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FM-06 January 2009



**Rainforest  
Alliance**

*SmartWood Program*

Forest Management  
**2009 Annual audit**

Report for:

State of Wisconsin  
Department of Natural  
Resources  
Managed Forest Law Tree  
Farm Group  
In  
Madison, WI USA

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<b>Standard Conversions</b>
1 mbf = 5.1 m <sup>3</sup>
1 cord = 2.55 m <sup>3</sup>
1 gallon (US) = 3.78541 liters
1 inch = 2.54 cm
1 foot = 0.3048 m
1 yard = 0.9144 m
1 mile = 1.60934 km
1 acre = 0.404687 hectares
1 pound = 0.4536 kg
1 US ton = 907.185 kg
1 UK ton = 1016.047 kg

# 1. INTRODUCTION

The purpose of this report is to document annual audit conformance of State of Wisconsin Department of Natural Resources Managed Forest Law Tree Farm Group (WI DNR MFL), hereafter referred to as Forest Management Enterprise (FME). The report presents the findings of SmartWood auditors who have evaluated company systems and performance against FSC forest management standards and policies. Section 2 of this report provides the audit conclusions and any necessary follow-up actions by the company through corrective action requests.

SmartWood audit reports include information which will become public information. Sections 1-3 will be posted on SmartWood's website according to FSC requirements. All appendices will remain confidential.

Dispute resolution: If SmartWood clients encounter organizations or individuals having concerns or comments about Rainforest Alliance / SmartWood and our services, these parties are strongly encouraged to contact SmartWood regional or Headquarters offices directly (see contact information on report cover). Formal complaints or concerns should be sent in writing.

## 2. AUDIT FINDINGS AND RESULTS

### 2.1. Audit conclusion

<b>Based on Company's conformance with FSC and SmartWood requirements, the audit team makes the following recommendation:</b>	
<input checked="" type="checkbox"/>	<b>Certification requirements <u>met</u>, certificate maintenance recommended</b> No CAR(s) issued
<input type="checkbox"/>	<b>Certification requirements <u>not met</u>:</b>
Additional comments:	
Issues identified as controversial or hard to evaluate.	None

### 2.2. Changes in the forest management of the FME and the associated effects on conformance with the standard.

WIDNR has instituted minor changes in its management systems to address Corrective Action Requests issued during the initial assessment. These changes, which have brought WIDNR into full conformance with the standard, are described in detail in Section 2.4.

The overall size of the group grew from 40,702 members and 2,166,271 acres to 41,865 members and 2,239,206 acres since the 2008 assessment.

### 2.3. Stakeholder issues

Stakeholder issues are summarized in the following table.

Stakeholder Issue	SmartWood Response
<p>The inability of MFL to require many fundamental forestry practices [other than silviculturally-based timber production] is a basic structural flaw in MFL, which prevents it from ever being a sustainable forestry program until some very broad changes are made.</p>	<p>The certification process verifies conformance with the FSC Lake States Standard, which includes over 62 criteria and over 150 supporting indicators that address social, economic, and environmental sustainability. While it is true that the MFL program cannot require that landowners implement certain practices (e.g., pre-commercial thinning or implementing specific wildlife conservation practices) to remain in the MFL tax program, there are provisions for removal of a property from the MFL FSC certification group (a subset of the MFL lands) for non-conformance with the FSC standard. These procedures are described in Chapter 60 of the Forest Tax Law Handbook. Monitoring by DNR foresters and annual audits by SmartWood are used to verify conformance with the FSC Lake States Standard and take the necessary steps to bring landowners into conformance or remove them from the group.</p>
<p>Most MFL plans pay little or no attention to wildlife or ecology. So long as DNR habitually accepts plans which give little attention to non-timber aspects, it cannot be considered a sustainable forestry program.</p>	<p>The initial assessment found that not all MFL management plans met the FSC standards for management plans, and CAR 08/08 was issued to address this non-conformance. DNR has developed a new management plan format that includes all the required ecological elements of the FSC standard, including information on rare, threatened and endangered species, links to ecological information for the forest type, and information on regional landscape ecology. Site specific wildlife information and information on harvested non-timber forest products would be included if they were landowner objectives, but the plans do not necessarily have site specific wildlife habitat information (unless rare species are known to be present). See OBS 04/09.</p>
<p>Many MFL plans are over simplified in terms of stand delineations, resources are described primarily in terms of commercial forest produces, ecologic or plant communities are barely described at all, cut-and-paste prescriptions are over used and unreasonable or unlikely to work, but DNR usually approves such plans without question, so long as the paperwork is filled out correctly. Until it is required by MFL that plans address more comprehensive forestry, and plan-writers are given adequate training in certain non-timber aspects, the motivations to do brief simplified plans will remain. It is very common to get MFL plans changed substantially, to</p>	<p>Many of these comments may be applicable to older MFL plans. As noted above, CAR 08/08 was issued to address consistency of MFL plans with the FSC Lake States Standard and bring old plans up to standard. To address the variety in quality of plans and extensive review time required by DNR foresters (the audit confirmed that plans are not “reviewed without question”), DNR has developed a standardized, form-based plan with menu selections that addresses weaknesses in many of the older plans identified by this comment. Stand descriptions and prescriptions are updated as necessary at the time that Cutting Notices are filed, including information on rare species,</p>

<p>reflect the actual composition and management needs of the forest as well as to provide for issues beyond basic timber production.</p>	<p>habitats, and cultural resources. Other documents, such as Wisconsin's Forest Management Guidelines, and Silviculture Manual, and website links embedded in the plans, supplement these plans and provide more specific guidance when management activities are being implemented. Annual SmartWood field audits of practices prescribed by the plans are used confirm conformance with the social, economic, and environmental requirements of the Standard (i.e., Principles 2, 3, 4, 5, and 6).</p>
<p>All existing MFL entries are being certified and all past plans are being accepted in one sweeping decision. There isn't even any provision for reviewing and improving the existing plans as a condition of the certification.</p>	<p>The initial assessment included a requirement to bring existing plans into conformance with the FSC standard. WIDNR has initiated a process to bring all MFL plans into conformance with the FSC standard. See findings for CAR 08/08 in Section 2.4.</p>
<p>MFL provides for up to 20% of the acreage in any MFL contract to be considered "non-productive", essentially areas in which the landowner doesn't have to do anything. It often happens that such areas have the highest biologic diversity and the most uncommon species on the property. Plans usually do not include requirements or even recommendations for these areas. These areas are not mentioned as being excluded from the scope of the certificate. If the certification does cover these areas, SmartWood should consider that a) Nothing can be made mandatory in non-productive areas, potentially up to 20% of MFL, and b) Little is even recommended for these areas in most plans, even for those with high biologic diversity.</p>	<p>Areas identified as non-productive are included within the scope of the certificate. Depending on the nature of the resource, passive management (e.g. no harvesting) may be an appropriate management strategy to conserve important values (e.g., wetlands and other native plant communities). The FSC Lakes States standard does not require that all areas of an ownership be actively managed. DNR staff report these are often sensitive sites, areas that landowners wish to preserve for non-timber values (e.g., very old forest patches) or areas managed actively for non-timber values (e.g., oak savannah restoration). However, if passive management is recommended, DNR requires that these areas be monitored to ensure that the non-timber objectives are not being threatened (e.g., invasion of a natural community by exotic plants). DNR has recently had a series of trainings around the state for service foresters and certified plan writers to review the requirements for non-productive lands that are included in MFL plans. No non-conformances related to the FSC standard were identified regarding identified non-productive lands.</p>
<p>DNR should have more training so that foresters can identify rare or uncommon plant communities.</p>	<p>DNR has a wide range of training opportunities for landowners and land managers. This is a constructive comment that DNR could consider; however, no non-conformances related to the FSC standard were identified regarding identification and protection of rare or uncommon plant communities.</p>
<p>The stated primary management objective for MFL lands is legislated to be "timber production". This statement limits the MFL certified plan writer's options to manage for ecologically-based forest management.</p>	<p>The FSC standard does not require that land managers practice "ecological forestry" or "mimic natural processes." However, the Standard (notably Criterion 6.3) does require that species composition, structures, and</p>

<p>Ecological forestry seeks to emulate natural disturbance regimes and incorporate natural models into silviculture that mimic ecological processes that have shaped our forests for thousands of years. This legislated provision is a fundamental constraint to practicing FSC certifiable forestry on MFL lands and should be changed (through legislation) as a precondition before FSC/RA certification is enacted.</p> <p>The application of the silvicultural recommendations contained in the WI DNR Wisconsin Forest Management Guidelines: PUB-FR-226 2003 (to which conformity is required in preparing MFL forest management plans) has become too prescriptive. Rigid interpretation of these concepts can easily fall into the same trap of constraining a forest manager's options and development of creative solutions. The prerogative and decision of what silvicultural system to be applied should remain in the hands of the resource manager closest to the problem. The MFL certified plan writers have the skills to prescribe the silviculture to be applied and should be allowed the freedom and encouraged to experiment and develop creative approaches to the silviculture applied on MFL lands.</p> <p>DNR reports that one landowner group has raised concerns that the MFL Silviculture Manual limits what the landowner considers to be acceptable ecological forestry practices</p>	<p>processes of native forest ecosystems be maintained. The initial assessment found that the MFL lands were in conformance with Criterion 6.3 and that the mandate of timber production has not compromised maintaining ecological values. The 2008 field audit in the South Central and South East Regions found that landowners were trying to maintain declining types (e.g., fire-dependent oak), maintaining old-forest structures, restoring native forest ecosystems through mixed-species planting, and working with successional processes.</p> <p>DNR reports that it is continuing to work with cooperating foresters and certified plan writers to address differences of opinion in management plan content and latitude in writing silvicultural prescriptions. DNR has held many meetings to address these concerns in developing its new MFL Management Plan Template.</p> <p>Nonetheless, there could be instances where the Silviculture Manual limits management options including both timber production and restoration goals (aspen has been identified by some stakeholders as a problematic type) and the creativity of qualified land managers. However, no instances of non-conformance with the FSC standard (notably Criterion 6.3) have been identified to date. This general topic (i.e., the Silviculture Handbook and related elements of the management planning system on ecologically based management options as related to Criterion 6.3 and associated Criteria and Indicators) will be a focus element of the 2010 annual audit.</p>
<p>Currently MFL only allows a 20% non-productive category for wetlands and other protected areas on a given entry. This is applied statewide with no consideration of the percentage of wetlands found in any given county. Vilas County lands contain approximately 30% or more in designated wetlands on average, but can be considerably higher on any given ownership. This means foresters writing MFL plans on Northern Wisconsin counties are commonly running up against the 20% limit forcing them to prescribe treatment on fragile lands which in other counties, not facing this constraint, can be left as designated non-productive areas. This is a significant flaw in the MFL law. The 20% non-productive clause should be changed before certification is enacted to allow consideration</p>	<p>The 2008 assessment did not include Vilas County, but it did not find evidence the 20% non-productive limit was resulting in inappropriate management on fragile lands. Areas visited in 2009 had very low levels (probably less than 5%) of non-productive lands.</p> <p>No instances of non-conformance with the FSC standard have been identified to date regarding this issue. This issue will be reviewed during the 2010 audit (Criterion 6.3 and 6.5) including site visits to counties with a high percentage of non-productive land.</p>

according to the percent of wetlands, other fragile lands, and critical habitat found in any given county.	
DNR has been under some pressure from the timber industry to get the harvests done despite the current market, and is pushing MFL sales at the current market prices. The industry seems to be having some trouble procuring timber because landowners are resisting low prices, and they seem to want ready supplies of cheaper timber to match their lower lumber prices.	MFL procedures require that the timing of mandatory practices is based on stand conditions and silviculture. Markets, landowner need for cash flow, or desire not to cut do not enter into the decision. A consulting forester with a large number of clients in the MFL program reported no pressure from DNR and noted that DNR allows some landowners and forester discretion (typically months, not years) in the timing of harvests due to market conditions. No instances of non-conformance with the FSC standard have been identified to date regarding this issue. Future audits will continue to consider this issue as it relates to the requirements of the FSC standard.

#### 2.4. Conformance with applicable corrective action requests

The section below describes the activities of the certificate holder to address each applicable corrective action issued during previous evaluations. For each CAR a finding is presented along with a description of its current status using the following categories. Failure to meet CARs will result in nonconformances being upgraded from minor to major status with conformance required within 3 months with risk of suspension or termination of the SmartWood certificate if Major CARs are not met. The following classification is used to indicate the status of the CAR:

Status Categories	Explanation
Closed	Operation has successfully met the CAR.
Open	Operation has either <u>not met</u> or has <u>partially met</u> the CAR.

Check if N/A (there are no open CARs to review)

<b>CAR 01/08</b>	<b>Reference Standard &amp; Criteria: 1.1.a; 4.2.a</b>	
<b>Nonconformance</b>		Field audits found non-compliance with OSHA safety laws and regulations among some WI DNR employees and contractors on active harvesting sites.
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	
<b>Corrective Action Request:</b> WI DNR's MFL program shall implement measures to promote implementation of staff safety policies; provide guidance to MFL landowners on OSHA requirements during timber harvesting; and develop reporting policies for observed OSHA violations.		
<b>Timeline for conformance:</b>		By the next annual audit
<b>Evidence to close CAR:</b>		Wisconsin statutes do not authorize DNR foresters to enforce or administer specific Occupational Safety & Health Administration (OSHA) regulations on private lands. The CAR as written (to require DNR to develop a reporting system for observed OSHA violations) is in conflict with state law and would expose DNR to liability if it were implemented.

Therefore, analysis of conformance of this CAR will focus strictly on the language of Indicators 1.1a and 4.2.a, which do not require reporting on OSHA violations but do require that applicable safety laws (1.1a) and related safety programs and procedures (4.2.a) be followed.

DNR has provided additional guidance to MFL landowners on OSHA requirements for timber harvesting on private lands by adding Article 47 of the Sample Timber Sale Contract, which specifies that operations should be in compliance with OSHA safety regulations.

The Division of Forestry has had a policy that requires employees and contractors to wear safety glasses when working in the woods since December 13, 2005. DNR has had a policy since September 9, 1998 to provide employees with eye protection when duties expose them to hazards that cause injury to the eyes. This policy is found in Manual Code 9185.5. DNR has had a policy since April 4, 2008 that requires DNR employees and contractors to wear hard hats when working on active logging sites. Other safety topics can be found on the DNR intranet pages under *Manual Code and Handbooks*.

Safety policies are promoted within DNR in the *ForesTREEporter*, the Division of Forestry's newsletter. The newsletter includes links under "Staff Tools" and "Field Safety." Reminders on where DNR Foresters may find this information are scheduled to be published in the *ForesTREEporter*. Cooperating Foresters receive correspondence from DNR through the *For Cooperating Foresters* page in the DNR Forestry public website. A link to [Forestry Industry Safety & Training Alliance \(FISTA\)](#) website informs cooperating foresters of scheduled safety training, SFI certification and Master Logger Certification classes.

DNR staff members followed safety practices in the field (e.g., hardhats, safety glasses, seat belts). There were no active logging jobs, but logging contractors interviewed indicated that property safety equipment was used on all jobs.

Each year DNR is required to report on the injuries experienced by its employees and their causes. The Division of Forestry does this for its employees as well.

Page 21-11 of the Forest Tax Law Handbook, DNR foresters "are encouraged" to consider if reasonable safety precautions are followed. However, DNR does not have a monitoring checklist that is used for site visits and no evidence that they

	<p>were actively monitoring safety practices of loggers was noted. As the related Handbook footnote observes, DNR Service Foresters may offer general safety information or observations about safety concerns, but they are not authorized to enforce or administer OSHA regulations. Additionally, since loggers purchase stumpage and are not contracted by the landowner or WI DNR, they are not considered contractors as per the language of Indicator 4.2.a. Page 21-15 of the Forest Tax Law specifies that an ownership may be removed from the FSC group for non-conformance with the FSC standard. Chapter 60 describes the administrative procedures for notifying landowners of non-conformance with the FSC Standard and, if necessary, removing an ownership from the FSC group. No evidence of removal for non-conformance was reported to the auditor. DNR prefers to educate landowners to change behavior before removing them from the group and to date has found that to be effective. Thus, DNR has the procedures in place to ensure that safety practices are being followed on MFL lands in the FSC group. However, DNR staff and landowners have not been made specifically aware of the FSC safety requirements. The preceding procedures address the requirements of Indicators 1.1.a and 4.2.a, but OBS 01/09 has been issued to address the apparent weakness in conveying the importance of these requirements to DNR staff, cooperators, and landowners.</p>
<b>CAR Status:</b>	CLOSED
<b>Follow-up Actions (if app.):</b>	See OBS 01/09

<b>CAR 02/08</b>	<b>Reference Standard &amp; Criteria: 1.6.a</b>			
<b>Nonconformance</b>	WI DNR MFL Program has not officially documented its commitment to FSC Principles and Criteria.			
<table border="1"> <tr> <td><b>Major</b></td> <td><b>Minor</b></td> </tr> <tr> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> </table>		<b>Major</b>	<b>Minor</b>	<input type="checkbox"/>
<b>Major</b>	<b>Minor</b>			
<input type="checkbox"/>	<input checked="" type="checkbox"/>			
<b>Corrective Action Request:</b> WI DNR shall develop a documented statement of commitment to the FSC Principles and Criteria.				
<b>Timeline for conformance:</b>	By the next annual audit			
<b>Evidence to close CAR:</b>	DNR has added wording to the Forest Tax Law Handbook documenting its commitment to the FSC Principles and Criteria (Chapter 21-1). The handbook was updated on Oct. 30, 2008			
<b>CAR Status:</b>	CLOSED			
<b>Follow-up Actions (if app.):</b>	None			

<b>CAR 03/08</b>	<b>Reference Standard &amp; Criteria: 3.2.b, 3.3.a, 8.2.d.3</b>			
<b>Nonconformance</b>	WI DNR has not implemented WI DNR's policy on tribal consultation on lands in the MFL group.			
<table border="1"> <tr> <td><b>Major</b></td> <td><b>Minor</b></td> </tr> <tr> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> </table>		<b>Major</b>	<b>Minor</b>	<input type="checkbox"/>
<b>Major</b>	<b>Minor</b>			
<input type="checkbox"/>	<input checked="" type="checkbox"/>			
<b>Corrective Action Request:</b> WI DNR's MFL program shall implement existing policies and				

procedures on consultation with tribes.	
<b>Timeline for conformance:</b>	By the next annual audit
<b>Evidence to close CAR:</b>	<p>DNR has identified personnel to act as liaisons for each Native American tribe. DNR also identified a tribal contact for each tribe. A meeting has been held to bring the Tribal Liaisons together to review expectations of the liaison role. This meeting was held on January 15, 2009. Letters were sent to tribal leaders announcing the tribal liaison process and requesting face-to-face meetings. At the request of the tribes, DNR Tribal Liaisons make MFL information on scheduled harvests available to tribes so that they may comment regarding protection of Native American resources. Since this policy was implemented no tribes have requested further information about any MFL cutting notices or indicated that any tribal resources might be harmed by MFL members.</p> <p>As part of process to clarify treaty rights, DNR will be meeting with tribes to discuss tribal rights regarding herbaceous plants. This process has not yet begun.</p>
<b>CAR Status:</b>	CLOSED
<b>Follow-up Actions (if app.):</b>	None

<b>CAR 04/08</b>	<b>Reference Standard &amp; Criteria: 3.3.a, 4.4.b</b>	
<b>Nonconformance</b>		Private lands foresters and Cooperating Foresters have not been trained on the identification and protection of cultural and archeological sites to identify unmapped or unreported sites
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	
<b>Corrective Action Request:</b> WI DNR shall implement measures to train foresters working on properties in the MFL group in cultural resource identification and protection.		
<b>Timeline for conformance:</b>	By the next annual audit	
<b>Evidence to close CAR:</b>	<p>The DNR Archeologist has provided seven training sessions on identifying archeological sites. Consulting foresters were invited to three of these sessions and in the future there will be at least one such session annually. Rosters of 5 of the training sessions are attached. Another training session is planned in the near future. The training sessions are well attended and the material learned will be used on private lands.</p> <p>Instructions for obtaining cultural and archeological resource data is provided to DNR and Cooperating Foresters. Reminders on obtaining this information are provided at the annual MFL update sessions. A review of management plans and cutting notices indicated that foresters are checking for cultural resource information. No cultural sites are known on the sites reviewed during the audit.</p> <p>DNR Archeologist has developed guidance on managing</p>	

	archeological resources on state lands. This guidance is being reviewed for applicability on MFL lands. If sensitive resources are identified on MFL lands, the DNR forester works with the state archaeologist and cooperating forester to develop appropriate management strategies.
<b>CAR Status:</b>	CLOSED
<b>Follow-up Actions (if app.):</b>	None

<b>CAR 05/08</b>	<b>Reference Standard &amp; Criteria: 6.6.a</b>	
<b>Nonconformance</b>		WI DNR includes at least two FSC Highly Hazardous Pesticides (FSC prohibited) on a list of chemicals recommended for use, including on MFL lands. The document indicates these chemicals cannot be used on certified land. WI DNR has no measures to enforce the requirement that these FSC prohibited chemicals are not used on FSC certified lands
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	
<b>Corrective Action Request:</b> WI DNR shall develop and implement measures to enforce the prohibited use of FSC highly hazardous chemicals (until/unless a derogation is in place) on properties to be included in the WI DNR MFL group certification.		
<b>Timeline for conformance:</b>	By the next annual audit	
<b>Evidence to close CAR:</b>	<p>Enforcement of the Managed Forest Law (MFL), Tree Farm and FSC certification requirements is identified through Chapter 60 of the Forest Tax Law Handbook. Chapter 60 includes procedures for removing lands from the MFL FSC certification program for nonconformance with the standards. Wording was added to page 60-15 to provide examples and the basis for removing landowners from group certification if an FSC prohibited pesticide is applied on certified lands. Enforcement of the MFL program is done in accordance with procedures outlined under <i>Steps to Successful Compliance or Enforcement</i> on page 60-1 and 60-2. Two instances of highly hazardous pesticide use were reviewed during the audit, as described below in CAR 06/08. In each instance DNR followed up with the landowners in a letter that described the FSC prohibition on certain chemicals and that gave them the option of ceasing use of the prohibited chemical or voluntarily leaving the group. In both cases the landowners agreed to stop using the chemical. Because the landowners agreed to stop using the chemical WIDNR has not needed to remove them from the through its formal enforcement procedures.</p> <p>DNR has also develop new measures for monitoring pesticide use (see CAR 06/08 below) and for monitoring conformance with the overall FSC Standard (see CAR 12/08 below), and related Observations OBS 02/09 and OBS 08/09.</p>	
<b>CAR Status:</b>	CLOSED	
<b>Follow-up Actions (if app.):</b>	See OBS 02/09 and OBS 08/09	

<b>CAR 06/08</b>	<b>Reference Standard &amp; Criteria: 6.6.a, 6.6.d, 6.6.f, 6.6.g</b>
<b>Nonconformance</b>	MFL property owners and cooperating foresters have not been provided

<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	specific guidance or direction regarding the FSC pesticide policy. Systems for reporting, monitoring and prescriptions for pesticide use on MFL properties have not been developed.
<b>Corrective Action Request:</b> WI DNR shall develop and implement measures to ensure all group members, staff and Cooperating Foresters are aware of the FSC pesticide policy and that all chemical applications are in compliance with the policy and Criterion 6.6 including a written prescription, monitoring and reporting.		
<b>Timeline for conformance:</b>		By the next annual audit
<b>Evidence to close CAR:</b>		<p>WI DNR has developed a number of steps to address this CAR by developing a pesticide program that is in conformance with the FSC Lake States Standard. DNR has begun to implement this program, which should be fully operational prior to the 2010 herbicide use season. The auditor has found the program, detailed below, sufficient to close the CAR, but recommends that implementation of the program and MFL group conformance with Criterion 6.6 be reviewed during the next annual audit. See OBS 02/09.</p> <p>WI DNR has taken the following steps to address the CAR:</p> <p><b>Consistency with FSC Pesticide Policy:</b> DNR sent a letter to all MFL FSC certified landowners explaining some of the requirements of the FSC Standard, including a link to the FSC list of prohibited pesticides. Page 21-10 of the Forest Tax Law handbook specifies that pesticide prescriptions shall conform to the FSC pesticide policy and also references the prohibited pesticides list. DNR is developing a toolkit for all pesticide use under DNR's jurisdiction, not just forestry. Information on DNR's pesticide policies for the MFL group has been communicated to field staff and cooperation foresters during training sessions and in written communication. DNR is developing a training plan and associated tools (e.g., DNR intranet and cooperating forester internet information) to help ensure consistency with the FSC pesticide policy and Criterion 6.6. DNR plans to begin implementing training in accordance with the training plan in the fall of 2009.</p> <p>While DNR's communication with service foresters and cooperators is educating those groups about practices that are consistent with FSC's pesticide policies, private landowners who implement projects without current DNR review (for example, those implementing recommended practices in management plans without current DNR involvement) are less likely to be aware of the FSC requirements for pesticides. During the field audit, two landowners (out of 35 FMUs visited) were found to be using a prohibited pesticide (simazine) without a derogation or knowledge of the service forester. These landowners had received a mailing that gave a link to the prohibited pesticides</p>

list, but were not aware the simazine was not allowed. The service forester informed the landowners that that chemical was no longer allowed in MFL properties within the FSC group certificate. As noted in the findings for CAR 05/08, both landowners have agreed to stop using the prohibited chemical.

In response to evidence that some MFL Group members were continuing to use pesticides prohibited by the FSC, WIDNR developed the *MFL Pesticide Use CAR Resolution Issue Brief* which will be presented to the DNR forestry leadership team on August 24, 2009. The brief outlines a plan to focus education and monitoring efforts on landowners with young tree plantings, which are the primary sites where there is potential that MFL members may be using prohibited pesticides (principally simazine and/or hexazinone for grass and weed control). The brief includes several steps to provide these landowners as well as the Wisconsin Department of Agriculture, pesticide licensees, and pesticide distributors with information on prohibited pesticides and steps to monitor and report in use of prohibited pesticides. Within the groups of landowners with young tree plantings, the primary risk is with those who have that were planted prior to the 2008 FSC certification, because up until that time pesticides prohibited by the FSC were prescribed for use in the MFL program. The auditor believes that the maturation of the pre-FSC plantings beyond the age where chemicals are needed, combined with the education and monitoring (see below) procedures being implemented by WIDNR will result much improved conformance with the FSC chemical use policy.

**Prescriptions.** Written prescriptions are multi-layered. The new management plan template includes options to select chemical control of invasive species, chemical site preparation or chemical release as recommended practices. For invasive species, the plan then gives links to the DNR Forest Health Web page at: <http://dnr.wi.gov/forestry/Fh/>, which has pages specific to control measures for each invasive species. All of the plan chemical prescriptions recommend that the landowner contact the local DNR forester for further advice and apply pesticides per label requirements. When contacted DNR foresters give landowners generic prescription sheets on control of common invasive plants that include basic pesticide recommendations and reference label use requirements.

DNR guidance on herbicides use in the *Silviculture Handbook* is also effectively part of any herbicide prescription.

**Monitoring and reporting.** When invasive species control is a required practice, licensed applicators and DNR foresters

	<p>monitor the results of the treatments for effectiveness and application for consistency with the recommendations. Data on all treatments by licensed applicators are recorded per state licensing requirements. Landowners who do their own treatments as a recommended (not mandatory) practice monitor the effects as they use but are not required to record type and amount of chemical used and area treated nor are they required to report to DNR.</p> <p>DNR is developing a system to collect data on all pesticides used by cooperating foresters and landowners as part of DNR's annual Cooperating Forest Management (CFM) report. As part of their agreement DNR foresters and cooperating foresters are required to submit these forms annually. These data will be included in a database, which should be operational in August 2009. This system will address monitoring of the vast majority of ownerships in the DNR system.</p> <p>To monitor landowners who do not hire a cooperating pesticide applicator, the <i>MFL Pesticide Use CAR Resolution Issue Brief</i> includes a number of monitoring and reporting steps. These include providing landowners with pesticide use recording forms, reporting systems, and annual sampling by mail survey of MFL Group members that have recommended practices that are likely to include pesticide use. The responses will be used to gauge the effectiveness of a pesticide information and education campaign and conformance to the FSC restrictions and make adjustments as necessary. Field monitoring of pesticide use will occur when DNR Service Foresters inspect the lands of MFL Group members that request payment for completed cost share practices (including herbicide treatments), and WI DNR state nurseries also sample planting survival and will monitor pesticide use at that time.</p> <p>With such a large group of landowners, DNR recognizes that it will not be possible to have 100% conformance by all members immediately. The program's monitoring protocol will allow DNR to identify where problems are occurring and to develop additional implementation and education programs to bring landowners into conformance. The auditor concurs with this assessment and believes that the steps taken by DNR adequately address conformance with the requirement of Criterion 6.6. As many of the procedures are new, the auditor recommends follow by SmartWood during the next annual audit to evaluate their effectiveness.</p>
<b>CAR Status:</b>	CLOSED
<b>Follow-up Actions (if app.):</b>	See OBS 02/09. The auditor recommends that SmartWood

	audit implementation of DNR's MFL Group pesticide program and conformance with Criterion 6.6 during the next annual audit.
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<b>CAR 07/08</b>		<b>Reference Standard &amp; Criteria: 6.9.d</b>
<b>Nonconformance</b>		WI DNR has developed guidance on invasive species identification and control but it is unclear how these guidelines and control measure are being implemented on MFL group properties.
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	
<b>Corrective Action Request:</b> WI DNR shall develop and implement measures to encourage MFL group landowners to conduct control measures for invasive exotic species found on their properties, when appropriate.		
<b>Timeline for conformance:</b>		By the next annual audit
<b>Evidence to close CAR:</b>		<p>The new MFL management plan template (effective July 2009) requires that the top 4 invasive species that are found on a property be recorded. The level of invasive species knowledge among certified plan writers is high, and the newer MFL plans contain recommendations for invasive species control. Management plan template wording will direct landowners to current invasive species management information on the DNR public website.</p> <p>When DNR foresters visit the MFL property at the time a Cutting Notice is filed they make recommendations to landowners if invasive species control would be beneficial. In cases where invasive species will significantly limit the regeneration of a forest stand, invasive species control is a required practice.</p> <p>During the audit, evidence of recommendations was observed in MFL plans and updates associated with cutting notices. Implementation of control measures was observed at several sites.</p> <p>In addition to MFL Guidance and voluntary Invasive Species BMPs (<a href="http://council.wisconsinforestry.org/invasives/">http://council.wisconsinforestry.org/invasives/</a>), DNR is developing administrative rules regarding control of invasive species that will apply to all land within the state. The Chapter NR 40 rules give DNR regulatory authority to enforce control measures. The rules are now in the final stage of approval by the State Legislature.</p>
<b>CAR Status:</b>		CLOSED
<b>Follow-up Actions (if app.):</b>		None

<b>CAR 08/08</b>	<b>Reference Standard &amp; Criteria: 7.1.a.2, 7.1.b.1, 7.1.b.2, 7.1.b.3, 7.1.b.5, 7.1.f</b>
<b>Nonconformance</b>	Not all the MFL management plans contain the elements required in the

<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	FSC Standard. Particularly, older management plans are missing key elements. WI DNR has the authority to require management plan updates when a Cutting Notice is submitted but not all plans are updated at that time.
<b>Corrective Action Request:</b> WI DNR shall develop and implement measures for updating all MFL group management plans prior to any management activities so that they are in full conformance with FSC Criterion 7.1.		
<b>Timeline for conformance:</b>	By the next annual audit	
<b>Evidence to close CAR:</b>	<p>Missing management plan elements identified during the 2008 assessment are addressed by the new management plan template and updates to older plans, as described below.</p> <p>New management plans are written for new enrollees or, for existing enrollees, at the end of the 25 or 50 year plan period. Older plans are updated at the time a management practice is implemented.</p> <p>Forest data for each stand is currently stored in the Plan Track database. By late 2010 Plan Track will be phased out and new management plans and updated to existing plans will be stored on the <i>Wisconsin Forest Inventory and Reporting System (WisFIRS)</i>. WisFIRS is a Web-based computer system that currently records the recon data of state owned lands and will be expanded to include private lands under the Managed Forest Law and Forest Crop Law programs.</p> <p>WisFIRS will record the data inventory including timber types, acreage, stand age, stand density (basal area), number of boards and cord, soil type, silvicultural systems, specific management practices scheduled by year, and non-mandatory practices. WisFIRS will be a live, on-line system accessible to DNR Foresters and partners (cooperating foresters and certified plan writers). The entire MLF plan will be in WisFIRS, allowing on-going updates over the life of the plan as new data are entered or if forest conditions or landowner objectives change. Both the Plan Track data and (when operational) WisFIRS data are considered to be part of the “management plan.”</p> <p><i>[Applicable Indicators are included below in italics with specific areas identified as missing during the 2008 assessment in <b>bold</b>.]</i></p> <p><i>7.1.a.2. The management plan <b>describes the desired future conditions that will meet the long-term goals and objectives and that determine the silvicultural system(s) and management activities to be used.</b> New Plans:</i> A series of silvicultural treatments to attain desired future conditions is included for each stand. Treatments cover at minimum a 25-year period. <b>Updates:</b> Stand data and</p>	

silvicultural prescriptions are updated at the time a mandatory practice is due. Desired future conditions may not be explicitly described but are implicit in the silvicultural prescriptions selected and forest conditions and management systems described in the Silviculture Handbook. These are entered into the Plan Track system, and will result in a fully updated plan once the new WisFIRS database is operational.

*7.1.b.1. The management plan **describes** the timber, fish and **wildlife**, harvested non-timber forest products, **soils**, and non-economic forest resources. **New plans:** The management plan describes the forest type and size class of each stand and the most common tree species within the stand. The plans do not necessarily have site specific wildlife habitat information, unless rare species are known to be present. The plans provide Web links to Ecological Landscape information and associated wildlife priorities (e.g. Species of Greatest Conservation Need from the WI Wildlife Action Plan) and other plant community and wildlife information at the regional level. Non-timber forest products are addressed in a general statement on the subject. Site-specific wildlife information and information on harvested non-timber forest products would be included if they were landowner objectives, but not necessarily otherwise. A soil description is included, along with suitability for management. Non-economic resources are described in the "Special Features" section of the stand description.*

**Updates:** The reconnaissance information gathered by the DNR foresters at the time that a mandatory practice is due is entered into the Plan Track database. This currently serves as the most up-to-date information for describing forest types and size classes. Site specific wildlife management recommendations are prescribed if rare species are found during the NHI search or if landowners have special interests in completing a specific wildlife management practice. Non-timber forest products updates would be included if there were associated practices in the management plan. Soils information for older plans is included in the Plan Tack database. See OBS 04/09.

*7.1.b.2. The management plan includes a description of **special management areas; sensitive, rare, threatened, and endangered species and their habitats; and other ecologically sensitive feature in the forest.** **New plans:** Natural Heritage Inventory (NHI) data (rare species and communities) are checked during plan preparation and during the cutting notice process. The new management plan template includes a summary of the NHI search. Any special features identified by a forester (e.g. water bodies, rock outcrops, etc.) are described in the Special Features section of the stand descriptions. **Updates:** NHI data are updated at the time a cutting notice is filed or a mandatory practice*

	<p>becomes due. Water bodies and wetlands are included in the DNR's Web-based wetland inventory. Other ecologically sensitive features and/or other special management areas are identified prior to management activities (e.g. small unmapped wetlands and seeps) and while they may not be formally documented, they addressed through appropriate BMPs. See OBS 05/09.</p> <p><i>7.1.b.3. The management plan includes a <b>description of past land uses</b> and incorporates this information into the vision, goals, and objectives. <b>New plans:</b> Past land use is described in the "Stand History" section of the stand descriptions. Long-term history (i.e., before stand establishment) is not described. <b>Updates:</b> The update process does not specifically require that past land uses be described in any documents or databases. However, past land uses (e.g. factors influencing stand establishment, evidence of harvest, fire, and other disturbances) are considered by foresters as they prepare prescriptions and influence future management of the stand. While plan updates do not explicitly meet the language of this indicator, because past uses are considered by the forester the risk of potential impacts due to not formally documenting past land uses in the management plans for these small ownerships is very low. See OBS 06/09.</i></p> <p><i>7.1.b.5. The management plan identifies relevant cultural and socioeconomic issues (e.g., traditional and customary rights of use, access, recreational uses, and employment), conditions (e.g., composition of the workforce, stability of employment, and changes in forest ownership and tenure), and <b>areas of special significance</b> (e.g., ceremonial and archeological sites). <b>New plans:</b> A cultural resource search is conducted during the planning process and any known historical and cultural resources are described. <b>Updates:</b> Cultural data are updated at the time a mandatory practice is due, and included in the cutting notice or practice plan.</i></p> <p><i>7.1.f. Environmental safeguards based on <b>environmental assessments</b> (see also Criterion 6.1.) <b>New plans:</b> Environmental safeguards (e.g. BMPs, sensitive ecological historical, and cultural sites) are addressed in the new management plan template. <b>Updates:</b> All checks for BMPs, NHI, historical, cultural and archeological sites are checked prior to implementing any management practice. Results of these searches are incorporated into the practice plan, cutting notice and report, timber sale advertisement or other document, as well as any verbal communication with landowners for smaller projects.</i></p>
<b>CAR Status:</b>	CLOSED
<b>Follow-up Actions (if app.):</b>	See OBS 04/09, OBS 05/09 and OBS 06/09

<b>CAR 12/08</b>		<b>Reference Standard &amp; Criteria: GC-8</b>
<b>Nonconformance</b>		WI DNR has monitoring systems in place for the American Tree Farm group certification of the MFL program but has not developed a monitoring program to ensure FSC group members are in conformance with the FSC standard and requirements.
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	
<b>Corrective Action Request:</b> WI DNR shall develop and implement a monitoring program to ensure all FSC group members are in conformance with the FSC standard and applicable requirements.		
<b>Timeline for conformance:</b>		By the next annual audit
<b>Evidence to close CAR:</b>		<p>Service foresters monitor harvesting activities in conjunction with cutting notices and when other required practices described in the management plans are due.. Recommended (optional) practices are not routinely monitored, except when landowners request assistance or if there is a mandatory site visit for another activity. In addition, DNR has developed a sampling protocol specific to pesticide use (see findings for CAR 06/08) and collects data on pesticide use as part of its Cooperating Forest Management (CFM) reporting process. However, DNR has not fully implemented its pesticide monitoring program. See OBS 02/09.</p> <p>A monitoring team that includes staff members from DNR's central office and regional staff members annually monitors applications of the certification program in one region. The audits are three days in length and cover three counties, and include a morning county office audit covering records and procedures and an afternoon field audit visiting several MFL properties. Results from that monitoring are used to generate internal corrective actions for WIDNR to address regional conformance issues and system-wide issues, to generally improve the system. DNR has developed a new monitoring form to be used during the annual monitoring that includes all Criteria and Indicators of the FSC Lakes Stated Standard as well as applicable Chain of Custody and Group Certification procedures. This monitoring procedure will be tested in November 2009 See OBS 08/09.</p>
<b>CAR Status:</b>		CLOSED
<b>Follow-up Actions (if app.):</b>		See OBS 02/09 and OBS 08/09.

## 2.5. New corrective actions issued as a result of this audit

No new corrective actions were issued.

## 2.6. Audit observations

**Observations** are very minor problems or the early stages of a problem which does not of itself constitute a non-conformance, but which the auditor considers may lead to a future non-

conformance if not addressed by the client. An observation may be a warning signal on a particular issue that, if not addressed, could turn into a CAR in the future (or a pre-condition or condition during a 5 year re-assessment).

<b>OBS 01/09</b>	<b>Reference Standard &amp; Requirement: 4.2.a</b>
Language in the Forest Tax Law Handbook regarding following applicable safety requirements of the FSC standard is not clear.	
<b>Observation:</b> WIDNR should develop clearer guidance for staff foresters, cooperating foresters, and landowners on the safety requirements of the FSC Lake States Standard and take the necessary steps to ensure conformance with the Standard should any non-conformances be observed.	

<b>OBS 02/09</b>	<b>Reference Standard &amp; Requirement: 6.6.a, 6.6.g, 8.2.d.1, GC8</b>
DNR has taken a number of steps to improve conformance with the FSC Pesticide Policy and the pesticide use standards of Criterion 6.6, but has not fully implemented this program.	
<b>Observation:</b> WIDNR should fully implement its MFL Group pesticide program, including outreach and education efforts planned for Service Foresters, cooperators, and landowners, fully implement the recommendations in the MFL Pesticide Use CAR Resolution Issue Brief, and implement its new CFM monitoring and reporting system for pesticides, and annually summarize the results of all monitoring efforts regarding landowner conformance with Criterion 6.6.	

<b>OBS 03/09</b>	<b>Reference Standard &amp; Requirement: 7.1</b>
Old plans are brought up to date by adding information to the “Plan Track” database at the time that a mandatory practice is due (see details in findings for CAR 08/08). This process updates selected elements (e.g., stand conditions, Natural Heritage, and cultural data) rather than revising the entire plan. However, once the WisFIRS system is operational (sometime in 2010) WIDNR intends to update old plans by rewriting them with the new plan template at the time mandatory practices are due.	
<b>Observation:</b> WIDNR should update old management plans with the new management plan template once the WisFIRS system is operational when management practices are due, and as necessary to conform to the requirements of Criterion 7.2.	

<b>OBS 04/09</b>	<b>Reference Standard &amp; Requirement: 7.1.b.1, 8.2.c.1</b>
The MFL plan template provides Web links to ecoregion forest and wildlife information at the regional level. However, the plans do not necessarily have site specific wildlife habitat information, unless rare species are known to be present. Other than a search for NHI and cultural resource data, use of older plans regarding non-economic resources data are limited. Soils information is not required in management plan updates.	
<b>Observation:</b> WIDNR should include a description of site- or property-specific fish and wildlife information and soils information in all management plans and plan updates.	

<b>OBS 05/09</b>	<b>Reference Standard &amp; Requirement: 7.1.b.2</b>
Other than Natural Heritage Inventory (NHI) data for rare species, plant communities, and GIS data on wetlands and water bodies, or other special management areas are not specifically required to be updated in the management plan prior to management activities.	
<b>Observation:</b> Prior to any management activities, in addition to Natural Heritage data WIDNR	

should ensure that management plans are updated to include information on other ecologically sensitive features and/or other special management areas that are not currently in the NHI and WIDNR GIS.

<b>OBS 06/09</b>	<b>Reference Standard &amp; Requirement: 7.1.b.3</b>
The new management plan template requires that past land use be described in the “Stand History” section of the stand descriptions. Long-term history (i.e., before stand establishment) is not described. Plan updates do not require that past land uses be documented, but past uses are considered by the forester past land uses in the management plans for these small ownerships is very low.	
<b>Observation:</b> WIDNR should include in all management plans information on long-term site history (i.e., before stand establishment and likely post settlement changes and/or evidence of disturbance, not simply recent harvest practices) where appropriate to understanding current conditions and management options. For older plan updates that occur at the time mandatory practices are due, WIDNR should develop a method to include information on past land uses comparable to that in the template for new management plans.	

<b>OBS 07/09</b>	<b>Reference Standard &amp; Requirement: 7.1.b.6</b>
The management plan template provides links to regional landscape information and plan preparers have landscape information available to them; however, the management plan template does not include specific instructions on how local landscape features should be considered.	
<b>Observation:</b> WIDNR should include in the management plan template a section describing the local landscape context and any considerations that may imply for management.	

<b>OBS 08/09</b>	<b>Reference Standard &amp; Requirement: GC 8</b>
To address CAR 12/09, DNR has developed a new internal monitoring protocol that uses the FSC Standard as a monitoring template. This is a new protocol that has not been implemented yet.	
<b>Observation:</b> WIDNR should implement its internal monitoring protocol (“FSC-Tree Farm Internal Audit Report”) in 2009.	

### 3. AUDIT PROCESS

#### 3.1. Auditors and qualifications:

Auditor Name	Robert R. Bryan	Auditor role	Lead auditor
Qualifications:	M.S. Forestry, University of Vermont (1984); B.S. Botany and Environmental Studies, University of Vermont (1976). Currently president of Forest Synthesis LLC. Previously employed as Forest and Wetlands Habitat Ecologist/Forester, Maine Audubon (1995 - 2008) Licensed Maine Forester #907. Member SAF and Forest Guild. Certification Experience: FSC auditor since 2003. Lead auditor (SmartWood), including over 30 FSC Forest Management certification audits and assessments in the Northeast, Lake States, and Appalachia, including family forests, investment and industrial forests, managed conservation forests, and public lands. Member of FSC Northeast Standards Committee 1997-2003 and FSC-US national standards advisory committee (2007-2009),		

peer review of SFI industrial forest certification in Northern Maine, member of state-level forest certification policy committees.

### 3.2. Audit schedule

Date	Location /Main sites	Principal Activities
7/20/09	DNR office, Madison	Review progress on CARs and changes in management systems.
7/20/09	Dane County	Field audit of MFL parcels
7/21/09	Iowa County	Field audit of MFL parcels
7/22/09	Richland County	Field audit of MFL parcels
7/23/09	Washington and Sheboygan Counties	Field audit of MFL parcels

Total number of person days used for the audit:4

= number of auditors participating 1 X number of days spent in preparation, on site and post site visit follow-up including stakeholder consultation 4

### 3.3. Sampling methodology:

SmartWood has developed a 4-year annual audit strategy focusing on counties not audited during the 2008 assessment. The 2009 audit focused on the South Central and South East regions. Field sites were selected from GIS data provided by DNR. Selection criteria included timber harvest activity, other management activities (e.g., herbicide use, planting), forest type, and ecological risk (e.g., presence of streams). Sample sites were geographically clustered within counties when possible to minimize travel time between sites. A total of 36 sites were visited, which conforms to FSC group sampling requirements.

MFL employees that visited the field sites included the Forest Certification Coordinator, the Tax Section (MFL) chief, and the service foresters for each county. The regional director joined the audit for one day. Landowners were present at three sites and consulting foresters, loggers, and log buyers were present at several others. Several additional employees were present at the opening meeting at the Madison headquarters.

Management plans and cutting notices were reviewed for each site, as well as prescriptions for herbicide use at several sites. Additional program administrative documents were also reviewed, such as new management plan templates and monitoring systems.

### 3.4. Stakeholder consultation process

Forest industry, consulting foresters, and landowners were interviewed at field sites. Specific comments provided to SmartWood were addressed as described in Section 2.3. These included emails and an on-site meeting.

Stakeholder type (i.e. NGO, government, local inhabitant etc.)	Stakeholders consulted or providing input (#)
Landowner (MFL group member)	3
Consulting forester	4
Forest industry	8
DNR staff	20

### 3.5. Changes to Certification Standards

Forest stewardship standard used in audit:	Revised Final Lake States-Central Hardwoods (USA) Regional Forest Stewardship Standard, Version LS V3.0, as revised February 10, 2005
Revisions to the standard since the last audit:	<input checked="" type="checkbox"/> No changes to standard. <input type="checkbox"/> Standard was changed (detail changes below)
Changes in standard:	
Implications for FME:	Not applicable - no new requirements

## APPENDIX I: List of visited sites (confidential)

County	Landowner	Order #	Stands	Site description / Audit Focus and Rationale for selection
Dane				DNR office, Madison. Review progress on CARs and changes in management systems.
Dane	8 sites			7/20/09
Dane	Twin Valley Farms 3	13-013-2004	1	Black oak/central hardwoods; margin for shelterwood prep cut (first entry), watercourse BMPs, discussion on when invasive species control is required by DNR.
Dane	Herson	13-032-200	2	Shelterwood first entry and small group removals in oak/central hardwoods. Post harvest treatment of invasive shrubs (honeysuckle and buckthorn), but subsequent spread of multiflora rose on some patches. Discussion re: oak regeneration challenges.
Dane	Skupeniewitz	13-006-1933	2	Winter thinning in white pine planting. Discussion: limited softwood pulp markets and challenges in getting operators to buy stumpage.
Dane	Dillet	13-010-1990	1,2,3	Marked but unsold harvest in low quality oak/hardwoods. Retention of wildlife trees, protection of steep slopes. Discussion regarding need to revise Cutting Notice to include treatment of buckthorn, which had expanded significantly since the stand was marked.
Dane	Herling	13-029-2005		Review growth of 30-year old planting of red pine, sugar maple, and walnut on productive site.
Dane	Herling	13-029-2005		Herbicide control of invasive plants in red pine planting. Restoration of degraded pastures to central hardwoods (mixes of walnut, burr oak, white oak, red oak). Review of herbicide knowledge of landowner and training/supervision of seasonal employee. Use of FSC-banned chemical (Princep) and subsequent discussion of how best to inform landowner-applicators.
Dane	Lesar	13-006-2003	1	Intermediate cut in oak/central hardwoods, observation of regeneration, discussion regarding use of DNR silvicultural descriptions and practices prohibited in certain types (e.g., no uneven-aged management in oak or central hardwoods).
Dane	Smith	13-041-2000	3	OSR in mixed oak stand; pre-treatment of invasive species (barberry, garlic

				mustard, buckthorn).
Iowa	13 sites			7/21/09
Iowa	Glass	25-015-1990	3,2	Stream crossing BMP (rock ford), black walnut thinning, prairie savannah conservation, discussion regarding need to identify unique communities, forester and contractor interview.
Iowa	Glass	25-058-1993	3,4	Review of skid road BMPs, thinning in central hardwoods, forester and contractor interview (contiguous with 25-015-1990).
Iowa	Edwards	25-070-2001	1	Planned thinning in central hardwoods, BMPs to avoid wet areas, discussion of contractor training and safety practices, forester and contractor interview.
Iowa	May	25-069-1994	2	Thinning and patch overstory removal in mixed hardwoods succeeding to northern hardwoods, live tree retention stream management zone, skid trail BMPs, forester and landowner interview.
Iowa	Parsons	25-010-2006	6	Marked first cut shelterwood in oak/central hardwoods.
Iowa	Flitman	25-208-1997	3,4	Thinning in northern hardwoods. DNR needed to re-mark stand marked by logger twice, required him to move skid trail on steep slope, conservation practices by lessee, landowner civil suit vs. logger for reimbursement for damages.
Iowa	Emerson	25-040-2003	1	Thinning and small gap creation in white oak/black oak stand. Forester recognition of uncommon oak site. Rock shelter not known to be an archaeological site but protected because forester aware of similar sites in the town.
Iowa	Waldron	25-037-1989	4	Crop tree harvest (7 trees) in black walnut stand/gap regeneration. Discussion of walnut marking guidelines and steps taken by DNR to prevent logger high-grade.
Iowa	Gust	25-030-2001	1, 4	Shelterwood and group selection in oak. Logger-marked stand re-marked by DNR. Landowner treatment of buckthorn. Discussion of need for waterbars on landowner ATV trail.
Iowa	Harrop	25-032-2002	2, 4	Removal of financially overmature overwood trees to release mid-sized quality stems in oak/central hardwoods, logger marking re-marked by DNR, skid trail BMPs, discussion of recommendation to treat invasive plants.
Iowa	MacCormick	25-013-1988	1	Intermediate thinning in oak/central hardwoods. Remarked by DNR, not cut yet.
Iowa	Winch	25-004-	5	High quality red oak stand on productive

		2003		site, group removal of small areas with oak wilt.
Iowa	Maiev	25-009-1993	1	4-acre oak wilt clearcut. Excellent regeneration of cherry and central hardwoods.
<b>Richland</b>	<b>10 sites</b>			<b>7/22/09</b>
Richland	Stafford	53-065-2004	1, 2	Thinning, selection, and patch overstory removal in oak and northern hardwoods, review of waterbar placement on long downhill skid trail. Logger and log buyer interview.
Richland	Kelley	53-043-1989		Invasive species control in old field regeneration and oak stand.
Richland	Schauf	53-064-1996	3, 7, 8	Small aspen clearcut with retention, oak overstory removal, oak thinning. Forester, logger, mill owner interviews. Discussion of COC issues at landing where harvest occurs on MFL and non-MFL lot in same ownership.
Richland	Ast	53-011-2003		Oak hardwood planting with red pine "trainer" strip. Landowner interview, continued use of FSC-prohibited herbicide (simazine).
Richland	Post	53-019-1991	1	Aspen and oak overstory removal. Long downhill skid trail, discussion of BMPs. Discussion regarding landowner filing of harvest reports and DNR procedures to ensure that yield tax is paid, and DNR recordkeeping procedures, including change from Plan Track to WisFIRS.
Richland	LaValley	53-031-1994	3	Small aspen clearcut with good retention and good skid trail closure.
Richland	Lupinsky	53-032-1993	1, 2	Improvement thinning and overstory removal in northern hardwoods and oak.
Richland	Kaul	53-025-1989	1, 4	Patchy overstory removal in oak and thinning in northern hardwoods, DNR recommendations for garlic mustard control.
Richland	Kaul	53-026-1989	1	Discussion of management options in burr oak/central hardwoods with dense shrub understory.
Richland	Purnell	53-022-1996	-	Focus on rock ford stream crossing and need to put landing in area that would otherwise be part of a stream RMZ. Also discussion of landowner use of DOT seed mix with aggressive (but not "invasive") crown vetch.
<b>Washington</b>	<b>2 sites</b>			<b>7/23/09</b>
Washington	Lutz	67-001-1992	1	Single tree selection in 2-aged sugar maple. Excellent retention of old, large sugar maple and oak. Mixture of aesthetic and timber management, forester/log buyer interview. Garlic mustard control options discussed.
Washington	Walters	67-015-	1, 2, 3	Thinning in red pine planting, gradual

		1999		conversion to native mixed hardwoods.
Sheboygan	3			7/23/09
Sheboygan	Drewry Farms	60-012-1996	1	Thinning in mature sugarbush targeting high risk trees; avoidance of garlic mustard spread by harvesting in winter, discussion of landowner recordkeeping for NTFP.
Sheboygan	Belden	60-021-2001	1	Thinning high-risk oak in kettle-moraine area; discussion of vernal pool guidelines.
Sheboygan	Kohn	60-014-1992	1	Salvage of gypsy moth mortality in oak, discussion of plan update process and post harvest stand examination

## APPENDIX II: List of stakeholders consulted (confidential)

### List of FME Staff Consulted

Name	Title	Contact	Type of Participation
Beyer, Tim	DNR, Forester, Sheboygan County	920-892-8756 ext 3047	Interview
Carlson, Bill	DNR- Forester, Iowa County	608-935-1939	Interview
Elder, Jacob	DNR - Forester, Richland County	608-647-7982	Interview
Finlay, Mike	DNR - Forester, Richland County	608-647-4566	Interview
Hill, Tom	DNR- Forester, Iowa County	608-935-1917	Interview
Holiday, Steve	DNR – Forester, Dane County	608-275-3234	Interview
Hollingsworth, Craig	DNR - Forester, Grant County	608-723-2397	Interview
Mather, Bob	DNR – BOF	608-266-1727	Interview
Nelson, Kathy	DNR- Forest Tax Section Chief	608-266-3545	Interview
Nielsen, Carol	DNR- Private Forestry Specialist	608-267-7508	Interview
Nielsen, John	DNR- South Central/Southeast Region Director	608-273-5957	Interview
Peltier, Julie	DNR- Forester ,Washington County	608-679-3404	Interview
Pingrey, Paul	DNR – Forest Certification Coordinator	608-266-7595	Interview
Potvin, Nicole	DNR- Forest Stewardship Program	608-266-2388	Interview
Sable, Jason	DNR- Forester, Iowa County	608-935-1964	Interview
Secher, Cory	DNR- Forester, Iowa County	608-935-1934	Interview
Singer, Matt	DNR – Forester, Dane County	608-776-3064	Interview
Symes, Ken	DNR – Forest Tax Section Enforcement Specialist	608-266-8019	Interview
Warren, James	DNR Forest Lands Section Chief	608-264-8990	Interview
Williams, Quinn	DNR – Forestry Attorney	608-266-1318	Interview

### List of other Stakeholders Consulted

On file

## APPENDIX III: Forest management standard conformance (confidential)

The table below demonstrates conformance or non-conformance with the Forest Stewardship Standard used for evaluation as required by FSC. The SmartWood Task Manager should provide guidance on which sections of the standard should be evaluated in a particular audit. SmartWood may evaluate only a subset of the criteria or principles of the standard in any one particular audit provided that the FME is evaluated against the entire standard by the end of the certificate duration. Findings of conformance or non conformance at the criterion level will be documented in the following table with a reference to an applicable CAR or OBS. The nonconformance and CAR is also summarized in a CAR table in Section 2.4. All non-conformances identified are described on the level on criterion though reference to the specific indicator shall be noted. Criteria not evaluated are identified with a NE.

P & C	Conformance: Yes/No/ NE	Findings	CAR OBS (#)
<b>Principle 1: COMPLIANCE WITH LAWS AND FSC PRINCIPLES</b>			
1.1	Yes	Review of documents and field practices indicated that DNR and the FSC group members are in conformance with forestry laws and BMPs as well as applicable health and safety regulations. DNR records are available to the public for review as required by state law.  DNR foresters are not authorized or trained to enforce OSHA regulations, but DNR has added guidance to MFL landowners on OSHA requirements for timber harvesting on private lands by adding Article 47 of the Sample Timber Sale Contract, which specifies that operations should be in compliance with OSHA safety regulations.	
1.2	NE		
1.3	NE		
1.4	NE		
1.5	NE		
1.6	Yes	DNRs MFL Tax Law Handbook contains written commitment to the FSC. Participation in the group is voluntary, at the landowner's discretion. Management plans are long-term (25 or 50 years) and based on established silvicultural systems. Multiple entries are recommended where future conditions can be reasonably predicted.	
<b>Principle 2. TENURE AND USE RIGHTS AND RESPONSIBILITIES</b>			
2.1	NE		
2.2	NE		
2.3	NE		
<b>Principle 3. INDIGENOUS PEOPLES' RIGHTS</b>			
3.1	NE		
3.2	Yes	DNR checks archaeological records and has developed and implemented a tribal liaison process and has contacted the tribes to identify sites of cultural significance not know to the state. The archeological records are checked at the time of a cutting notice and the tribes have access to all cutting notices so they may inform the state if any resources may be impacted. Foresters are being trained to identify unmapped cultural sites. See also findings for CAR 03/08 and CAR 04/08.	

3.3	Yes	Tribal consultation is maintained as described in Criterion 3.2. If sites are identified DNR will work with the tribal liaison to develop appropriate management strategies.	
3.4	NE		
Principle 4. COMMUNITY RELATIONS AND WORKERS' RIGHTS			
4.1	NE		
4.2	Yes	<p>The Division of Forestry has had a policy that requires employees and contractors to wear safety glasses when working in the woods since December 13, 2005. DNR has had a policy since September 9, 1998 to provide employees with eye protection when duties expose them to hazards that cause injury to the eyes. This policy is found in Manual Code 9185.5. DNR has had a policy since April 4, 2008 that requires DNR employees and DNR contractors to wear hard hats when working on active logging sites. Other safety topics can be found on the DNR intranet pages under <i>Manual Code and Handbooks</i>. A search for safety topics brings up these topics.</p> <p>Safety policies are promoted within DNR in the <i>ForesTREEporter</i>, the Division of Forestry's newsletter. The newsletter includes links under "Staff Tools" and "Field Safety." Reminders on where DNR Foresters may find this information are scheduled to be published in the <i>ForesTREEporter</i>. Cooperating Foresters receive correspondence from DNR through the <i>For Cooperating Foresters</i> page in the DNR Forestry public website. A link to <a href="#">Forestry Industry Safety &amp; Training Alliance (FISTA)</a> website informs cooperating foresters of scheduled safety training, SFI certification and Master Logger Certification classes.</p> <p>Each year DNR is required to report on the injuries experienced by its employees and their causes. The Division of Forestry does this for its employees as well.</p> <p>DNR staff members followed safety practices in the field (e.g., hardhats, safety glasses, seat belts). There were no active logging jobs, but logging contractors interviewed indicated that property safety equipment was used on all jobs.</p> <p>Page 21-11 of the Forest Tax Law Handbook, DNR foresters "are encouraged" to consider if reasonable safety precautions are followed. However, DNR does not have a monitoring checklist that is used for site visits and no evidence that they were actively monitoring safety practices of loggers was noted. As the related Handbook footnote observes, DNR Service Foresters may offer general safety information or observations about safety concerns, but they are not authorized to enforce or administer OSHA regulations. Additionally, since loggers purchase stumpage and are not contracted by the landowner or WI DNR, they are not considered contractors as per the language of Indicator 4.2.a. Page 21-15 of the Forest Tax Law specifies that an ownership may be removed from the FSC group for non-conformance with the FSC standard. Chapter 60 describes the administrative procedures for notifying landowners of non-conformance with the FSC Standard and, if necessary, removing an ownership from the FSC group. No evidence of removal for non-conformance was reported to the auditor, but DNR</p>	OBS 01/09

		<p>prefers to educate landowners to try to change behavior before removing them from the group. Thus, DNR has the procedures in place to ensure that safety practices are being followed on MFL lands in the FSC group. However, DNR staff and landowners have not been made specifically aware of the FSC safety requirements. The preceding procedures address the requirements of Indicators 1.1.a and 4.2.a, but OBS 01/09 has been issued to address the apparent weakness in conveying the importance of these requirements to DNR staff, cooperators, and landowners.</p>	
4.3	NE		
4.4	Yes	<p>4.4.a. Management decisions are made by landowners in consultation with DNR and cooperating foresters.</p> <p>4.4.b. Archaeological and historical data are gathered through access to state records and DNR's tribal liaison process.</p> <p>4.4.c. DNR's MFL program is influenced by contact with stakeholders through public meetings, service forester outreach, website information, and mailings. Because all ownerships in the group are less than 1000 ha, contact with abutters etc. about individual harvests by a landowner is not considered to be necessary.</p> <p>4.4.d. Not applicable (no large or mid-sized forests).</p> <p>4.4.e. Not applicable (not a public forest).</p>	
4.5	Yes	<p>4.5.a. DNR attempts to resolve differences grievances through ongoing communication. DNR is currently meeting with one group and discussing management options for landowners who do not wish to cut as heavily as indicated by DNR's silviculture handbook.</p> <p>During the 2008 Assessment, OBS 02/08 was issued relative to some issues regarding relationships between DNR and some cooperating foresters. DNR maintains open communications, including 13 meetings scheduled with cooperating foresters for 2009. DNR reports that many DNR foresters and cooperators have excellent working relationships. Those that do not have good working relationships are working through DNR supervisors to reach an understanding. The dispute resolution process is written in the Private Forestry Handbook, pg. 10-15.</p> <p>4.5.b. WIDNR is self insured.</p> <p>During the 2008 Assessment, OBS 03/08 was issued regarding liability insurance for DNR requires that cooperating forester have workers compensation insurance as required by law and provide truthful information about professional liability insurance coverage when signing the Cooperating Forester Agreement. DNR recommends but cannot require that landowner contracts with loggers include liability insurance. A logger is a stumpage purchaser and not a contractor and therefore, not required in this Indicator to have liability insurance. However, all loggers interviewed during the audit had liability insurance.</p>	
<b>Principle 5. BENEFITS FROM THE FOREST</b>			
5.1	NE		
5.2	NE		

5.3	NE		
5.4	NE		
5.5	NE		
5.6	NE		
Principle 6. ENVIRONMENTAL IMPACT			
6.1	NE		
6.2	NE		
6.3	NE		
6.4	NE		
6.5	NE		
6.6	Yes	<p>6.6.a. DNR has included information on the FSC pesticide policy in its Forest Tax Law handbook, and contacted landowners informing them that some pesticides are banned by the FSC. Some landowners are not aware of the banned pesticides and the audit found two landowners (of 36 MFL sites visited) that have continued to use them. These landowners have agreed to stop using the banned pesticides. DNR has developed a stronger education program on pesticide use and a monitoring program that will specifically targeted landowners at higher risk for using highly hazardous pesticides, as well as general monitoring to improve conformance with the FSC pesticide policy. See OBS 02/09. See CAR 05/08 and 06/08 for details.</p> <p>6.6.b. Preference is given to non-chemical treatments. Chemical use is limited to herbicides to control invasive species and to assist in establishment of seedlings in forest restoration projects.</p> <p>6.6.c. Written strategies are included in the new management plan template and in information given to landowners by DNR, information on the DNR website (linked to the management plan). See CAR 06/08 for additional details.</p> <p>6.6.d. DNR only allows pesticides not banned by FSC. Low toxicity herbicides (e.g., glyphosate) are generally recommended with stronger chemicals only recommended as necessary. Treatments are narrowly targeted (e.g., spot spraying or cut-stem treatments).</p> <p>6.6.e. Pesticide use is not recommended in sensitive areas. No evidence of risky use was observed during the audit.</p> <p>6.6.f. Risks and precautions are detailed on the label, which is specified as the recommended procedure to landowners and licensed applicators.</p> <p>6.6.g. DNR has developed a pesticide monitoring system, but it is not fully operational at this time (see details at CAR 06/08). See OBS 02/09.</p>	OBS 02/09
6.7	NE		
6.8	NE		
6.9	NE		
6.10	NE		
Principle 7. MANAGEMENT PLAN			
7.1	Yes	MFL has made a major update of its planning system by developing electronic management plan template that includes internet links to a vast amount if ecological data and other current information on	OBS 03/09

	<p>forest management. This system will allow landowners and managers to access the most current statewide and regional ecological data. Old plans are brought up to date by adding information to the “Plan Track” database at the time that a mandatory practice is due (see details in findings for CAR 08/08). This process updates selected elements (e.g., stand conditions, Natural Heritage, and cultural data) rather than requiring the entire plan. However, once the WisFIRS system is operational (sometime in 2010) WIDNR intends to update old plans by rewriting them with the new plan template at the time mandatory practices are due. See OBS 03/09.</p> <p>The following compares the new MFL plan template with the FSC Lake States Standard:</p> <p>7.1.a.1. Short-term objectives (management practices) and long-term goals (25-50 years) are included in the plans.</p> <p>7.1.a.2. A series of silvicultural treatments to attain desired future conditions is included for each stand. Treatments cover at minimum a 25-year period. Prescriptions are updated at the time a required practice is due.</p> <p>7.1.b.1. Met. See findings for CAR 08/08. See OBS 04/09.</p> <p>7.1.b.2. Met. See findings for CAR 08/08 and OBS 05/09.</p> <p>7.1.b.3. Met. See findings for CAR 08/08. See OBS 06/09.</p> <p>7.1.b.4. WI DNR requires that landowners provide copies of deeds representing all acreage being entered into the MFL program. County, section, town, range (referred to as the “legal description”) and range direction are recorded from each property on the management plan. MFL participants are required to apprise WI DNR if there are any easements or other legal arrangements that affect timber harvesting on the property. These on-file documents are considered to be part of the “management plan” as defined by the Lake States Standard.</p> <p>7.1.b.5. Met. See findings for CAR 08/08.</p> <p>7.1.b.6. The management plan template includes links to Ecoregion Plans, and the plan is also required to have map with adjoining forest cover types as per the MFL Tax Law Handbook. DNR foresters will be able to access plans for nearby MFL properties once the new computerized management planning and MFL database system WisFIRS is operational. Cooperators get all GIS layers for the county (watershed, wetlands, forest cover, etc) and a GIS program (fGIS) to assess landscape-scale conditions. These data are considered by DNR to be part of the management plan. While these resources provide context for the management plan, the management plan template does not include specific instructions on how local landscape features should be considered. See OBS 07/09.</p> <p>7.1.c.1. Silvicultural systems integrate economic and ecological</p>	<p>OBS 04/09</p> <p>OBS 05/09</p> <p>OBS 06/09</p> <p>OBS 07/09</p>
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		<p>objectives and are adapted to maintain native forest composition and structure.</p> <p>7.1.c.2. General prescriptions are included in the management planning template. Because conditions may change after the plan is developed and before a harvest, specific prescriptions are included in the new Cutting Notice template. Prescriptions for site preparation and/or invasive species control are prepared by the DNR forester in the form of recommendations and/or by the cooperating forester.</p> <p>7.1.d.1. Timber harvest rate calculations are based on stand-level stocking control, age, and site quality in accordance with DNR's silvicultural guidelines. NTFPs are seldom harvested, but in such cases DNR foresters informally discuss management options with landowners.</p> <p>7.1.d.2. Species selection maintains and/or promotes native forest composition but percentages of species may be shifted towards more desirable species.</p> <p>7.1.d.3. Potentially disruptive events are addressed in the "Forest Health" and "Natural Disturbances" sections of the management plan.</p> <p>7.e.1. Monitoring is described in the DNR FSC group procedures, and Forest Tax Law handbook, which are considered to be part of the management plan for the purposes of the FSC certificate.</p> <p>7.1.f. Met. See findings for CAR 08/08.</p> <p>7.1.g. Rare, threatened, and endangered species are identified during the management planning and cutting notice processes and management strategies are described in the "Resources Protection" section of the management plan. For cutting notices, prescriptions are modified as necessary based on DNR consultations and approval.</p> <p>7.1.h.1. Basic maps are included with the paper copy of the cutting plan provided to the landowner. Plan writers and cooperating foresters have GIS data and access to state GIS viewers that shows the general location of sensitive ecological (NHI) and historic archaeological resources. DNR foresters have site specific GIS locations of these resources available. All these levels of map detail are considered to be part of the management plan.</p> <p>7.1.i. Harvesting techniques are described in the plan, including practices to minimize site and stand damage. Specific equipment is often dictated by regional availability.</p> <p>7.1.i.2. Contracts and cutting notices specify sale conditions and include a map.</p>	
7.2	NE		
7.3	Yes	7.3.a. DNR has safety training for employees, information available on its intranet site, and safety reminders in its internal communications. Logging contractors and their employees interviewed during the audit had safety training. DNR also has	

		regional training sessions throughout the year on a range of topics pertinent to managing lands in the MFL program. These sessions are for employees, cooperators, and/or certified plan writers	
		7.3.b. Management plans are simple in format and content. The new plans include extensive supporting information on the internet that is accessible and understandable.	
7.4	NE		
<b>Principle 8. MONITORING AND ASSESSMENT</b>			
8.1	NE		
8.2	Yes	<p>8.2.a. Yield of forest timber products must be provided to DNR at the conclusion of a cutting operation. Landowners keep their own records of non-timber products.</p> <p>8.2.b. Inventory information addressing this sub-criterion is generated when the management plan is created. Individual stand information is updated by DNR foresters after a harvest.</p> <p>8.2.c. Major habitat elements are addressed in general terms through links to website information (see OBS 04/09). Rare species information is based on NHI data, and updated when management activities are proposed.</p> <p>8.2.d. Environmental safeguards such as BMPs (in WI the term BMP addresses most aspects of environmental protection, not just soil and water) are addressed in the management plan and monitored through DNR review of the cutting plan and on-site by DNR at the close of operations. DNR has developed a pesticide monitoring program, but that program is not fully operational. See OBS 02/09. DNR monitors responses to management through public meetings with landowners and cooperators, through its contacts with legislative oversight committees, and through its service forester network. Contacts with tribes are maintained through the liaison process and tribes have access to all cutting notices if they wish to check for harvests in areas of concern.</p> <p>8.2.e. Landowners monitor revenues and are required to report them to DNR.</p>	<p>OBS 04/09</p> <p>OBS 02/09</p>
8.3	NE		
8.4	NE		
8.5	NE		
<b>Principle 9. MAINTENANCE OF HIGH CONSERVATION VALUE FORESTS</b>			
9.1	NE		
9.2	NE		
9.3	NE		
9.4	NE		
<b>Principle 10. PLANTATIONS</b>			
10.1	NE		
10.2	NE		
10.3	NE		
10.4	NE		
10.5	NE		
10.6	NE		
10.7	NE		
10.8	NE		

10.9	NE		
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## APPENDIX IV: Chain-of-Custody Conformance (confidential)

**Note:** This CoC Appendix is used for FMEs only selling standing timber, stumpage, logs and/or chips produced within a FMU covered by the scope of the certificate. FME certificate scopes that include primary or secondary processing facilities shall include an evaluation against the full FSC CoC standard: FSC-STD-40-004 V2. Refer to that separate report Appendix.

### Definition of Forest Gate: (check all that apply)

<input checked="" type="checkbox"/>	<b>Standing Tree/Stump:</b> FME sells standing timber via stumpage sales.
<input checked="" type="checkbox"/>	<b>The Log Landing:</b> FME sells wood from the landing/yarding area.
<input type="checkbox"/>	<b>On-site Concentration Yard:</b> Transfer of ownership occurs at a concentration yard under the control of the FME.
<input type="checkbox"/>	<b>Off-site Mill/Log Yard:</b> Transfer of ownership occurs when offloaded at purchaser's facility.
<input type="checkbox"/>	<b>Other:</b> <i>explanation</i>
Comments: Most sales are stumpage sales. Landowners who cut their own wood sell it at the landing.	

### Scope Definition of CoC Certificate:

Does the FME further process material before transfer at forest gate? <i>(If yes then processing must be evaluated to full CoC checklist for CoC standard FSC-STD-40-004 v2.)</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Note: This does not apply to on-site production of chips/biomass from wood harvested from the evaluated forest area.</b>	
Comments:	
Is the FME a large scale operation (>10,000 hectares) or a Group Certificate? <i>(If yes then CoC procedures for all relevant CoC criteria shall be documented.)</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comments: FME manages a group certificate.	
Does non-FSC certified material enter the scope of this certificate prior to the forest gate, resulting in a risk of contamination with wood from the evaluated forest area (e.g. FME owns/manages both FSC certified and non-FSC certified FMUs)?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Comments:	
Does FME outsource handling or processing of FSC certified material to subcontractors (i.e. milling or concentration yards) prior to transfer of ownership at the forest gate? <i>(If yes a finding is required for criterion CoC 7 below.)</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Comments:	
Does FME purchase certified wood from other FSC certificate holders and plan to sell that material as FSC certified? <i>(If yes then a separate CoC certificate is required that includes a full evaluation of the operation against FSC-STD-40-004 v2.)</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Comments:	
Does FME use FSC and/or Rainforest Alliance trademarks for promotion or product labeling? <i>(If FME does not nor has no plans to use FSC/RA trademarks delete trademark criteria checklist below.)</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comments: DNR uses the trademarks on the DNR website but has not used them on printed material.	

### Chain-of-Custody Criteria [FM-35 SmartWood Chain-of-Custody Standard for Forest Management Enterprises (FMEs)]

<b>1. Quality Management</b>	
COC 1.1: FME shall define the personnel/position(s) responsible for implementing the CoC control system.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> WIDNR has defined responsibilities of all persons responsible for implementing the CoC control system. The COC control system included at page 21-12 to of the Forest Tax Law handbook.	

COC 1.2: All relevant staff shall demonstrate awareness of the FME's procedures and competence in implementing the FME's CoC control system.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> WIDNR has training with service foresters to describe the chain of custody system. One field forester interviewed could not recall the specific requirements that would apply if a landowner wished to sell wood as certified but knew where to go to find the correct information.	
<p>CoC 1.3: FME procedures/work instructions shall provide effective control of FSC certified forest products from standing timber until ownership is transferred at the forest gate. <i>Note: For large scale operations (&gt;10,000ha) and Group Managers, CoC procedures covering all relevant CoC criteria shall be documented.</i> Including:</p> <p>a) Procedures for physical segregation and identification of FSC certified from non-FSC certified material. <b>(If applicable)</b></p> <p>b) Procedures to ensure that non-FSC certified material is not represented as FSC certified on sales and shipping documentation. <b>(If applicable)</b></p> <p>c) Procedures to include FME FSC certificate registration code and FSC claim (FSC Pure) on all sales and shipping documentation for sales of FSC certified products.</p> <p>d) Recordkeeping procedures to ensure that all applicable records related to the production and sales of FSC certified products (e.g. harvest summaries, sales summaries, invoices, bills of lading) are maintained for a minimum of 5 years.</p> <p>e) Procedures to ensure compliance with all applicable FSC/Rainforest Alliance/SmartWood trademark use requirements.</p>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> Written procedures under "Chain of Custody" in the Forest Tax Law handbook address elements a-e.	

<b>2. Certified Material Handling and Segregation</b>	
<p>COC 2.1: FME shall have a CoC control system in place to prevent the mixing of non-FSC certified materials with FSC certified forest products from the evaluated forest area, including:</p> <p>a) Physical segregation and identification of FSC certified from non-FSC certified material.</p> <p>b) A system to ensure that non-FSC certified material is not represented as FSC certified on sales and shipping documentation.</p> <p><b>Note: If no outside wood is handled by FME within scope of certificate, mark as N/A.</b></p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p>
<b>Findings:</b> Most sales are low risk, involving a harvest of a single group member's land with no risk of mixing. However, some sales occur where adjacent lots under a single ownership are being harvested by one contractor where one lot is in MFL certified group and the adjacent lot is not in the MFL group. In that case the Forest Tax Law Handbook specifies that a) physical segregation of the logs is required, and b) non-MFL wood cannot be classified as certified, and c) the page of the cutting notice displaying the CoC certificate number will be given to buyers who wish to establish a CoC documentation chain.	
CoC 2.2: FME shall identify the sales system(s) or "Forest Gate", for each FSC certified product covered by the Chain of Custody system: i.e. standing stock; sale from log yard in the forest; sale at the buyer's gate; sale from a log concentration yard, etc.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> The forest gate has been identified as the "stump, landing, or roadside." For the purposes of the certificate SmartWood considers the landing and roadside to be equivalent.	
CoC 2.3: FME shall have a system that ensures that FME products are reliably identified as FSC certified (e.g. through documentation or marking system) at the forest gate.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> The certificate number on the Cutting Notice as described in CoC 2.1 serves this purpose	
CoC 2.4: FME shall ensure that certified material is not mixed with non-FSC certified material at any stage, up to and including the sale of the material.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
<b>Note: If no outside wood is handled by FME within scope of certificate, mark as N/A.</b> <b>Findings:</b> See CoC 2.1.	

**3. Certified Sales and Recordkeeping**

COC 3.1: For material sold with FSC claim the FME shall include the following information on sales and shipping documentation: a) FME FSC certificate registration code, and b) FSC certified claim: FSC Pure	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> a) WIDNR has revised its procedures to clarify that all wood is sold as FSC certified. The FSC certification code is included on the cutting notice b) "FSC Pure" is included on the cutting notice along with the certification code.	
CoC 3.2: FME shall maintain certification production and sales related documents (e.g. harvest summaries, invoices, bills of lading) for a minimum of 5 years. Documents shall be kept in a central location and/or are easily available for inspection during audits.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> WIDNR's paper records retention policy is seven years. The electronic data is never deleted.	
CoC 3.3: FME shall compile an annual report on FSC certified sales for SmartWood containing monthly sales in terms of volume of each FSC certified product sold to each customer.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> All wood is sold as FSC-certified. WIDNR currently compiles summaries of sales volume and value (based on DNR stumpage rate values) of all forest products sold by the entire FSC group and has the capability to produce reports for any time period and for all customers upon request.	

<b>4. Outsourcing</b>	
CoC 4.1: FME control system shall ensure that CoC procedures are followed at subcontracted facilities for outsourcing and FME shall collect signed outsourcing agreements covering all applicable FSC outsourcing requirements per FSC--40-004 v-2.0 <i>FSC Standard for Chain of Custody</i> November 2007. <b>Note 1: If FME outsources processing or handling of FSC certified material the outsourcing report appendix is required.</b> <b>Note 2: Check N/A If FME does not outsource processing or handling of FSC material.</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
<b>Findings:</b>	

<b>5. FSC/Rainforest Alliance Trademark (TMK) Use Criteria</b>	
<b>Standard Requirement:</b> The following section summarizes the FME's compliance with FSC and Rainforest Alliance trademark requirements. Trademarks include the Forest Stewardship Council and Rainforest Alliance/SmartWood names, acronyms (FSC), logos, labels, and seals. This checklist is directly based on the FSC labeling standard (FSC-STD-40-201 <i>FSC on-product labeling requirements</i> (version 2.0) and FSC-TMK-50-201 V1-0 <i>FSC Requirements for the Promotional Use of the FSC Trademarks by FSC Certificate Holders</i> . References to the specific FSC document and requirement numbers are included in parenthesis at the end of each requirement. (Rainforest Alliance Certified Seal = RAC seal).	
<b>General</b>	
COC 5.1: FME shall have procedures in place that ensure all on-product and off product FSC/Rainforest Alliance trademark use follows the applicable policies:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> Procedures are described in the Forest Tax Law handbook "Chain of Custody" section. The Forest Certification Coordinator contacts SmartWood for use of trademarks on the DNR website.	
COC 5.2: FME shall have procedures in place and demonstrate submission of all FSC/Rainforest Alliance/SmartWood claims to SmartWood for review and approval prior to use, including" a) On-product use of the FSC label/RAC seal; b) Promotional (off-product) claims that include the FSC trademarks ("Forest Stewardship Council", "FSC", checkmark tree logo) and/or the Rainforest Alliance/SmartWood trademarks (names and seal)(50-201,2.3).	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> Certification is mentioned on the DNR website but not on any printed material. DNR obtained SmartWood approval for trademark use.	
COC 5.3: FME shall have procedures in place and demonstrates that all trademark review and approval correspondence with SmartWood is kept on file for a minimum of 5 years (40-	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

201, 1.10; 50-201, 2.4):	
<b>Findings:</b> All approval is kept by email by the Forest Certification Coordinator. Long-term records are kept in electronic backup for greater than 5 years.	

<b>Off-product / Promotional</b>	
<input type="checkbox"/> <b>Check if section not applicable (FME does not, and does not plan to use the FSC trademarks off-product or in promotional pieces)</b>	
Note: promotional use items include advertisements, brochures, web pages, catalogues, press releases, tradeshow booths, stationary templates, corporate promotional items (e.g., t-shirts, cups, hats, gifts).	
When applicable to the FME's promotional/off-product use of the trademarks, the criteria below shall be met:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> Trademark use by WIDNR has been approved by SmartWood. A DNR website search by the auditor indicated conformance with CoC 5.4-5.9.	
COC 5.4: If the FSC trademarks are used for promotion of FMUs, FME shall limit promotion to FMUs covered by the scope of the certificate.	
COC 5.5: In cases that the Rainforest Alliance trademarks are used (50-201, 13.1, 13.2):	
a) The FSC trademarks shall not be at a disadvantage (e.g., smaller size);	
b) The FSC checkmark tree logo shall be included when the RAC seal is in place.	
COC 5.6: In cases that the FSC trademarks are used with the trademarks (logos, names, identifying marks) of other forestry verification schemes (SFI, PEFC, etc.), SmartWood approval shall be in place (50-201, 3.0).	
COC 5.7: Use of the FSC trademarks in promotion of the FME's FSC certification shall not imply certain aspects are included which are outside the scope of the certificate (50-201, 1.6).	
COC 5.8: Use of the FSC trademarks on stationery templates (including letterhead, business cards, envelopes, invoices, paper pads) shall be approved by SmartWood to ensure correct usage (50-201, 12.0).	
COC 5.9: In cases that the FSC trademarks are used as part of a product name, domain name, and/or FME name, SmartWood approval shall be in place (50-201, 9.0, 10.0).	

<b>On-product</b>	
<input checked="" type="checkbox"/> <b>Check if section not applicable (FME does not, and does not plan to apply FSC labels on product)</b>	
COC 5.10: FME shall have a secure system in place for labeling products that ensures the following (40-201, 1.2):	
a) Only those products originating from forests covered by the scope of a valid FSC certificate are FSC-labeled;	Yes <input type="checkbox"/> No <input type="checkbox"/>
b) Only those products that meet the eligibility requirements per CoC standard requirements for FSC-labeling are FSC-labeled;	
c) Only the FSC Pure label is used.	
<b>Findings:</b>	
When applicable to the FME's on-product labeling, the criteria below shall be met:	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b>	
COC 5.11: FME shall not use the FSC labels together with the logos or names of other forestry verification schemes (40-201, 1.11, 1.13).	
COC 5.12: FME shall not use the FSC labels together with claims referring to the sustainability of the forest from which the wood is sourced (40-201, 1.11, 1.13).	
COC 5.13: The FSC label shall be applied to products in such a way that it is clearly visible (40-201, 1.14).	

## APPENDIX V: FSC Annual Audit Reporting Form: (confidential)

<b>Forest management enterprise information:</b>	
<b>FME legal name:</b>	State of Wisconsin Department of Natural Resources
<b>FME Certificate Code:</b>	SW-FM/CoC – 003626

<b>1. Scope Of Certificate</b>	
Type of certificate: group	SLIMF Certificate: Small SLIMF
<b>Annual Sales Information</b>	
Total Sales/ Turnover	\$17,711,869.00 US\$
Volume of certified product sold as FSC certified (i.e. FSC claim on sales documentation) (previous calendar year)	42,105 m3
Value of certified product sold as FSC certified (i.e. FSC claim on sales documentation) (previous calendar year)	\$17,711,869.00 US\$

<b>2. FME Information</b>	
<input type="checkbox"/> No changes since previous report (if no changes since previous report leave section blank)	
Forest zone	Temperate
Certified Area under Forest Type	
- Natural	906175 hectares
- Plantation	hectares
- Semi-natural, mix of plantation and natural forest	hectares
Stream sides and water bodies	Linear Kilometers

<b>3. Workers</b>		
Number of workers including employees, part-time and seasonal workers:		
Total number of workers	439 FTE workers	
- Of total workers listed above	358 Male	81 Female
Number of serious accidents	86	
Number of fatalities	0	

<b>4. Forest Area Classification</b>		
<input type="checkbox"/> No changes since previous report (if no changes since previous report leave section blank)		
Total certified area	906,175 hectares	
Total forest area in scope of certificate	hectares	
Ownership Tenure	<b>Private ownership</b>	
Management tenure:	<b>private management</b>	
Forest area that is:		
Privately managed	906,175 hectares	
State/Public managed	hectares	
Community managed	hectares	
Area of production forests (areas where timber may be harvested)	861,175 hectares	
Area without <u>any</u> harvesting or management activities: strict forest reserves	45,000 (5% est.) hectares	

### 5. High Conservation Values identified via formal HCV assessment by the FME and

<b>respective areas</b>			
<input checked="" type="checkbox"/> No changes since previous report (if no changes since previous report leave section blank)			
Code	HCV TYPES <sup>1</sup>	Description: Location on FMU	Area
HCV1	Forest areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia).		ha
HCV2	Forest areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance.		ha
HCV3	Forest areas that are in or contain rare, threatened or endangered ecosystems.		ha
HCV4	Forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).		ha
HCV5	Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).		ha
HCV6	Forest areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).		ha
<b>TOTAL HCVF AREA</b>			ha
Number of sites significant to indigenous people and communities			

<b>6. Highly Hazardous Pesticide Use</b>	
FME has a valid FSC derogation for use of a highly hazardous pesticide	<input type="checkbox"/> YES (if yes, fill in below) <input checked="" type="checkbox"/> NO
Number of FSC highly hazardous pesticides used in last calendar year	See findings for CAR 05/08 and 06/08.
Liters of FSC highly hazardous pesticides	See findings for CAR 05/08 and 06/08
Number of hectares treated with FSC highly hazardous pesticides	See findings for CAR 05/08 and 06/08

<sup>1</sup> The HCV classification and numbering follows the ProForest HCVF toolkit. The toolkit also provides additional explanation regarding the categories. Toolkit is available at <http://hcvnetwork.org/library/global-hcv-toolkits>.

## APPENDIX VI: SmartWood Database Update Form

**Instructions:** For each FSC certificate, SmartWood is required to upload important summary information about each certificate to the FSC database (FSC-Info). During each annual audit SW auditors should work with the certificate holder to verify that the information posted on FSC-Info is up to date as follows:

1. Print out current Fact Sheet prior to audit from FSC-Info website or direct link to fact sheets (<http://www.fsc-info.org>)
2. Review information with the FME to verify all fields are accurate.
3. If changes are required (corrections, additions or deletions), **note only the changes** to the database information in the section below.
4. The changes identified to this form will be used by the SW office to update the FSC database.

Is the FSC database accurate and up-to-date? YES  NO   
(if yes, leave section below blank)

### Client Information (contact info for FSC website listings)

<b>Organization name</b>	State of Wisconsin Department of Natural Resources Managed Forest Law Certified Group		
<b>Primary Contact</b>		<b>Title</b>	
<b>Primary Address</b>		<b>Telephone</b>	
<b>Address</b>		<b>Fax</b>	
<b>Email</b>		<b>Webpage</b>	

### Forests

<b>Change to Group Certificate</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Change in # of parcels in group</b>	41,865 total members
<b>Total certified area</b>		<b>Hectares (or)</b>	2,239,206 Acres

### Species (note if item to be added or deleted)

Scientific name	Common name	Add/Delete

### Products

Product type	Description	Add/Delete

## APPENDIX VII: Group management conformance checklist (confidential)

<b>Group Certification Requirements</b>	
GC 1: The group manager is an independent legal entity or an individual acting as a legal entity.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> WI DNR acts as the group manager. As an agency of the State of Wisconsin, WI DNR is an established legal entity with authority to represent the relevant parties legally with regards to certification.	
GC 2: The group manager has made a full disclosure of all forest areas over which the GM has some responsibility, whether as owner (including share or partial ownership), manager, consultant or other responsibility. Justification for exclusion of forestlands from certified pool has been provided.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> The group manager has made a full disclosure of all forest areas for which WI DNR has some responsibility (see "Non Pool Forestlands" section below). Justification for exclusion of these forestlands (size >1,000 ha, or owner "opt out") has been provided.	
GC 3: The group manager has sufficient legal and management authority and technical and human resources (e.g. qualified staff, equipment..) to implement their responsibilities.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> Legal or regulatory authority for WI DNR is presented in Section 77.80 of the Wisconsin Statutes. The Forest Tax Law Handbook (2450.5) provides detailed instructions on the administration of the MFL program.	
WI DNR staff are clearly qualified technically and adequately trained and equipped to carry out their defined responsibilities vis-à-vis the Managed Forest Law program.	
GC 4: The responsibilities of the group manager and group members are clearly defined and documented, e.g., with respect to management planning, monitoring, harvesting, quality control, marketing, processing, etc.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> Responsibilities for all parties are spelled out in Chapter 21 of the Forest Tax Law handbook.	
GC 5: Group membership requirements are documented and include: a) Procedures and rules of entry and exit from the certified pool b) Procedures for the notification of SW of changes in membership within 30 days of changes.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> a) Entry and exit rules are described in Chapter 21 of the Forest Tax Law handbook. b) With almost 42,000 members the group membership is dynamic. The group roster is updated annually at the end of February and posted on the Web. When WisFIRS database is operational SmartWood will be given on-line access to check for the current ("real time") membership if desired.	
GC 6: A 'consent form' or its equivalent has been signed by each group member The consent form at a minimum: a) acknowledges and agrees to the obligations and responsibilities of group membership; b) agrees to group membership for the full period of validity of the group certificate; and c) authorizes the group manager to apply for certification on the member's behalf. d) acknowledges SmartWood and FSC's right to access their forest for evaluation and monitoring	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b>  <b>1. MFL members as of the initial assessment (September 2008).</b> In September 2008 a letter was sent to all landowners describing the new MFL certification group and group member responsibilities and rights of SmartWood/FSC access, along with web links to the FSC standard. Landowners who did not wish to participate were required to "opt out" of the program in writing. The Precondition Verification Audit report (November 7, 2008) describes this process in detail and found that this approach was found to met the requirements of this indicator. For new members, the consent form is part of the MFL application form.	

<p><b>2. New and renewing MFL members.</b></p> <p>a) In signing the MFL application and management plan the landowner agrees to MFL requirements, which includes the obligations and responsibilities of group membership. The details of these requirements are provided in the DNR certification web link <a href="http://dnr.wi.gov/forestry/certification/MFL.html">http://dnr.wi.gov/forestry/certification/MFL.html</a>. Landowners may opt out of the FSC group.</p> <p>b) Signing the management plan is a 25-year commitment to DNR and FSC requirements.</p> <p>c) The application and management form authorize DNR's enrollment of the property in the certified group.</p> <p>d) The signed application authorizes DNR and "its agents" (FSC, SmartWood, or others designated by DNR) to access the property.</p>	
<p>GC 7: Group manager has provided each group member with documentation including:</p> <p>a) The applicable forest stewardship standard</p> <p>b) An explanation of the certification process</p> <p>c) An explanation of group membership requirements</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>
<p><b>Findings:</b></p> <p>a &amp; b) Links to the applicable FSC standard and certification process are included at forest management standard are included at <a href="http://dnr.wi.gov/forestry/certification/MFL.html">http://dnr.wi.gov/forestry/certification/MFL.html</a>. This URL and a hot link are included in the new management plan template.</p> <p>c) Group membership requirements are included as explained in GC 6.</p>	
<p>GC 8: Group manager has a policy and practice for monitoring of the properties in the certified pool to ensure that they are meeting the FSC P&amp;C and group membership requirement?</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>
<p><b>Findings:</b> Service foresters monitor harvesting activities in conjunction with cutting notices and when other required practices described in the management plans are due.. Recommended (optional) practices are not routinely monitored, except when landowners request assistance or if there is a mandatory site visit for another activity. In addition, DNR has developed a sampling protocol specific to pesticide use (see findings for CAR 06/08) and collects data on pesticide use as part of its Cooperating Forest Management (CFM) reporting process. However, DNR has not fully implemented its pesticide monitoring program. See OBS 02/09.</p> <p>A monitoring team that includes staff members from DNR's central office and regional staff members annually monitors applications of the certification program in one region. The audits are three days in length and cover three counties, and include a morning county office audit covering records and procedures and an afternoon field audit visiting several MFL properties. Results from that monitoring are used to generate internal corrective actions for WIDNR to address regional conformance issues and system-wide issues, to generally improve the system. DNR has developed a new monitoring form to be used during the annual monitoring that includes all Criteria and Indicators of the FSC Lakes Stated Standard as well as applicable Chain of Custody and Group Certification procedures. This monitoring procedure will be tested in November 2009 See OBS 08/09.</p>	
<p>GC 9: The group manager has a system for maintaining the following records up to date at all times:</p> <p>a) List of names and addresses of group members, together with date of entry into group certification scheme;</p> <p>b) Maps of all forest areas included in the group certification;</p> <p>c) Records demonstrating tenure of group members;</p> <p>d) Evidence of consent of all group members, preferably in the form of a signed 'consent form'</p> <p>e) Relevant documentation and records regarding forest management of each group member (e.g. management plans, summary information regarding silvicultural system, management operations, volume production);</p> <p>f) Records demonstrating the implementation of any internal control or monitoring systems. Such records shall include records of internal inspections, non-conformance identified in such inspections, actions taken to correct any such non-conformance;</p> <p>g) Relevant documentation regarding production and sales</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>
<p><b>Findings:</b> All relevant records described in GC 9a-g are maintained by DNR. Historically DNR has relied on a paper record system based in the county offices with summary data maintained at the Madison office. DNR is moving to a fully electronic system for all management plans, maps, and other records (WisFIRS) which</p>	

should be operational in 2010.

**Certified Pool Participation List (Annual update required. Insert additional rows as necessary for groups with more than 10 members.**

1. **Total # FMUs in the certified pool:** 41,865
2. **Total area in Current Pool (ha. or acres):** 2,239,206 ac (906,194 ha)

**CERTIFIED POOL MEMBERSHIP TABLE**

DNR maintains a database with the detailed information on all group members that is available to SmartWood upon request.

Following is a summary of recent changes to the group:

<b>Additions/ Subtractions</b>	<b>Total area (acres)</b>	<b>Date of exit</b>	<b>Date of entry</b>
New Members 2008	88,230		1-1-08
New Members 2009	68,911		1-1-09
Withdrawals from Group	8,779	1-1-08	

**Non-pool forestlands**

1. Total number of forestlands for which the candidate group manager has some management responsibilities or ownership: 961 “opt outs”
2. Total area of that those forestlands represent (ac): 50,282 a.