend will most likely continue in the future, adding either the Ozark or Southeast regions to the audit schedule.

Sites	Sites Audited During this Event
Jefferson City	X
Northeast Region	
Southeast Region	
Ozark Region	X
St. Louis Region	
Central Region	X
Southwest Region	X
Kansas City Region	
Northwast Region	

Audit Results

The document review was conducted to determine if MDC's system documentation continues to meet the requirements of the SFI 2015-2019 Standard Forest Management Edition. The central office audit also examined the company's procedures for meeting multi-site requirements. The field audit consisted of a review of eight harvesting operations, one special site, and one habitat restoration site. Two of the harvest sites were active at the time of the audit. The lead auditor interviewed loggers to discuss training, BMP compliance, rutting guidelines, and spill response.

Objective 1-Forest Management Planning:

MDC has a stand-level inventory system in place. The agency uses a continuous inventory system to provide information on growth and yield. The agency uses the area control method to schedule harvests. MDC is using FVS for its growth and yield, while feeding data from the CFI. The agency is aware of potential impact of climate change on forest inventory. MDC has a GIS in place, including soils information. The agency has an ecological land classification system.

MDC does not have income or harvesting targets. It conducts timber harvest to enhance forest health and provide wildlife habitat. Timber removal for 2017 was 11,120,000 board feet. This is less than 1% of the estimated 2.6 billion bd. ft across the ownership. Estimated growth is 3%. MDC only

conducts conversions to achieve restoration objectives. The agency developed a conversion document to address an opportunity for improvement issued during the initial audit. The agency does not convert land to non-forest uses.

Objective 2-Forest Health and Productivity:

Specific treatments for each stand, including regeneration and intermediate harvests, are identified during compartment inventory and analysis. Reforestation after final harvests is through natural regeneration, with the exception of some native plantings or seeding on sites following silvicultural recommendations and compatible with the appropriate ecological classification. Regeneration is evaluated during forest inventory processes. Natural regeneration is usually not a problem, but if less than 100 desirable TPA are present after 15-20 years, additional silvicultural treatments may be used. MDC does an excellent job of monitoring and diligently managing its forest to prevent impacts from pests.

MDC generally only uses herbicides for the treatment of invasive species. Employees responsible for herbicide applications are properly licensed. No herbicide use was observed during the audit. The agency does not use any WHO Type 1A or 1B pesticides, nor does it use any banned under the Stockholm Convention.

Soil productivity was very well protected in all resource units. No rutting or soil compaction was observed during the audit. Foresters and logging contractors were very consistent in their responses to acceptable rutting guidelines, which are spelled out in the Missouri Watershed Protection Practice document and included in logging contracts.

Objective 3-Protection and Maintenance of Water Resources:

Compliance with the Missouri Watershed Protection Practice (BMP) was evident on all harvest sites reviewed during the audit. Streamside management zones were very well established, generally wider than required, and included protection of ephemeral streams, which is not required by the Missouri Watershed Protection Practice document. Erosion control measures were in place on roads and skid trails. Logging contracts contain a requirement for compliance to BMPs. Only one ephemeral and two non-ephemeral stream crossings were observed during the audit. The lead auditor could see no impacts from the crossings, providing evidence they were very well done.

Objective 4-Conservation of Biological Diversity:

MDC continues to operate a robust wildlife management and biodiversity program, given its focus is on enhancing wildlife habitat. Input from the natural heritage program is obtained for every timber sale, providing known locations and appropriate management practices. Harvest timing restrictions are in place on many sites due to the potential presence of listed bat species. The agency considers all G and S ranked species, in addition to T&E species. MDC uses the state wildlife action plan to determine priority species to incorporate into its forest management plans. The agency uses its ecological land classification system to document forest cover types.

Stand-level wildlife habitat elements were evident on all partial harvests reviewed during the audit. There was an obvious attempt to retain snags and legacy trees. More than adequate retention was evident on the few clear-cuts observed during the audit, making the clear-cuts appear to be more shelterwood cuts instead of true clear-cuts. The agency has a policy to retain at least 10% of its land in old-growth or old-growth potential stands. MDC uses prescribed fire for wildlife habitat enhancements. One woodland restoration project was observed during the audit where the agency is trying to restore native grasses and herbaceous vegetation through the use of prescribed fire.

MDC is quite active in identifying and treating any significant occurrences of non-native invasive species. Employees were well aware of invasive species that could occur in their area of operations. The only use of herbicides is for the treatment of invasive species.

MDC has a division devoted to conducting research. Results are incorporated into area management plans and communicated through training.

Objective 5-Management of Visual Quality and Recreational Benefits:

One of the primary focuses of MDC is on aesthetics, so it has a very robust aesthetic management program. The primary way of addressing aesthetics is to slash logging debris to within 24 inches of the ground within defined distances depending on type of road. This includes haul roads, as these are used by the public. One clear-cut observed during the audit had a 100' buffer established along a well-traveled road. The manner in which the agency manages its forest also contributes quite well to visual quality. The average clearcut size for the few clear-cuts conducted in 2017 was 15 acres. What few clear-cuts the agency conducts have a lot of standing retention. MDC has a policy to not clear-cut next to a stand unless the adjoining stand is at least 10 feet in height or 50% canopy cover, which takes longer than three years in Missouri. The few clear-cuts observed met the agency's green-up policy.

Objective 6-Protection of Special Sites:

MDC manages the natural heritage database, which includes information on cultural and historical resources. The potential presence of these resources is examined during activity planning processes

Objective 7-Efficient Use of Fiber Resources:

All harvest units observed during the audit demonstrated proper utilization, given all harvest activities were conducted in a hardwood ecosystem, which results in more residual material, and a poor pulpwood market in portions of MDCs ownership. Utilization is monitored during harvest activities, with results recorded on an inspection form.

Objective 8: Recognize and Respect Indigenous People's Rights:

MDC now has a policy in place to respect the rights of indigenous peoples. No know federally recognized tribes exist in Missouri, but the agency has a process to respond to public inquiries.

Objective 9-Legal and Regulatory Compliance:

MDC's system to achieve compliance consists of contract language, pre-activity planning processes, training, and monitoring. Employees and logging contractors were very well aware of spill reporting requirements, addressing a non-conformance issued during the initial audit. The agency's system to ensure system to ensure regulatory compliance consists of contract language, pre-activity planning processes, training, and monitoring

MDC has a written policy in place to comply with social laws. The agency has received no communication from interested parties concerning it or its supplier's performance relative to ILO core conventions.

Objective 10-Forestry Research, Science and Technology:

MDC has a substantial Resource Science Division, responsible for coordinating and conducting research on a variety of forest and wildlife related topics. One of the most significant pieces of research is the Missouri Forest Ecosystem Project, which is taking a long-term look at the impact of logging on a variety of ecosystem functions. The organization is also conducting studies on the Black Bear and Hellbender restoration. MDC contributes a lot of money, both internally and externally. The agency has developed growth and drain assessments and the economic impacts of its operations. MDC has access to information on the potential impacts of climate change on forest health and productivity, and wildlife and wildlife habitat.

Objective 11-Training and Education:

The agency has a statement of commitment to the SFI standard that is available to all employees on the MDC intranet. All employees are required to receive SFI orientation training. Other training, such as BMPs, T&E species, aesthetics, etc. are conducted as needed. Training records verified training has occurred as required by the agency's procedures. MDC employees receive a great deal of training. The agency requires loggers to have at least one person on each job who maintains current training status. MDC's written agreement with loggers contains a requirement for the use of qualified loggers. The agency adds preference points to its bid process for Master Certified loggers, thus encouraging loggers to become certified. The lead auditor considered this to be a commendable practice. All loggers are required to have someone on each job who is either trained or a Master Certified logger in order to bid on an MDC sale. They must provide evidence of training at the time the contract is executed. However, many contracts run longer than one year, and there is no system in place to ensure the person on the job is still trained. The lead auditor issued an opportunity for improvement to encourage the agency to develop such a system.

Objective 12-Community Involvement and Landowner Outreach:

There is no existing SIC in Missouri. Essentially, MDC is the Missouri SIC. The agency has a landowner assistance program that provides a wealth of information to landowners, including the conservation of biological diversity and the protection of T&E and species of concern. MDC provides financial assistance to Forest Releaf of Missouri, which distributes free trees for planting, and the Forest and Woodland Association of Missouri, which promotes healthy, productive, and sustainable forests in the state. The Missouri Managed Woods program promotes the conservation of forestland. MDC is very involved in public outreach, this being another focus area of the agency.

Objective 13: Public Land Management Responsibilities:

The agency is required to get input from the public and adjoining landowners as part of its area planning process.

Objective 14-Communications and Public Reporting:
MDC's initial audit report as found on the SFI, Inc. website was required for public review. The agency submitted its 2017 SFI annual progress report prior to the March 31 deadline. MDC has the GIS and accomplishment (RAPTOR) capabilities to provide information to complete the report.

Objective 15-Management Review:

MDC has developed a system for collecting information to provide to management to evaluate the agency's conformance to the SFI standard. The agency conducts internal audits which it uses to judge its conformance and provides this information to management. MDC conducts a review of the progress towards achieving SFI objectives during monthly staff meetings and quarterly manager meetings.

<h1 style="text-align:center">Findings</h1>

Previous non-conformances:
Four minor non-conformances were issued during the stage 1 and stage 2 audits in 2017. All were closed and have still been effectively implemented.

Non-conformances:
No non-conformances were issued during this audit.

Opportunities for Improvement:
One opportunity for improvement was issued, which should be considered in light of how it could affect conformance in the future.
1. PM 11.1, Ind 4: MDC may want to consider developing a system to check the training status of its logging contractors on sales that extend more than one year to ensure someone is still on the job who is considered a qualified logger.

Notable Practices:
One notable practice was observed during the audit:
1. PM 11.2, Ind. 3: Missouri is one of only a very few states that has a master certified logger program. MDC supports this program by giving preference points to certified loggers during the bidding process. This encourages loggers to become certified as it increases their chances of logging on MDC property. MDC is commended for its efforts to support the state's master certified logger program.

Logo/label use:
MDC is using the SFI logo on its website with approval from SFI, Inc. It does not intend to use the BVC logo.

SFI reporting:
The initial audit report was found on the SFI, Inc. website as required for public review.

Review of Previous Audit Cycle
N/A

<h1 style="text-align:center">Conclusions</h1>

Since no non-conformances were issued, MDC was issued a recommendation for continued certification to the SFI 2015-2019 Standard Forest Management Edition.

SEE SF61 FOR AUDIT NOTES

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Summary of Audit Findings:							
Audit Date(s):	From: Sept. 4, 2018				To: Sept. 6, 2018		
Number of SF02's Raised:			Major:		0	Minor:	0
Is a follow up visit required:	Yes		No	X	Date(s) of follow up visit:		

Follow-up visit remarks:

Team Leader Recommendation:							
Corrective Action Plan(s) Accepted	Yes		No		N/A	X	Date:	
Proceed to/Continue Certification	Yes	X	No		N/A		Date:	9/6/2018
All NCR's Closed	Yes		No		N/A	X	Date:	

Standard audit conducted against:			
1)	SFIS 2015-2019 FM Edition	3)	
2)		4)	

Team Leader (1):	Team Members (2,3,4…)	
Richard Boitnott; CF, TX AF	2)	
	3)	
	4)	
	5)	

Scope of Supply: (scope statement must be verified and appear in the space below)
Land management on Department of Conservation owned land in the state of Missouri

Accreditation's	ANAB				
Number of Certificates	1				

Proposed Date for Next Audit Event	
Date	TBD

Audit Report Distribution
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Clause	Audit Report	
Opening Meeting	Participants:	Marty Calvert, Rich Blatz, Lee Hughes, Justine Garner, Mike Morris, George Kipp, Jason Green
	Discussions:	➢ Scope of the audit ➢ Audit schedule/plan ➢ Nonconformance types – Major / Minor ➢ Review of previous nonconformances – 4 ➢ Process approach to auditing and audit sampling ➢ Confidentiality agreement ➢ Termination of the audit ➢ Appeals process ➢ Closing meeting timing
Closing Meeting	Participants:	Marty Calvert, Rich Blatz, Lee Hughes, Justine Garner, Mike Morris
	Discussions:	➢ Introductions and appreciation for selecting Bureau Veritas Certification. ➢ Review of audit process - process approach and sampling. ➢ Review of OFIs and System Strengths ➢ Nonconformances – 0 ➢ Date for next audit. ➢ Reporting protocol and timing