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Forest Management
2012 Annual audit
Report for:

State of Wisconsin
Department of Natural
Resources
In
Madison, WI, USA

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Standard Conversions

1 mbf = 5.1 m³
 1 cord = 2.55 m³
 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, hereafter referred to as Forest Management Enterprise (FME) or WIDNR. The report presents the findings of Rainforest Alliance auditors who have evaluated FME systems and performance against the Forest Stewardship Council™ (FSC®) forest management standards and policies. Section 2 of this report provides the audit conclusions and any necessary follow-up actions by the FME through nonconformity reports.

The Rainforest Alliance founded its previous SmartWood program in 1989 to certify responsible forestry practices and has grown to provide a variety of auditing services. Rainforest Alliance certification and auditing services are managed and implemented within its RA-Cert Division. All related personnel responsible for audit design, evaluation, and certification/verification/validation decisions are under the purview of the RA-Cert Division, hereafter referred to as Rainforest Alliance.

This report includes information which will become public information. Sections 1-3 will be posted on the FSC website according to FSC requirements. All appendices will remain confidential. A copy of the public summary of this report can be obtained on the FSC website at <http://info.fsc.org/>.

Dispute resolution: If Rainforest Alliance clients encounter organizations or individuals having concerns or comments about Rainforest Alliance and our services, these parties are strongly encouraged to contact Rainforest Alliance 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

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|---|--|
| Based on Company's conformance with FSC and Rainforest Alliance requirements, the audit team makes the following recommendation: | |
| <input checked="" type="checkbox"/> | Certification requirements <u>met</u>, certificate maintenance recommended No NCR(s) issued |
| <input type="checkbox"/> | Certification requirements <u>not met</u>: |
| Additional comments: | None |
| Issues identified as controversial or hard to evaluate. | In general, the WIDNR MFL program is quite conducive to FSC P&C conformance. However, the one issue that seems to be more challenging for conformance is the use of chemicals that are legal to use in the State of Wisconsin, yet are on the FSC highly hazardous prohibited chemical list. WIDNR has documented its increased monitoring in this regard since the last audit. This issue was also addressed recently by WIDNR with their foresters and will continue to be addressed with landowners and partners in the future. See also Major NCR 01/11 below. |

2.2. Changes in FMEs“forest management and associated effects on conformance to standard requirements:

Since the last audit changes have occurred relative to WIDNR’s MFL program membership and area under forest management. Changes to the number of group FMUs and total area in the group are summarized in the following table:

| Annual Change in Membership | Number of FMUs | Hectares | Acres |
|-----------------------------|----------------|----------|---------|
| New FMUs | 4,829 | 56,653 | 139,990 |
| FMUs Withdrawn | 1,690 | 38,457 | 95,027 |
| Net Change | 3,139 | 18,196 | 44,963 |

Currently, there are now 36,057 MFL program members totaling 987,944 hectares.

On the personnel side, there were a few important changes to management and planning staff that occurred over the past year. Ken Symes, Forestry Division Effectiveness and Outreach Section, Bureau of Forestry Business Services, left the WIDNR. The position is now filled by Mark Heyde, Forest Certification Coordinator, Bureau of Forest Management. There were no other significant changes to the personnel in the MFL program since last year's audit. Statewide there are WIDNR vacancies; however, the number of vacancies has not changed significantly over the past year.

2.3 Excision of areas from the scope of certificate

Not applicable. Check this box if the FME has not excised areas from the FMU(s) included in the certificate scope as defined by FSC-POL-20-003.

2.4. Stakeholder issues (complaints/disputes raised by stakeholders to FME or Rainforest Alliance since previous evaluation):

There were no official complaints or disputes (as per the FSC definition) received. However, there were several stakeholders that contacted Rainforest Alliance staff and auditors for the following issues:

1. Staff reductions and resulting MFL administration performance.
2. Administrative support for forestry staff.
3. WisFIRS software program will produce “worthless” forest management plans.
4. Oak regeneration failures and deer.

1. Staff reductions and MFL administration.

WIDNR has experienced significant staff reductions in MFL administration due to budget deficits. According to stakeholder input the reductions are perceived as having significant impact on how often and thoroughly staff administer the MFL program. Additionally, WIDNR Madison has communicated a goal of reducing (or "streamlining") MFL administration in the field. Since, in the opinion of the stakeholder, there are still less-than-scrupulous consultants working on these lands, this has the potential to have adverse performance consequences for the MFL program. This input relates specifically to FSC Indicator 5.1.a requiring the forest owner or manager is financially able to implement core management activities, including all

those environmental, social and operating costs, required to meet this Standard, and investment and reinvestment in forest management.

Since the last audit, there has been one significant staff member leave the MFL program, but on his own volition. His position has been filled. While others have left, others have been hired, and the net result is that staffing has not changed significantly as the stakeholder states since the last audit. Additionally, WIDNR is in the process of instituting a new software program, WisFIRS (Wisconsin Forest Inventory Reporting System) that will significantly reduce workloads and improve quality control. Therefore, the auditors have determined that there is no nonconformance to the FSC 5.1.a. as related to this issue.

2. Administrative support for forestry staff.

There stakeholder concern regarding significant pressure to reduce performance standards on MFL lands from the consultants, as well as from some industrial sawmill foresters who work on private lands. WIDNR field foresters who uphold performance standards are sometimes subjected to intense pressure (and in the opinion of the stakeholder, it is at times abusive). Forestry staff do not always perceive appropriate support from WIDNR Madison.

Based on the field visits during this audit, the auditors did not see nonconformities on MFL program lands related to this issue. The FMUs visited were being appropriately managed in conformance with the FSC-US Standard. For specific issues, such as chemical use, WIDNR has increased training of its service foresters. WIDNR has implemented and documented its increased monitoring in this regard since the last audit.

3. WisFIRS software program will produce “worthless” forest management plans

The new WisFIRS plan writing software uses very canned, very generic prescriptions to automatically produce MFL plans (this was done so that people who had difficulty getting plans accepted in the past can now produce a plan). In my case, I produce an additional plan for the landowner that actually is informative and helps them understand and manage their land. The WisFIRS template is nearly worthless as a "management plan."

The Wisconsin Forest Inventory & Reporting System (WisFIRS) will be used to assist in FMP development. However, these plans are viewed as a starting point for new participant entries to the MFL program, who do not want to invest in a more detailed and descriptive plan, or they can't afford to make such an investment. If the consultants can produce a better plan and have the landowner acquire their services it is seen as a positive step for the MFL program. Of note, WisFIRS is not just going to be used to generate FMPs, but will also be used for a number of other purposes including crucial monitoring functions. WIDNR provided the auditors with a detailed demonstration of the program on WisFIRS that will be used for training purposes, giving countless examples of its uses. To paraphrase WIDNR, WisFIRS will enable foresters to store field data, plan for and track completed practices (e.g., timber sales), report accomplishments, calculate economic aspects of various programs (e.g., millions of dollars collected and dispersed to towns and counties), and track MFL program lands open to hunting and recreation. These are just a few of the other uses for WisFIRS. The auditors viewed these other aspects of the WisFIRS program as positive steps toward better administration and forest management of the MFL program. The auditors have determined that there is no nonconformance to the FSC Principle 7 and related forest management plan requirements related to this issue. The 2013 FSC audit of the MFL program will entail a full review of Principle 7 and auditors will examine the new forest management plans for continued conformance to FSC Principles and Criteria.

4. Tree regeneration failures and deer.

Several FMUs in specific counties in the MFL program are experiencing a lack of tree regeneration. Oak regeneration was not an issue if there is a preponderance of hunting and/or if deer densities are low. However, it was an issue if the opposite was true. There also may be other issues in the forest such as competition from other flora species.

Auditors specifically examine regeneration at all inspected sites during the audit. Although sites inspected during field visits, in general, had great success in regeneration efforts resulting from implemented forest management plans, there was one county that had notable exceptions related to regeneration failure of tree species. Multiple sites in Shawano County were observed to have whole-scale tree regeneration failures when uneven-aged selection harvests were being used specifically for regeneration of both shade tolerant throughout the stands and shade intolerant species in gaps. Severe deer browsing was also evident on most of these Shawano County sites. Foresters and landowners acknowledge lack of success in achieving silviculture objectives for these stands. However, the degree to which regeneration objectives are not being met is unknown and undocumented. After examining sites and reviewing a number of research projects on deer populations and regeneration, especially for oak species, the WIDNR was determined to be in conformance with FSC Standards. However, the WIDNR should review regeneration in relation to future monitoring efforts. See **OBS 01/12**.

2.5. Conformance with applicable nonconformity reports

The section below describes the activities of the certificate holder to address each applicable non-conformity report (NCR) issued during previous evaluations. For each NCR a finding is presented along with a description of its current status using the following categories. Failure to meet NCRs 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 Rainforest Alliance certificate if Major NCRs are not met. The following classification is used to indicate the status of the NCR:

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

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

| | | | | |
|--|--|---------------------------|---------|-------|
| Major NCR#: | 01/11 | NC Classification: | Major X | Minor |
| Standard & Requirement: | FSC-US Forest Management Standard (v1.0), Indicator 6.6.a. | | | |
| Report Section: | Appendix IV, 6.6.a. | | | |
| Description of Non-conformance and Related Evidence: | | | | |
| Indicator 6.6.a of the FSC-US Forest Management Standard states that no products on the FSC list of Highly Hazardous Pesticides are used. Simazine, a pesticide on FSC's Highly Hazardous list, was used in unknown quantities and unknown application coverage. | | | | |
| Although systems are in place, firm implementation and monitoring are not evident based on the application of Simazine and other unreported herbicides observed during field audits in 2011. Current systems include policy and educational distributions established and implemented in 2009 in response to similar unreported/unauthorized use of pesticides classified by the FSC as Highly Hazardous (HH) and non-HH pesticides. Efforts in 2009 included mailings to service foresters, cooperating foresters and landowners with | | | | |

links to lists of prohibited pesticides. WIDNR also developed a plan to implement an “annual sampling by mail survey of MFL Group members that have recommended practices that are likely to include pesticide use in 2008”. There was no evidence in 2011 that this sampling occurred. Additionally, interviews conducted with landowners during this audit demonstrated that landowners were either unaware of these lists or, in one case, had decided to ignore it.

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| <p>Corrective Action Request:</p> | <p>Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.</p> <p>Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p> |
| <p>Timeline for Conformance:</p> | <p>By the next annual surveillance audit</p> |
| <p>Evidence Provided by Organization:</p> | <p>Note: The individual landowner who the 2011 FSC audit report states decided to apply an FSC prohibited pesticide was investigated. The investigation found that the landowner had applied Simazine in 1992 prior to the MFL program becoming FSC certified, and that Simazine has not been applied after the lands were certified. In fact, the investigation found that chemicals had not been done since 1994</p> <p>1. WIDNR conducted an internal audit in 2012 and determined that WIDNR Foresters, who make over 50% of all chemical recommendations to landowners, were approving the application of Simazine on lands enrolled in the MFL certified group.</p> <p>A. The Forest Tax Program had a conference call for all WIDNR Team Leaders, Area Forestry Leaders and Regional Forestry Leaders to discuss the findings of the 2011 FSC Audit and the preliminary draft of the 2012 MFL Internal Audit. Part of the conference call included the findings on the use of Simazine on lands within the MFL FSC certification group membership.</p> <p>B. Supervisors were required to meet with all WIDNR Foresters and Forestry Technicians who work with MFL administration to ensure that MFL standards are understood, including that Simazine application on certified lands is prohibited. Auditors confirmed that talking points for Team Meetings, Simazine use on non-certified lands, and supervisor follow-ups were documented and detailed.</p> <p>2. A survey was mailed to 392 MFL landowners who had mandatory practices that may include use of chemicals from the years 2009 through 2012. These practices included the following: hand plant, machine plant, direct seeding, seedbed preparation for natural or direct seeding, and preparation for planting. As of May 15, 2012, 198 people returned the survey for a return rate of 50%. Auditors reviewed data and surveys to confirm results as listed below.</p> <p>A. Results found about 64% of all MFL landowners surveyed do not use chemicals for land management practices. Most of those that use them do so in association with management practices such as planting trees or for seeds do not apply chemicals for seedbed preparation or preparation for planting.</p> <p>B. Landowners surveyed indicated that over 50% of recommendations regarding herbicide use were from WIDNR Foresters. Since survey results indicate that WIDNR Foresters make over 50% of all recommendations to landowners regarding chemical use, a concerted effort was made in training WIDNR Foresters in the FSC prohibited</p> |

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| | <p>pesticide list. Foresters received additional training in where to find information on FSC prohibited pesticides on the WIDNR public web site.</p> <p>C. The WIDNR survey also identified control of invasive species including Buckthorn, Canada Thistle, Pricky Ash, Garlic mustard, Multiflora Rose, and Annosum Root Rot as a purpose of chemical application.</p> <p>D. Review of survey results indicated that estimates of acreage of specific chemicals used on MFL lands showed a high level of conformance with the use of FSC approved chemicals.</p> <p>E. The percentage of landowners likely to apply any chemicals, based on results of the WIDNR survey, was extremely low at approximately 0.3% of total number of landowners. Additionally, acres treated compared over 2010, 2011, and 2012 were also very low at 0.09%, 0.08%, and 0.06%, respectively.</p> <p>F. Activities driving chemical application is usually associated with a tree planting, direct seeding, site preparation or release activity in order to regenerate forest lands. Once forest establishment is achieved, chemicals are no longer used and ecological recovery periods extend the duration of the forest rotation for even-aged species, most commonly between 40-60 years for aspen or 80-120 years for pine plantings.</p> |
| <p>Findings for Evaluation of Evidence:</p> | <p>After a thorough review of information regarding both the current pesticides program, including monitoring, and the use of enforcement procedures for violations by landowners, auditors concluded that WIDNR is appropriately and adequately monitoring use of pesticides on FSC certified MFL lands including the pursuit of removal of MFL landowners from the FSC certification program when in violation of FSC requirements. WIDNR has in place procedures for removal of lands from the FSC program for violations of FSC's banned pesticides using a stepped enforcement approach. MFL Tax Law Handbook (HB24505.60), Chapter 60-1 to 60-3 details the Stepped Enforcement process for compliance and enforcement related to the MFL program. During the audit, an enforcement case for a non-pesticide related violation demonstrated procedures used for enforcement and forester provided form used for removal of landowners to be removed from program if unwilling to comply with requirements of the program. The WIDNR uses two forms for removal from the program, the "Departure from MFL Certified Group" and the "Declaration of Withdrawal MFL" forms. They are used as part of the stepped enforcement process which encompasses FSC compliance by group members, including use of banned pesticides. Since the last audit one group member was taken out of the MFL program FSC certification pool since that individual persisted in using a prohibited chemical.</p> <p>Although recognizing that FSC does not allow for any use of banned pesticides, WIDNR's improvements to their monitoring system have allowed them to assess potential impacts to lands enrolled in under the MFL certification group membership at approximately at about 0.1% per year out of 2,441,260 acres in the MFL Certified Group as of January 31, 2012. These results will enable WIDNR to further refine monitoring efforts and target education, monitoring, and enforcement actions.</p> |
| <p>NCR Status:</p> | <p>CLOSED</p> |

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|----------------------|------|
| Comments (optional): | None |
|----------------------|------|

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|-------------------------|---|---------------------------|-------|---------|
| NCR#: | 02/11 | NC Classification: | Major | Minor X |
| Standard & Requirement: | FSC-STD-30-005 v1-0 (Group Certification Standard), 8.2 | | | |
| Report Section: | Appendix VII, 8.2 | | | |

Description of Non-conformance and Related Evidence:

Group Certification Criterion 8.2 requires that the Group entity shall define criteria to be monitored at each internal audit and according to the group characteristics, risk factors and local circumstances.

MFL monitors for conformance with environmental and harvesting rules for site disturbing activities and invasive species control. WIDNR also samples properties for conformance with USFS Stewardship Plan requirements, but these may not include Group properties and the criteria for that monitoring do not address all FSC requirements. Specific Group entity monitoring gaps identified included:

1. Pesticide monitoring by group manager
 - DNR is not monitoring pesticide use on wildlife food plots within MFL lands. Some food plots observed were intensively managed plots using agricultural techniques. The lack of weeds and typical agricultural practice suggests that herbicides are likely used on these plots. Examples include an MFL entry in Chippewa County where a corn food plot was observed, and another in Clark County where a food crop of annuals (turnips or rape) was observed. Discovered during additional landowner interviews were unreported use of non-hazardous and a prohibited herbicide.
 - In 2009, WIDNR settled CAR 06/08 regarding unauthorized and unreported uses of pesticides with the development of policy and educational information responding to similar unreported/unauthorized use of pesticides classified by the FSC as Highly Hazardous (HH) and non-HH pesticides. WIDNR's efforts included communication with service foresters, cooperating foresters and landowners. In 2009 landowners had received mailings with links to lists of prohibited pesticides but in the interviews conducted during this audit landowners were either unaware of these lists or, in one case, had decided to ignore it.
 - In settling CAR 06/08, WIDNR also developed a plan to implement an "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" (2009 audit report, evidence to close CAR 06/08). This sampling has not occurred. It is not clear that county foresters are routinely inquiring about pesticide use when they are in contact with landowners, which was an additional element of the evidence to close CAR 06/8.
2. Safety equipment monitoring use by harvesting contractors. Indicator 4.2.b
 - DNR is not monitoring use of safety equipment by chainsaw operators. Examples include at least 3 active harvest operations where chainsaw operators were not using chainsaw safety chaps.
3. Hazardous spill equipment use by harvesting contractors monitoring by group manager. Indicator 6.7.a.
 - Over 75% of loggers observed or interviewed on field audit sites did not have the equipment necessary to respond to hazardous spills.
4. As evidence to close CAR 12/08 in 2009, WIDNR developed a template for annual internal monitoring to the FSC standard (at that time the FSC-US Lakes States Standard). OBS 08/09 was issued because the template had not yet been implemented. That monitoring procedure has not been updated to the current FSC standard and has not been implemented.

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| Corrective Action Request: | Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to |
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| | eliminate and prevent recurrence of the non-conformance. |
| Timeline for Conformance: | By the next annual surveillance audit |
| Evidence Provided by Organization: | <p>Evidence Summary: The WIDNR provided documents, descriptions, PowerPoint presentations, made available program staff, and provided evidence during site-visits where auditors observed implementation and confirmed field staff understanding of monitoring systems built into the MFL program. Relevant portions of the monitoring system are provided in sections below. More details on monitoring of the overall forest management program are provided in later sections of the report. Evidence of the overall monitoring system used by the MFL program includes tax reporting mechanisms for incomes and product yields, Cutting Notice reporting for pre-harvest monitoring results, Post-harvest monitoring, and internal auditing that are comprehensive, integrated, and continuously improved.</p> <p>WIDNR provided the following for 1. above:</p> <p>1. Pesticide monitoring of chemical use in wildlife food plots.</p> <p>WIDNR Foresters have contacted landowners identified in the 2011 FSC Audit Report and have notified landowners of requirements and potential consequences of non-compliance. WIDNR monitoring procedures were reviewed with the auditors and a detailed list of internal monitoring points was provided. The internal monitoring procedures include clear direction, guidance, and for addressing pesticide use, including use in food plots. Additionally, WIDNR has stepped up educational efforts with group members in efforts to prevent non-compliance in the future.</p> <p>Recent training with staff (as detailed in other sections of this finding) specifically identified FSC banned pesticides and pesticide monitoring requirements for landowners. Finally, new internal monitoring procedures explicitly identify treatment of wildlife food plots.</p> <p>2. Landowners are unaware of the list of prohibited chemical or had decided to ignore it.</p> <p>WIDNR surveys of landowners assessed reasons for lack of knowledge of FSC prohibited pesticides and found that those landowners that were not planting tree seedlings, direct seeding or releasing trees from competition were very unlikely to use pesticides at all. For this reason, those landowners are often unable to identify banned pesticides. Those most likely to use any pesticides (non-hazardous and hazardous) were those planting groups or large numbers of trees, direct seeding, or releasing planted areas from competition. In over 50% of the cases, landowners sought pesticide recommendations from WIDNR foresters. In most other cases, landowners sought recommendations from the WIDNR website or local feed stores.</p> <p>In April and May, each WIDNR Forester met with their supervisor and reviewed FSC prohibited chemicals and their monitoring with landowners with a strong focus on prevention of banned pesticide use. This additional training should help WIDNR Foresters assist landowners to avoid use of banned pesticides and monitor landowners regarding chemical use on certified lands.</p> <p>WIDNR maintains a list of chemicals available for forestry use at</p> |

<http://dnr.wi.gov/topic/ForestHealth/Herbicides.html>. Chemicals that are prohibited by FSC are identified. These chemical lists are frequently used by landowners who are researching site preparation and release options. Landowners replying to the 2012 Chemical Use Survey on MFL Certified Lands confirmed the importance of these chemical tables in making decisions on their properties.

WIDNR acknowledges that continued education is needed with landowners about chemical use on certified lands. This education effort is ongoing, especially as new lands are enrolled into the program or new owners acquire lands already enrolled under MFL. Additionally, WIDNR is considering how to approach feed stores to improve measures to prevent banned pesticide use. WIDNR carefully considers the nature of private property rights and commercial corporation rights and seeks to thoughtfully find cooperative approaches to prevention using enforcement only after careful judgement.

The individual landowner who the 2011 FSC audit report states decided to apply an FSC prohibited pesticide was investigated. The investigation found that the landowner had applied Simazine in 1992 prior to the MFL program becoming FSC certified, and that Simazine has not been applied after the lands were certified. In fact, the investigation found that chemicals had not been done since 1994.

Monitoring

Standard post-harvest information gathering by foresters which was described in detail for auditor review will be used to monitor pesticide use with greater attention being paid to results and reporting procedures. Recent training with staff (as detailed in other sections of this finding) specifically identified FSC banned pesticides and pesticide monitoring requirements for landowners. Finally, new internal monitoring procedures explicitly identify treatment of wildlife food plots.

3. Sampling of MFL landowners to determine the effectiveness of a pesticide information and education campaign and conformance to the FSC restrictions and make adjustments as necessary.

WIDNR sent surveys to 392 landowners who had completed management practices in 2009 through 2012 that may have included the application of chemicals. The Plan Trac database was queried using the following practice codes:

- 14 Hand plant
- 15 Machine plan
- 16 Direct seed
- 17 Seedbed preparation for natural or direct seeding
- 18 Preparation or planting

This survey is used to determine the effectiveness of WIDNR's education efforts to inform landowners who are a part of the MFL Certified Group that FSC prohibited chemicals cannot be applied on certified lands. Results from this survey will be used to develop next steps in education efforts to increase awareness of FSC prohibited chemicals. A copy of the survey was provided to the auditors. Internal audits will be conducted annually using a regionally stratified sampling scheme that was provided to auditors for review. Corrective actions and enforcement steps are both possible

outcomes of non-conformances identified by internal audit teams.

4. Whether WIDNR Foresters are routinely inquiring about pesticide use when they are in contact with landowners, which was an additional element of the evidence to close CAR 06/08.

WIDNR Supervisors were directed to ensure that WIDNR Foresters understand that the FSC program has a list of prohibited chemicals and to know where this list is located on the WIDNR public web site. Chapter 60 of the Forest Tax Law Handbook outlines the enforcement steps necessary to get lands back into compliance or to recommend decertification from the MFL Certified Group. Landowners who are decertified have appeal rights.

WIDNR understands the training and information service investment to ensure that WIDNR Foresters are routinely inquiring about pesticide use with MFL landowners. Standard post-harvest information gathering by foresters which was described in detail for auditor review will be used to monitor pesticide use with greater attention being paid to results and reporting procedures. With the recent concerted effort to re-inform staff about the FSC prohibited pesticides and enforcement steps to help landowners get back into compliance with FSC Standards. Landowners refusing to attain and maintain compliance with pesticide requirements procedures are in place to remove them from the FSC certificate.

WIDNR provided the following for 2. and 3. above:

WIDNR Foresters are not allowed to administer timber sale contracts for landowners or to enforce laws or ordinances outside the scope of the Forester's authority. The authority granted to WIDNR Foresters in the administration of the MFL program is granted in state laws and administrative codes.

The Wisconsin Woodland Owner's Association (WWOA) has language in their sample timber sale contracts requiring loggers to wear safety equipment. Interviews with all landowners during the audit confirmed that, with the exception of NewPage forester managed plans, every interviewed landowner used the WWOA contract template available through the WIDNR website. Every WIDNR staff forester confirmed when interviewed that they recommend the WWOA contract template without exception and when used retained safety information language. Documents inspected during the audit with landowners where contracts were available confirmed that safety language was included in the contract.

All contractors observed on-site during the audit were in conformance with FSC Standards with regards to safety equipment and equipment to handle hazardous spills. Harvester contractors observed during the course of the audit wore appropriate personal protective equipment and had hazardous spill kits on site, in equipment and available as appropriate and in compliance with state BMPs for loggers.

Additionally, Forest Tax Program staff gave FISTA trainings for loggers and is including reminder about safety equipment and having spill kits while on active logging jobs in efforts to maintain conformance in the future. Four FISTA training dates are underway for 2012. Other training within the past year includes 4 BMPs for Water Quality, FISTA Training workshops and 1 WIDNR/Sawmill Owner/Logger Conference for Loggers and Sawmill

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| | <p>Owners.</p> <p>WIDNR provided the following for 2. and 3. above:</p> <p>WIDNR had created the internal monitoring template to the FSC-US Lake States Standard on November 14, 2010. A copy of the audit report was provided to the auditors. This was the basis for the current, revised and updated internal monitoring forms used by WIDNR, as provided to auditors during documentation reviews.</p> |
| Findings for Evaluation of Evidence: | <p>WIDNR has defined criteria to be monitored at each internal audit and according to the group characteristics, risk factors, and local circumstances.</p> <p>The WIDNR MFL program has demonstrated monitoring conformance with environmental and harvesting rules for site disturbing activities and invasive species control. WIDNR internal auditing sampled FSC certification group member properties addressing all FSC requirements. Specific internal monitoring gaps identified in NCR 02/11 including pesticide monitoring by group manager; safety equipment monitoring use by harvesting contractors; hazardous spill equipment use by harvesting contractors; and implementing new internal monitoring template have all been satisfactorily addressed per the evidence cited above.</p> |
| NCR Status: | CLOSED |
| Comments (optional): | None |

2.6. New nonconformity reports issued as a result of this audit

There were no new NCRs issued as a result of this audit.

2.7. Audit observations

Observations can be raised when issues or the early stages of a problem are identified which does not of itself constitute a nonconformance, but which the auditor considers may lead to a future nonconformance 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 NCR in the future (or a pre-condition or condition during a 5 year re-assessment).

| | |
|---|---|
| OBS 01/12 | Reference Standard & Requirement: FSC-US Forest Management Standard (v1.0), Indicator 8.4.b. |
| <p>Although sites inspected during field visits had great success in regeneration efforts resulting from implemented forest management plans, there was one county that had notable exceptions related to regeneration failure of tree species. Multiple sites in Shawano County were observed to have whole-scale tree regeneration failures when uneven-aged selection harvests were being used specifically for regeneration of both shade tolerant throughout the stands and shade intolerant species in gaps. Severe deer browsing was also evident on most of these Shawano County sites. Foresters and landowners acknowledge lack of success in achieving silviculture objectives for these stands. However, the degree to which regeneration objectives are not being met is unknown and undocumented. Changes to practices or operational plans have not been implemented to ensure plan objectives for tree regeneration have met.</p> | |
| <p>Observation: Indicator 8.4. requires that the forest landowner or manager monitors and documents the degree to which the objectives stated in the forest management plan are being fulfilled. It further stipulates that where monitoring indicates that management objectives and guidelines are not being met or if changing conditions indicate that a change in management strategy is necessary, the forest management plan, operational plans, and/or other plan implementation measures are revised to ensure</p> | |

the objectives and guidelines will be met. If monitoring shows that the management objectives and guidelines themselves are not sufficient to ensure conformance with this FSC-US Standard, then the objectives and guidelines are modified.

3. AUDIT PROCESS

3.1. Auditors and qualifications:

| | | | |
|-----------------|--|--------------|--------------|
| Auditor Name | Stephen C. Grado | Auditor role | Lead Auditor |
| Qualifications: | Dr. Grado is a Society of American Foresters (SAF) Certified Forester/Forest Certification Auditor #1155 and Fellow, a Professor of Forestry, and the George L. Switzer Professor in the Department of Forestry at Mississippi State University. He received a Ph.D. in Forest Resources in 1992, a M.S. in Forest Resources and Operations Research in 1984, and a B.S. in Forest Science in 1979 at The Pennsylvania State University, State College, Pennsylvania. He also has a B.A. in Political Science from Villanova University near Philadelphia, Pennsylvania. Dr. Grado has served as a socio-economic assessor/auditor on 58 primarily Rainforest Alliance pre-assessments (1, lead; 3, team), assessments (12 lead, 20 team), USDA Forest Service Test Evaluations (2, SW team; 1, SGS team), and numerous annual field audits (14 lead, 5 team; 1 SFI team). In addition, he has served as an assessor/auditor for innumerable Rainforest Alliance chain-of-custody assessments/audits, and also served as a peer reviewer for numerous FSC certification FM/COC assessment reports. Dr. Grado is also certified to the ISO 9001:2008 standard for Quality Management Systems for Lead Auditors. | | |
| Auditor Name | Beth Jacqmain | Auditor role | Auditor |
| Qualifications: | US Region Forest Certification Coordinator, MS Forest Biology, Auburn University and BS Forest Management, Michigan State University. Ms. Jacqmain has over 19 years of experience in forest management including private timber industry, private consulting, and local government timber and recreation management in Aitkin County Land Department, MN. Member of Forest Guild and SAF Certified Forester. Ms. Jacqmain has been involved in over 26 FSC and SmartLogging audits across the United States. Ms. Jacqmain has also has experience conducting ATFS and SFI audits. | | |

3.2. Audit schedule

| Date | Location /Main sites | Principal Activities |
|----------------|---|---|
| 4/1/12-5/21/12 | Off-site | Auditor review of FME documents related to the audit. |
| 5/21/12 | WIDNR Service Center Wausau, Wisconsin | Opening meeting, review of progress on NCRs and OBSs, Chain-of-Custody, Group Manager Certification, and other documents. |
| 5/21/12 | Marathon County, Wisconsin | Review of field conformance with FSC-US Standard. |
| 5/22/12 | Oneida County, Portage County, and Shawano County, Wisconsin | Review of field conformance with FSC-US Standard. |
| 5/23/12 | Lincoln County and Shawano County, Wisconsin | Review of field conformance with FSC-US Standard. |
| 5/24/12 | Taylor County, Wisconsin | Review of field conformance with FSC-US Standard. |

| | | |
|---|---|---|
| 5/25/12 | WIDNR Service Center Wausau, Wisconsin | Closing meeting, tentative evaluation on annual audit conformance, collection of documents, records, and other associated information |
| 5/26/12 – 6/15/12 | Off-site | Follow-up information and document review and stakeholder consultation, exchange of documents via e-mail |
| Total number of person days used for the audit: 14 = number of auditors participating 2X average number of days spent in preparation, on site and post site visit follow-up including stakeholder consultation 7.5 | | |

3.3. Sampling methodology:

Per the FSC Standard SLIMF Eligibility Criteria (FSC-STD-01-003 (Version 1-0) EN), all group members qualify as SLIMF allowing application of Family Forest Standards as detailed in FSC-US Forest Management Standard (v1.0), complete with FF Indicators and Guidance. Overall minimum sampling requirements followed FSC calculations for SLIMF group certificates.

Rainforest Alliance developed a 4-year annual audit strategy focusing on counties not audited during the 2008 assessment. The audit strategy included stratifying field sampling by Regions within Wisconsin. The 2012 audit included 7 counties in the Northern and Northeastern Regions. Field sites within each county were selected from lists provided by WIDNR, including sites that had been recently active; were active at the time of the audit; and where management activities were planned. Selection criteria included type of 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 55 forest management units (FMUs) were visited, which exceeds the FSC group sampling requirement of 55 FMUs for this certificate. Sites were selected by the audit team, with some changes made after consultation with WIDNR foresters to ensure that the necessary diversity of FMUs (as indicated by forest type, type of management, and dates of activities) were included. Other adjustments were made to improve travel logistics.

Management plans, cutting notices, and natural heritage search information, were reviewed for each site and provided to the auditors. Additional program administrative documents were also reviewed and/or provided to the auditors.

3.3.1 List of FMUs selected for evaluation

| FMU/Group Member Name | Rationale for Selection |
|---|--|
| Lincoln County 35-177-2003 Peterson | Tornado damage to entire stand; salvage harvest in 2011; roads to be crowned and ditched, stumps buried; aspen natural regeneration; red pine stand salvage harvest in 2011, road work in near future, stumps to be buried, site to be replanted |
| Lincoln County 35-021-2000 Mueller | Tornado damage to entire 29 year old aspen stand, salvage harvest in 2011, aspen natural regeneration |
| Lincoln County 35-018-1988 Lohff | Tamarack and black spruce lowland, 2011 northern hardwood thinning |
| Lincoln County 35-202-2004 | 2011 thinning in 60 year old red pine stand, 4th entry on old farmstead site, natural regeneration, oak and maple regeneration |

| | |
|--|---|
| Monti | |
| Lincoln County 35-206-2004 Monti | Transitioning site from even-aged stand to uneven-aged management; patch clearcuts to take out aspen, includes black ash swamp with cedar component; northern hardwood stand with less than desirable regeneration, site dominated by Pennsylvania sedge |
| Lincoln County 35-016-2004 Walters | 2011 northern hardwood thinning, white birch and aspen removed, larger trees were cut with chainsaw, black spruce retained for cover and species diversity, natural regeneration |
| Lincoln County 35-050-2010 Brimacombe | Planted white spruce, due for summer thinning or winter if too wet, boundary lines established for cut, bounded by muskeg area containing dead trees, beaver problems; FMU extends to Sewall MFL, marked for 3/4 acre patch clearcuts in primarily red maple forest, taking out aspen and white birch, leaving some large aspen |
| Lincoln County 35-278-1999 Mish | Marked for harvest, aspen mixed with northern hardwoods, due to be cut to stimulate natural regeneration, encourage aspen, leave all oak, wildlife habitat objectives |
| Lincoln County 35-288-1999 Williams | Large aspen and northern hardwoods due to be cut, hilly topography presents a challenge, try to reestablish white pine, perennial trout stream, headwaters for Joe Snow Creek, painted SMZ in place |
| Marathon County 37-141-2004 Whalen | Uneven-aged northern hardwoods, 2011 thinning, snowmobile trail, natural regeneration |
| Marathon County 37-031-2007 Lemmer | Mixed northern hardwoods, 2011 thinning, trees marked to cut, natural regeneration |
| Marathon County 37-71-1993 Roble | Mixed northern hardwoods, previous thinnings on numerous stands, species diversity, natural regeneration |
| Marathon County 37-75-1994 Roble | Mixed northern hardwoods, interview with landowners, 2005 cut of white oak, natural regeneration, renewal cut in 2011, goal is white oak dominant stand |
| Marathon County 37-66-1994 Roble | Mixed northern hardwoods, interview with landowners, 2005-2007 thinnings, natural regeneration goal is species diversity |
| Marathon County Johnson 37-108-2004 | Mixed northern hardwoods, favoring oak, hardwoods marked and thinned, black ash swamp, coarse woody debris and brush piles, wet and rocky pockets left untouched for retention |
| Oneida County 44-062-2003 Meinen | Understocked aspen cut in 2009 for aspen regeneration, created lower age class distribution, whole tree chipper, snowmobile trail |
| Oneida County 44-023-2005 Kuntz | Former industry land, managed for aspen, 2009 cut for aspen; Tamarack dominated black spruce area, 2011 cut |
| Oneida County 44-063-1993 McCumber | Former industry red pine stand, undergoing gradual thinning, 2010 cut, 3 acre muskeg area |
| Oneida County 44-207-1998 Willow Acres, Inc. | White birch regeneration, rare birch stand without aspen, 2005 harvest as clear cut strips, sugar and red maple left, mineral soil disturbance, 2010 thinning, shelterwood on remaining areas |
| Oneida County 44-094-1998 Aldridge | Clearcut area for aspen management; adjoining stand a white birch shelterwood, leave maple, buffer on pond, managed for species diversity |
| Oneida County 44-050-1994 Mchaggisch | Company road construction and maintenance on existing roads, hunting is prime objective, red pine stand marked for birch, maple, and aspen, 2011 thinning, white pine understory |

| | |
|--|--|
| Oneida County 44-024-2002 Mattison | Red pine mortality, bald eagle nest buffered, single operator on 2012 shelterwood cut, leave all understory pine; 2012 red pine stand thinning, white pine in understory, wood utilization |
| Oneida County 44-018-1991 Nagy | Cut maple and white birch; conservation easement with Northwoods Land Trust; large aspen trees; 2007 harvest of red oak, white birch, red and white pine; sawtimber and pole timber; large oaks around muskeg; buffer on adjoining lake |
| Oneida County 44-018-2002 Nagy | 2009 cut of maple, aspen, white birch, seeking age class diversity, buffer on lake with ample white birch, conservation easement with Northwoods Land Trust |
| Portage County 50-226-1999 Koerner Revocable Trust | Red pine stand, 54 yrs, treated for annosum root rot in 2011 through thinning and with salvage of root rot pockets; natural white pine regeneration released by harvest with natural regeneration |
| Portage County 50-018-2011 Rutta | Unharvested stand of bottomland hardwoods set up for selection cut along the Wisconsin River, small patchcut of aspen to regenerate species and added to thinned red pine stand harvest, all marked by WIDNR forester |
| Portage County 50-030-2002 Marchel | Northern hardwoods, 22 ac thinning done in February 2011, archaeological site discovered during routine pre-harvest evaluations |
| Portage County 50-021-1994 Kawleski | Abundance of exotic buckthorn species. Scheduled thinning of red pine was delayed until buckthorn was controlled in high risk areas through targeted, basal wand spraying using Garlon 4. |
| Portage County 50-025-2993 Flanagan | 50 year old aspen clearcut in 2004/2005. Exotic buckthorn species was present in the aspen stand but was originally unrecognized. After harvest stand overrun by buckthorn. |
| Portage County 50-003-1989 Dean | Red pine thinning in Stand 2 where buckthorn was found was harvested 2002-2003, Stand 8 scheduled for white pine harvest, also with buckthorn |
| Portage County 50-002-2006 Bartkowiak | Northern hardwood shelterwood with gaps, BMPs inspected, natural regeneration of desired tree species |
| Portage County 50-012-2003 Simkowski | Central hardwood stand treated to remove oak wilt with overstory removal, clumps of advanced regeneration and mid-story trees retained throughout |
| Portage County 50-056-2012 Voight | Stand 2 aspen stand with overstory removal in 2008. Stand 5 is aspen dominated stand over northern hardwoods. Overstory removal scheduled for harvest in 2015 |
| Shawano County 59-005-2004 Kolpack | Northern hardwoods, focus on 2010 salvage harvest to remove trees damaged by July 2010 windstorm, BMPs in place, planned roads, buffers |
| Shawano County 59-019-1993 Tryba | Reviewed enforcement case where a landowner did not follow proper procedures for harvesting activities notification to the MFL program as designated on the Cutting Notice form |
| Shawano County 59-034-1991 Ebben | Active harvest in northern hardwood sawtimber/poletimber stand with combined thinning and removal of hickory borer infested trees |
| Shawano County 59-017-2008 Asembrenner | Salvage harvest from wind damage, RMZ |
| Shawano County 59-024-1998 Umland | Salvage sale from wind damage, small sawtimber and pole-sized northern hardwood stand. Storm damage limited and stand had been recently thinned, salvage of down and dead trees only, spring areas and small low wetland spots were "no equipment" areas |
| Shawano County 59-051-2004 Machmueller | Northern hardwood/hemlock managed under uneven-aged silviculture system, several canopy gaps were created as wildlife openings, wildlife |

| | |
|---|---|
| | trees marked for retention using "W"s on trees, massive failure in tree regeneration apparently due to deer browsing. |
| Shawano County 59-029-2011 Loveland | Extremely rocky northern hardwood site with planned thinning harvest accelerated to harvest tree mortality, particularly dead and dying elm, and otherwise thinned to 90 ft ² basal area; some canopy gaps created for regeneration of shade intolerant tree species |
| Shawano County 59-027-2009 Breitenfeldt | Scattered harvest of storm killed and damaged trees in northern hardwoods, severe deer browsing evident in stand, little to no established tree regeneration in understory even in areas where inadvertent canopy gaps were created |
| Shawano County 59-054-2000 Stern | Swamp hardwood, set up and marked and not yet harvested, basal area to be reduced to 90 ft ² /ac with areas of hemlock reduced to 130 ft ² basal area, wildlife trees and RMZs |
| Shawano County 59-01-2000 Holm | Aspen patch cut of inclusion within northern hardwood stand, objective within this northern hardwood stand was to maintain intolerant species inclusion to provide a diversity of wildlife habitats |
| Shawano County 59-007-1998 Dedolph | July 2010 windstorm, focus on salvage harvest, crop-tree release, stream buffer. |
| Shawano County 59-123-2004 Patz | 2011 aspen clearcut with retention including varied live trees and dead wood, management for quality white-tailed deer, seeded roads and openings |
| Shawano County 09-122-2002 Schmidt | 2010 northern hardwood harvest not complete, NHI "hit" for red-shouldered hawk |
| Shawano County 59-017-2009 Wild | Northern hardwood selection with marked wildlife trees uncut, aspen clearcut with retention |
| Shawano County 59-006-1992 Volkman | Landowner issues for non-compliance with MFL regulations |
| Shawano County 59-008-2008 Blyton | Northern hardwood and maple/hardwood stands with severe deer browse, 2011-2012 winter selection harvest mostly complete |
| Taylor County 61-007-2009 Lindholm | 2012 harvest, site appropriate for aspen natural regeneration, patches of aspen left, balsam fir left, red boundaries on wet areas, sufficient snags |
| Taylor County 61-013-2007 Youmans | Planted but unmanaged white spruce area, 2012 aspen harvest that retained oak and all conifers, aspen natural regeneration |
| Taylor County 61-011-2003 Animal House Ventures | Managed for recreation; multiple entries; multiple owners; 2011 aspen cut leaving all conifers, swamp white oak, and burr oak; varying stages of aspen age classes |
| Taylor County 61-029-2002 Witucki | 2012 thinning, leaving quality oak, aspen designated, ample natural regeneration, cavity trees, excellent roads, leave "black" maple for woodpeckers |
| Taylor County 61-036-2002 Heil | Set-up for pending 2012 harvest, marked by forester, leaving quality oaks, aspen designated, taking ironwood |
| Taylor County 61-008-2005 Thudt | Red pine stand about 35 years old, thinning, aspen coming in from below, some white spruce, unauthorized garden; 2010 aspen harvest, excellent site for aspen natural regeneration, some big tooth aspen, buffer on slope leading to Big Rib River |

3.4. Stakeholder consultation process

WIDNR staff, consulting foresters, landowners, and contract loggers were interviewed at field sites and other stakeholder were consulted by e-mail and/or telephone to provide additional evidence for evaluation of WIDNR to the FSC-US standard requirements. Specific comments provided to Rainforest Alliance were addressed as described in Section 2.3. These included e-mails and field review of several parcels or other items with issues identified as concerns to stakeholders.

| Stakeholder Type | Stakeholders Notified or Consulted (#) | Stakeholders Providing Input (#) |
|-----------------------------------|--|----------------------------------|
| Consulting Foresters | 9 | 9 |
| Forest Industry | 49 | 5 |
| Harvest Operators (e.g., loggers) | 4 | 4 |
| Landowner (MFL Group Member) | 13 | 13 |
| Trappers | 1 | 1 |
| WIDNR Staff | 31 | 31 |
| Academia | 26 | 0 |
| ENGO | 42 | 0 |
| Forestry/Forest Products NGO | 27 | 0 |
| FSCUS | 6 | 0 |
| Local, state, federal government | 19 | 0 |
| Other | 20 | 0 |

3.5. Changes to Certification Standards

| | |
|---|---|
| Forest stewardship standard used in audit: | FSC-US Forest Management Standard (v1.0), FSC Group Certification Standard (FSC-STD-30-005 v1-0) |
| 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: | none |
| Implications for FME: | Not applicable - no new requirements |

3.6. Review of FME Documentation and required records

a) All certificate types

| Required Records | Reviewed |
|---|--|
| Complaints received by FME from stakeholders, actions taken, follow up communication | Y <input type="checkbox"/> N <input checked="" type="checkbox"/> |
| Comments: Most complaints are in hard copy and all records are kept in the main office in Madison, Wisconsin. The audit was implemented in the Northeast Region of Wisconsin out of the Wausau Service Center so the records were not reviewed. | |
| Accident records | Y <input checked="" type="checkbox"/> N <input type="checkbox"/> |
| Comments: Accident records were reviewed by the auditors at the closing meeting. Accident records and associated information are kept in the main office Madison, Wisconsin. | |

| | |
|---|--|
| Training records | Y <input checked="" type="checkbox"/> N <input type="checkbox"/> |
| Comments: Logging training records and evidence of training for Certified Plan Writers (CPWs) and Department of Natural Resources Foresters who write and review MFL plans and enforce the MFL program were provided to the auditors. | |
| Operational plan(s) for next twelve months | Y <input checked="" type="checkbox"/> N <input type="checkbox"/> |
| Comments: Foresters access candidate stands for operational planning through feature classes provided in WIDNR GIS databases and receive annual lists of stands due for silvicultural treatments. | |
| Inventory records | Y <input checked="" type="checkbox"/> N <input type="checkbox"/> |
| Comments: | |
| Harvesting records | Y <input checked="" type="checkbox"/> N <input type="checkbox"/> |
| Comments: Harvesting records by product type for the past year were provided to the auditors. | |

b) Group Certificates

| Required Group Records | Reviewed |
|---|--|
| Group management system | Y <input checked="" type="checkbox"/> N <input type="checkbox"/> |
| Comments: Documentation was provided on the group management system. | |
| Rate of membership change within the group | Y <input checked="" type="checkbox"/> N <input type="checkbox"/> |
| Comments: All data on the net changes in FMUs and hectares since the last audit were provided to the auditors and reported elsewhere in this report. | |
| Formal communication/written documentation sent to members by the group entity during the audit period | Y <input checked="" type="checkbox"/> N <input type="checkbox"/> |
| Comments: Samples of written communications sent to group members were provided to the auditors, especially those related to chemical use and non-conformance with the MFL program guidelines. | |
| Records of monitoring carried out by the group entity | Y <input checked="" type="checkbox"/> N <input type="checkbox"/> |
| Comments: A monitoring report undertaken by WIDNR was provided to the auditors. | |
| Records of any corrective actions issued by the group entity | Y <input checked="" type="checkbox"/> N <input type="checkbox"/> |
| Comments: Corrective actions issued by WIDNR were provided to the auditors. | |
| Updated list of group members | Y <input checked="" type="checkbox"/> N <input type="checkbox"/> |
| Comments: A web site address was provided to the auditors with a list of all FMUs in WIDNR's MFL program. Summations of group members by primary contact and total landownerships and acres were also provided. | |

APPENDIX I: FSC Annual Audit Reporting Form:

| | | | |
|--|---|--------------|-------------------------|
| Forest management enterprise information: | | | |
| FME legal name: | Wisconsin Department of Natural Resources | | |
| FME Certificate Code: | SW-FM/COC – 003626 | | |
| Reporting period | Previous 12 month period | Dates | 05/31/2011 - 05/18/2012 |

| | | | |
|---|---|-----------------------------|--------------------------------|
| 1. Scope Of Certificate | | | |
| Type of certificate: group | SLIMF Certificate: Small SLIMF | | |
| New FMUs added since previous evaluation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | |
| Group Certificate: Updated of FMU and group member list provided in Appendix VII-a: | | | |
| Multi-FMU Certificate: List of new FMUs added to the certificate scope: | | | |
| FMU Name/Description | Area | Forest Type | Location Latitude/Longitude |
| See new FSC FMUs Listing Reference- Appendix VII-a | 18,196ha | Natural | Various across the state. |

| | |
|---|-------------------|
| 2. FME Information | |
| <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 | 921,698 hectares |
| - Plantation | 0 hectares |
| Stream sides and water bodies | Linear Kilometers |

| | | |
|--|------------|-----------|
| 3. Workers | | |
| Number of workers including employees, part-time and seasonal workers: | | |
| Total number of workers | 345workers | |
| - Of total workers listed above | 271 Male | 74 Female |
| Number of serious accidents | 3 | |
| Number of fatalities | 0 | |

| | | |
|---|---------------------------|--|
| 4. Forest Area Classification | | |
| <input type="checkbox"/> No changes since previous report (if no changes since previous report leave section blank) | | |
| Total certified area | 987,944 hectares | |
| Total forest area in scope of certificate | 921,698 hectares | |
| Ownership Tenure | Private ownership | |
| Management tenure: | private management | |
| Forest area that is: | | |
| Privately managed | 921,698 hectares | |
| State/Public managed | 0 hectares | |
| Community managed | 0 hectares | |
| Area of production forests (areas where timber may be harvested) | 916,531 hectares | |
| Area without <u>any</u> harvesting or management activities: strict forest reserves | 5,167hectares | |

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

No changes since previous report (if no changes since previous report leave section blank)

| Code | HCV TYPES ¹ | Description: | 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 |
| TOTAL HCVF AREA | | | ha |
| Number of sites significant to indigenous people and communities | | | |

6. Pesticide Use

FME does not use pesticides. (delete rows below)

FME has a valid FSC derogation for use of a highly hazardous pesticide YES NO

Non FSC highly hazardous pesticides used in last calendar year

| Name | Quantity (liters) | # of Hectares Treated |
|---|-------------------|-----------------------|
| 2,4-D | | 50ha |
| Borax | | 247ha |
| Boron sodium oxide, tetrahydrate | | 295ha |
| Clopyralid | | 19ha |
| Glyphosate | | 189ha |
| Metsulfuron methyl | | 26ha |
| N-(1-Ethylpropyl)-3,4-dimethyl-2,6 dinitrobenzenamine | | 1ha |
| Sulfometuron methyl | | 284ha |
| Triclopyr | | 2116ha |

¹The 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 II: List of visited sites (confidential)

Note: some FMUs had more than one stand visited and entered as a separate line item. So the number of sites visited and listed here does not equal the number of FMUs visited.

| FMU or other Location | Stand # Acres | Site description / Audit Focus and Rationale for selection |
|---|-------------------------------------|---|
| 05/21/12 Marathon County 37-141-2004 Whalen | 1, 2, and 3; 24.4 | Uneven-aged northern hardwoods, interview with landowner, marked to cut, February 2011 thinning, natural regeneration, snowmobile trail segment, gated and locked |
| 05/21/12 Marathon County 37-031-2007 Lemmer | 1, 2; 5 and 9.5, respectively | Mixed northern hardwoods, marked to cut, March 2011 thinning of overmature aspen and defective sawtimber trees, natural regeneration |
| 05/21/12 Marathon County 37-71-1993 Roble | 1; 17 | Mixed northern hardwoods in part, interview with landowners, renewal cut in 2011, e. white pine area cut in 2005, natural regeneration, planting of spruce seedlings, park like area on old farm land |
| 05/21/12 Marathon County 37-75-1994 Roble | 3, 6; 9, 5, respectively | Mixed northern hardwoods, interview with landowners, 2005 cut of white oak, natural regeneration, renewal cut in 2011, goal is white oak dominant stand |
| 05/21/12 Marathon County 37-66-1994 Roble | 3, 4, 5; 9, 10, 8 respectively | Mixed northern hardwoods, interview with landowners, 2005-2007 thinnings, natural regeneration goal is species diversity |
| 05/21/12 Marathon County Johnson 37-108-2004 | 1, 6; 56, 9 | Harvest aspen and all hardwoods except oak, interview with landowner, natural regeneration, wildlife objectives, coarse woody debris and brush piles, wet and rocky pockets left untouched for retention; mixed northern hardwoods, ½ ac poplar clearcut, leave tree, good boundary markings, hardwoods marked and thinned, black ash swamp |
| 05/22/12 Shawano County 59-005-2004 Kolpack | 5, 6, 7; 40, 42, 42 respectively | Northern hardwoods; 2010 salvage harvest to remove trees damaged by July 2010 windstorm; BMPs in place including planned roads, buffers; focus on salvage harvest and BMPs |
| 05/22/12 Shawano County 59-007-1998 Dedolph | 1, 2, 3; 12, 14, 17 respectively | 2010 red pine thinning, pruning, oak crop-tree release, northern hardwood salvage harvest in 3 to remove trees damaged by July 2010 windstorm, BMPs in place, focus on salvage harvest, crop-tree release, stream buffer |
| 05/22/12 Shawano County 59-123-2004 Patz | 1; 9 | 2011 aspen clearcut with retention including varied live trees and dead wood, management for quality deer, seeded roads and openings, focus on plan implementation |
| 05/22/12 Shawano County 09-122-2002 Schmidt | 1; 27 | 2010 northern hardwood harvest not complete (will cut marked culls, poles, and the tops for firewood), NHI "hit" for red-shouldered hawk, specialist's recommendation for some larger trees and structurally diverse stand is being met, focus on NHI process |
| 05/22/12 Shawano County 59-017-2009 | 1, 3; 62, 8 | 2011 Stand 1 northern hardwood selection with marked wildlife trees uncut, Stand 3 aspen clearcut with retention, focus on silviculture |

| | | |
|--|----------------------------|--|
| Wild | | |
| 05/22/12 Shawano County 59-006-1992 Volkman | 6; 49 | Landowner cited for not filing notification and not following silviculture for 2011 harvest on 9 acres of northern hardwoods in Stand 6, landowner has been consistently late in applying mandatory treatments, no NOI (Notice of Investigation) despite no activity on properly implementing 2008 mandatory practices of remaining untreated acres in Stand 6, focus on compliance with MFL requirements, and process for dealing with reluctant participants |
| 05/22/12 Shawano County 59-008-2008 Blyton | 1, 2; 30, 12 | Northern hardwood and maple/hardwood stands with severe deer browse, 2011-2012 winter selection harvest mostly complete, focus on silviculture and process used by WIDNR to evaluate (monitor) proper marking (implementation of prescription according to FMP and Wisconsin's silvicultural standards), also focus on implications of high deer populations on regeneration goals as part of each harvest entry in an uneven-aged silviculture system, including modifications to standard prescription (did not fully clean openings, leaving some marginal-quality sugar maple saplings, the only regeneration present) |
| 05/22/12 Oneida County 44-062-2003 Meinen | 2; 23 | Understocked aspen cut in 2009 for aspen regeneration, created lower age class distribution, whole tree chipper used after cutting, snowmobile trail |
| 05/22/12 Oneida County 44-023-2005 Kuntz | 1, 5; 21, 13 | Former industry land, managed for aspen, 2009 cut for aspen, leave red and white pine, cut out white birch, maple, balsam fir, jack pine; Tamarack dominated black spruce area, 2011 cut, firewood, birch and spruce regeneration, cedar left |
| 05/22/12 Oneida County 44-063-1993 McCumber | 1; 12 | Former industry red pine stand, undergoing gradual thinning, 2010 cut, 3 acre muskeg area, logger interview |
| 05/22/12 Oneida County 44-207-1998 Willow Acres, Inc. | 5, 6, 37, 12, respectively | White birch regeneration, rare birch stand without aspen, 2005 harvest as clear cut strips, sugar and red maple left, mineral soil disturbance, 2010 thinning, shelterwood on remaining areas, soil disturbance, to come back in 1 1/2 years to take out overstory, industry roadwork, deer exclosures |
| 05/22/12 Oneida County 44-094-1998 Aldridge | 3, 4, 6; 3, 5, 8 | Clearcut area for aspen management; adjoining stand a white birch shelterwood, leave maple, buffer on pond, managed for species diversity include birch, maple, aspen and balsam fir Red pine stand managed for wood and wildlife, scattered northern hardwoods, 2007 thinning |
| 05/22/12 Oneida County 44-050-1994 Mchaggisch | 1; 15 | Company road construction and maintenance on existing roads, hunting is prime objective, red pine stand marked for birch, maple, and aspen, 2011 thinning, white pine understory |
| 05/22/12 Oneida County 44-024-2002 Mattison | 4, 5; 12, 7 | 2012 red pine stand thinning, e. white pine in understory, good wood utilization ; Some dead red pine, bald eagle nest buffered, single operator, 2012 shelterwood cut, leave all understory pine. |
| 05/22/12 | 1, 3; 9, 22 | 2009 cut of maple, aspen, white birch, seeking age |

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| Oneida County 44-018-1991 Nagy | | class diversity, buffer on lake with ample white birch, conservation easement with Northwoods Land Trust; cut maple and white birch, conservation easement with Northwoods Land Trust, large aspen trees, 2007 harvest of red oak, white birch, red and e. white pine, sawtimber and pole timber, leave large oaks around muskeg |
| 05/22/12 Portage County 50-226-1999 Koerner Revocable Trust | 1, 15 | Red pine stand, 54 yrs, was treated for annosum root rot in 2011 through thinning and salvage of root rot pockets. Identified as annosum root rot in fall of 2010. Landowner is a representative on the Annosum Root Rot Committee for both landowners and loggers. Hosted WIDNR forest disease specialists in stand to discuss management and treatment options in March 2011. Stand was sampled by WIDNR specialist who determined total stand number of annosus pockets, number of trees per pocket, and number of pockets per acre. Documents provided for communications with WIDNR disease specialists. Clearcut portions of 80 acre stand in 2011 where annosum had killed large pockets of trees (approximately 28 ac) and thinned remainder of healthy stand, using standard WIDNR Order of Removal, down to 120 ft ² basal area, per recommendation of WIDNR foresters and forest disease specialists. Stumps treated with Cellutreat to reduce risk of further infection. Natural white pine regeneration released by harvest and abundant natural regeneration present on site. |
| 05/22/12 Portage County 50-018-2011 Rutta | 1, 2, 4, 5; 77 total | Unharvested stand of bottomland hardwoods set up for selection cut along the Wisconsin River. A buffer of 100" is marked along river and includes a 50" no-equipment zone along the river. Select cut to develop understory using thinning and crop-tree release. Mature patches of shade intolerant aspen and cottonwood to be regenerated through group patchcuts, ½ - 1 ac each. Also documents were provided regarding archaeological discovery identified through routine search of WIDNR Archaeology database. The historic site and a buffer were marked and will be a no-cut zone. Natural heritage databases identified species of special concern or threatened status. Documents were provided for communications from WIDNR Biologist with recommendations to conduct a winter harvest, with frozen ground only, to protect natural heritage elements. |
| 05/22/12 Portage County 50-030-2002 Marchel | 10; 22 | Northern hardwoods, 22 ac thinning done in February 2011. Documents provided showed archaeological site discovered during routine pre-harvest evaluations. Using recommendation by State Archaeologist the harvest was done during frozen ground conditions to protect historical site. A Natural Heritage Inventory (NHI) search, with documents provided. Sites were also protected by frozen-ground logging. Private consulting forester marked stand for treatment using buffer around historical site. |
| 05/22/12 | 6; 8 | Property has abundance of exotic buckthorn species. |

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| Portage County 50-021-1994 Kawleski | | Scheduled thinning of red pine was delayed until buckthorn was controlled in high risk areas through targeted, basal wand spraying using Garlon 4. Licensed and certified contractor was interviewed and copies of spray documents and records were provided to auditors. The remainder of sale area is to be treated prior to, and after, harvest using techniques developed through experiences on Dean property. Remainder of the ownership is planned for buckthorn treatment as well. |
| 05/22/12 Portage County 50-025-2993 Flanagan | 15; 4 | 50 year old aspen clearcut in 2004/2005. Exotic buckthorn species was present in the aspen stand but was originally unrecognized. After harvest the stand was overrun by buckthorn. Forester training post-harvest provided new buckthorn identification and treatment information and forester identified buckthorn in subsequent monitoring visits. Landowner is treating buckthorn on his property and arranged for buckthorn control measures. Contracts, other records and documents related to the buckthorn control activities were provided to auditors. More recent management on property has incorporated new science and training, after consultation with WIDNR specialists regarding buckthorn control options. Newly developed control measures are now being applied prior to harvests and auditor inspections of sites confirm good results in buckthorn management. Landowner has received cost-sharing through WI Forest Landowner Grant Program approved through WIDNR forester and has additionally invested over \$3,400 of own funds to promote good tree regeneration. |
| 05/22/12 Portage County 50-003-1989 Dean | 2, 8; 7, 4 | Red pine thinning in Stand 2 where buckthorn was found was harvested 2002-2003. Stand 8 scheduled white pine harvest, also with buckthorn. |
| 05/22/12 Portage County 50-002-2006 Bartkowiak | 1; 38 | Northern hardwood shelterwood with gaps. Interviewed Master logger on-site. Reviewed thinning practices and crop tree specifications with foresters and lead harvest operator (owner). BMPs inspected. Abundant regeneration of desired tree species. |
| 05/22/12 Portage County 50-012-2003 Simkowski | 7, 23 | Central hardwood stand treated to remove oak wilt with overstory removal. Clumps of advanced regeneration and mid-story trees retained throughout. |
| 05/22/12 Portage County 50-056-2012 Voight | 2, 40; 5, 14 | Stand 2 aspen stand with overstory removal in 2008. Stand 5 is aspen dominated stand over northern hardwoods. Overstory removal scheduled for harvest 2015. Green retention and biomass discussions. |
| 05/23/12 Lincoln County 35-177-2003 Peterson | 2, 3; 27, 4 | Tornado damage to entire stand, salvage harvest in 2011, roads to be crowned and ditched, stumps to be buried, aspen natural regeneration, interview with logger and forest consultant, off Pesabic Lake; red pine stand destroyed by tornado, salvage harvest in 2011, roads to be crowned and ditched, stumps to be buried, to be replanted, interview with logger and forest consultant, off Pesabic Lake |

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| 05/23/12 Lincoln County 35-021-2000 Mueller | 1; 16.3 | Tornado damage to entire 29 year old aspen stand, salvage harvest in 2011, aspen coming back via natural regeneration |
| 05/23/12 Lincoln County 35-018-1988 Lohff | 4; 13 | Tamarack and black spruce lowland, 2011 northern hardwood thinning; took out white birch, aspen balsam fir; natural regeneration |
| 05/23/12 Lincoln County 35-202-2004 Monti | 3; 6 | 2011 thinning in 60 year old red pine stand, 4th entry on old farmstead site, natural regeneration, good oak and maple regeneration |
| 05/23/12 Lincoln County 35-206-2004 Monti | 2, 3; 22, 21 | Northern hardwood stand with less than desirable regeneration, site dominated by Pennsylvania sedge which is a native species; transitioning site from even-aged stand to uneven-aged management; patch clearcuts to take out aspen, includes black ash swamp with cedar component, interview with landowners |
| 05/23/12 Lincoln County 35-016-2004 Walters | 1; 24 | 2011 northern hardwood thinning, white birch and aspen out, larger trees were cut with chainsaw, black spruce retained for cover and species diversity, goal is quality tree development, natural regeneration encouraged through cut, interview with forest consultant |
| 05/23/12 Lincoln County 35-050-2010 Brimacombe | 2, 10; 4, 25 | Planted white spruce, due for summer thinning or winter if too wet, boundary lines established for cut, bounded by muskeg area containing dead trees, beaver problems; extends to Sewall MFL, marked for 3/4 acre patch clearcuts in primarily red maple forest, taking out aspen and white birch, leaving some large aspen |
| 05/23/12 Lincoln County 35-278-1999 Mish | 2; 29 | Set-up for harvest, aspen mixed with northern hardwoods, due to be cut to stimulate natural regeneration, encourage aspen, leave all oak, wildlife habitat objectives |
| 05/23/12 Lincoln County 35-288-1999 Williams | 2; 12 | Large aspen and northern hardwoods, due to be cut, hilly topography presents a challenge, try to reestablish e. white pine, could plant site with e. white pine perennial trout stream, headwaters for Joe Snow Creek, painted SMZ in place |
| 05/23/12 Shawano County 59-019-1993 Tryba | 1; 13 | Reviewed enforcement case where a landowner did not follow proper procedures for harvesting activities notification to the MFL program (Cutting Notice). Field investigation by foresters resulted in stopped harvest activities for failure to file Cutting Notice and obtain required approvals by the state. Documents provided to the auditor includes: MFL Tax Law Handbook (HB24505.60), Chapter 60-1 to 60-3 which details the Stepped Enforcement process for compliance and enforcement related to the MFL program; Summary of Case; State of Wisconsin DNR Law Enforcement Case Activity Report; other Case Activity Exhibits; Violations statement; Penalty Process; and other records detailing relevant procedures. Foresters reviewed entire case with auditor and follow-up |

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| | | interviews with MFL enforcement management staff confirmed consistent implementation of process per Enforcement policies and procedures. Corrective actions were issued to landowner by WIDNR appropriate to and consistent with policies and procedures described in the MFL Forest Tax Law Handbook. These actions included work stoppage, cutting violation citations, monetary assessments. Additional citations are likely to be issued. This case demonstrates firm monitoring and enforcement of program requirements. |
| 05/23/12 Shawano County 59-034-1991 Ebben | 2; 80 | Active harvest in northern hardwood sawtimber/poletimber stand with combined thinning and removal of hickory borer infested trees. Discussion regarding insect and disease training and process for obtaining and implementing recommendations from insect and disease specialists. Logger interview. Detailed discussion regarding definition, designation, evaluation and marking of crop trees. Discussion regarding monitoring of implementation of corrective actions in field marking when determined to be necessary by WIDNR foresters. |
| 05/23/12 Shawano County 59-017-2008 Asembrenner | 1; 30 | Salvage harvest from wind damage. Discussion regarding wind as natural disturbance regime. Interviews with consulting foresters. RMZ inspected with confirmation that state BMPs were followed. |
| 05/23/12 Shawano County 59-024-1998 Umland | 1; 3 | Salvage sale – wind damage. Small sawtimber and pole sized northern hardwood stand. Storm damage limited and stand had been recently thinned. Salvage of down and dead trees only. Spring areas and small low wetland spots were “no equipment” areas. Interviews with consulting foresters (NewPage Corporation) demonstrated knowledge of state BMP RMZ requirements as well as familiarity with FSC certification requirements. |
| 05/23/12 Shawano County 59-051-2004 Machmueller | 1; 33 | Northern hardwood/hemlock managed under uneven-aged silviculture system. Several canopy gaps were created as wildlife openings. Wildlife trees marked for retention using “W”s on trees. Interviews with consulting foresters (NewPage corporation). Massive failure in tree regeneration apparently due to deer browsing. Survey tracts during audit found no regeneration of any tree species including maple or other tolerant hardwoods in this northern hardwood stand. Landowner interview. |
| 05/23/12 Shawano County 59-029-2011 Loveland | 1, 32 | Extremely rocky northern hardwood site with planned thinning harvest accelerated to harvest tree mortality, particularly dead and dying elm, and otherwise thinned to 90 ft ² basal area. Some canopy gaps created for regeneration of shade intolerant tree species. Discussion of natural disturbance regimes in northern hardwoods. Discussion of eradication efforts for removal of Japanese barberry, invasive leading to requirement of machine operators to clean equipment prior to and following harvest. Interviews with |

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| | | consulting foresters (NewPage Corporation). |
| 05/23/12 Shawano County 59-027- 2009Breitenfeldt | 1, 33 | Scattered harvest of storm killed and damaged trees in northern hardwoods. Severe deer browsing evident in stand, little to no established tree regeneration in understory even in areas where inadvertent canopy gaps were created. |
| 05/23/12 Shawano County 59-054-2000 Stern | 4; 4 | Swamp hardwood, set up and marked and not yet harvested. Basal area to be reduced to 90 ft ² /ac with areas of hemlock reduced to 130 ft ² basal area. Wildlife trees marked with orange "W"s. Forester made changes to contractor's tree marking during monitoring inspections. There was a 4" stream flowing through. A 50" wide riparian management zone marked. Equipment not allowed within 15" of stream's high water mark, with frozen ground harvest only. All RMZ specifications meet or exceed state BMPs. |
| 05/23/12 Shawano County 59-01-2000 Holm | 1; 2 | Aspen patchcut of inclusion within northern hardwood stand. Objective within this northern hardwood stand was to maintain intolerant species inclusion to provide a diversity of habitats for wildlife. Evidence of severe deer browsing throughout; however, abundance of aspen regeneration has led to at least a portion of aspen reproduction survival and good stocking throughout stand. |
| 05/24/12 Taylor County 61-007-2009 Lindholm | 3; 16 | 2012 harvest, site appropriate for aspen natural regeneration, patches of aspen left, balsam fir left, red boundaries on wet areas, sufficient snags |
| 05/24/12 Taylor County 61-013-2007 Youmans | 2, 21 | Planted but unmanaged white spruce area, 2012 aspen harvest that retained oak and all conifers, aspen natural regeneration |
| 05/24/12 Taylor County 61-011-2003 Animal House Ventures | 1; 14 | Managed for recreation; multiple entries; multiple owners; 2011 aspen cut leaving all conifers, swamp white oak, and burr oak; varying stages of aspen age classes |
| 05/24/12 Taylor County 61-029-2002 Witucki | 1; 40 | 2012 thinning, leaving quality oak, aspen designated, ample natural regeneration, cavity trees, excellent roads, leave "black" maple for woodpeckers, landowner interview |
| 05/24/12 Taylor County 61-036-2002 Heil | 1; 40 | Set-up for pending 2012 harvest, marked by forester, leaving quality oaks, aspen designated, taking ironwood |
| 05/24/12 Taylor County 61-008-2005 Thudt | 1, 10 | Red pine stand about 35 years old, thinning, aspen coming in from below, some white spruce, unauthorized garden; 2010 aspen harvest, excellent site for aspen natural regeneration, some big tooth aspen, buffer on slope leading to Big Rib River |

APPENDIX III: List of stakeholders consulted (confidential)

List of FME Staff Consulted

| Name | Title | Contact | Type of Participation |
|--------------------|---|---|--|
| Allen, Timothy | Forester, Marathon County | 5301 Rib Mountain Road Wausau, WI 54401 715-359-5863 timothy.allen@wisconsin.gov | In-field contact |
| Bargander, Shirley | Wausau Forestry Team Leader | shirley.bargander@wisconsin.gov | Opening meeting, in-field contact, closing meeting |
| Bonack, Jake | Forester, Oneida County | jake.bonack@wisconsin.gov | In-field contact |
| Courtney, Steve | Area Forestry Leader | steven.courtney@wisconsin.gov | Opening meeting, in-field contact |
| Crow, Jerry | Forest Tax field Manager, Private and community Forestry | 518 West Somo Avenue Tomahawk, WI 54487 715-453-2188 jerry.crow@wisconsin.gov | Opening meeting, in-field contact |
| Duke, Tom | Regional Forestry Leader | Antigo Service Center thomas.duke@wisconsin.gov | In-field contact, closing meeting |
| Fischer, Scott | Forester-Ranger, Bowler Office, | scott.fischer@wisconsin.gov | Office interview, in- field contact |
| Friedrich, Tim | Forestry Team Leader | timothy.friedrich@wisconsin.gov | In-field contact |
| Gillen, John | Forester, Oneida County | john.gillen@wisconsin.gov | In-field contact |
| Glazer, Kent | Forester, Portage County | 715-344-2752 | In-field contact |
| Heyde, Mark A. | Forest Certification Coordinator, Bureau of Forest Management | 101 S. Webster Street P.O. Box 7921 Madison, WI 53707-7921 608-267-0565 mark.heyde@wisconsin.gov | Opening meeting, in-field contact |
| Hylinski, Zach | Forester Kashena County | zach.hylinski@wisconsin.gov | In-field contact |
| Keranen, Chad | Forester, Marathon County | chad.keranen@wisconsin.gov | In-field contact, closing meeting |
| Lambert, Krisitn | Forest Tax Enforcement and Operations Specialist | 101 S. Webster Street P.O. Box 7921 Madison, WI 53707-7921 608-266-8019 kristin.lambert@wisconsin.gov | Opening meeting, in-field contact, office interview, e- mail contacts, closing meeting |

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| LaValley, Rich | Forester | 101 Eagle Drive Merrill, WI 54452 rich.lavalley@wisconsin.gov | In-field contact |
| Leith, Jon | Forester | 101 Eagle Drive Merrill, WI 54452 715-539-3624 jon.leith@wisconsin.gov | In-field contact |
| Lietz, Michael J. | Langlade/Lincoln Forestry Supervisor | 101 Eagle Drive Merrill, WI 54452 715-539-3624 michael.lietz@wisconsin.gov | In-field contact |
| Marquette, Dave | Forestry Technician, Bowler Office | 715-365-8900 | Office interview, In- field contact |
| Mather, Robert J. | Bureau of Forest Management, Director | 101 S. Webster Street P.O. Box 7921 Madison, WI 53707-7921 608-266-1727 robert.mather@wisconsin.gov | Office interview, closing meeting |
| Millis, Bill | Forester | 101 Eagle Drive Merrill, WI 54452 715-539-3624 william.millis@wisconsin.gov | In-field contact |
| Mitchell, Greg | Price/Taylor Team Leader | gregory.mitchell@wisconsin.gov | In-field contact |
| Mueller, Scott | Private Lands Forester | scott.mueller@wisconsin.gov | In-field contact |
| Nelson, Kathy | Forest Tax Program and Policy Chief | 101 S. Webster Street P.O. Box 7921 Madison, WI 53707-7921 608-266-3545 kathy.nelson@wisconsin.gov | Opening meeting, office interview, in- field contact, e-mail contacts, closing meeting |
| Siglinsky, Mackenzie | Falls/Langlade Forester-Ranger, Oconto | siglinsky.mackenzie@wisconsin. gov | In-field contact |
| Slater, Matt | Forester, Marathon County | matthew.slater@wisconsin.gov | In-field contact |
| Spencer, Brian | Headwaters Area Forestry Specialist | 107 Sutliff Ave. Rhinelander, WI 54501 715-365-8930 brian.spencer@wisconsin.gov | In-field contact |
| Thieler, Phil | Area Forestry Supervisor | philip.thieler@wisconsin.gov | In-field contact |
| Wilson, Curt | NE Regional Forester | curt.wilson@wisconsin.gov | In-field contact |

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| Woodford, Michele P. | Bureau of Wildlife Management, Wildlife Biologist | 8770 Highway J Woodruff, WI 54568 715-356-5211 michele.woodford@wisconsin.gov | In-field contact |
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List of other Stakeholders Consulted:

A complete list of WIDNR MFL participants can be located at <http://dnr.wi.gov/topic/TimberSales/mfl.html>.

| Name | Organization | Contact | Type of Participation | Follow up req ² |
|-----------------------|---|--|-----------------------|----------------------------|
| Burmeister, Aaron | Burmeister Logging | 920-655-7752 | In-field interview | None |
| Denk, Eugene | MFL Landowner, Taylor County | 611 Allen Street Athens, WI 54411 | In-field interview | None |
| Dhaseleer, David L. | Steigerwald Land Services, Inc., Private Forest Management Specialist | 856 North Fourth Street Tomahawk, WI 54487 715-453-8325 daved@slstomahawk.com | In-field interview | None |
| Ferricci, Michael | SFI Program Manager, NSF-ISR | 26 Commerce Drive N. Branford, CT 06471 203-887-9248 Mferrucci.com | On-site contact | None |
| Garothers, Matthew L. | Prentiss & Carlisle, Forester | 3243 Gold course road P.O. Box 1128 Rhineland, WI 54501 715-282-6731 mlcarothers@prentissandcarlisle.com | On-site contact | None |
| Graap, Rick | Graap Logging | 715-574-0799 | In-field interview | None |
| Hengst, Fred | Owner/Operator, Central Forestry Consulting, LLC | 715-851-0625 | In-field interview | None |
| Johnson, Dennis | MFL Landowner, Marathon County | 2178 City Hwy. J Schofield, WI 54476 715-359-5863 | In-field interview | None |
| Knaack, Ben | NewPage Corporation | 715-823-3385 | In-field interview | None |
| Koerner, Scott | MFL Landowner, Portage County | 920-589-6008 | In-field interview | None |

²To indicate if the stakeholder has requested documented follow up on how their comments were addressed during the evaluation. TM shall provide public summary to stakeholders that request documented follow-up within 3 months of the closing meeting.

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| Kolpack, Curt | MFL Landowner, Shawano County | Almon, WI 715-793-4281 | In-field interview | None |
| Lohff, James | MFL Landowner, Lincoln County | 715-536-6035 | In-field interview | None |
| Machmueller, Jeffrey | MFL Landowner, Shawano County | 715-524-5121 | In-field interview | None |
| Margitan, Steve | PCA, Region Forester | N9090 County Road F Tomahawk, WI 54487 715-453-0185 smargitan@packing corp.com | In-field interview | None |
| McCumber, Brian L. | MFL Landowner, Marathon County, Logger | 2732 County Hwy. L Tomahawk, WI 54487 | In-field interview | None |
| Monti, James | MFL Landowner, Lincoln County | 709 Poplar Street Merrill, WI 54452 715-536-5851 | In-field interview | None |
| Monti, Roger | MFL Landowner, Lincoln County | 715-536-5851 | In-field interview | None |
| Neveln, Andy | NewPage Corporation | 715-823-3385 | In-field interview | None |
| Pierson, Darrell E. | PCA, Wood Operations Manager | N9090 County Road F Tomahawk, WI 54487 715-453-0182 dpierson@packing corp.com | In-field interview | None |
| Pubanz, Dan | Wolf River Forestry, LLC, Forester | P.O. Box 6 Shawano, WI 54166 715-526-2375 pubanz@frontiernet.net | E-mail contact | None |
| Ramcheck, Joseph | Owner/Operator Endeavor Environmental Services | 920-437-2997 | In-field interview | None |
| Rautiola, John | Timber Buyer | 162 East City Hwy. U Marathon, WI 54448 715-536-1925 cwl1621@aol.com | In-field interview | None |
| Roble, April | MFL Landowner, Marathon County | 4102 Pine Ridge Lane Weston, WI 54476 715-359-3904 | In-field contact | None |

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| Roble, John | MFL Landowner, Marathon County | 4102 Pine Ridge Lane Weston, WI 54476 715-359-3904 | In-field interview | None |
| Roble, Steven | MFL Landowner, Marathon County | 4102 Pine Ridge Lane Weston, WI 54476 715-359-3904 | In-field interview | None |
| Rutta, Dennis | MFL Landowner, Portage County | 715-340-5062 | In-field interview | None |
| Schrock, Leroy | Logger | (715) 758-6684 | In-field interview | None |
| Van Remortal, Jeff | Consulting Forestry, LLC | 8651 Mercer Lake Rd. Minoqua, WI 54548 715-453-1680 jolleywoods@hotmail. com | In-field interview | None |
| Wengeler, Bill | Acorn Forestry Consulting | 715-536-9154 | In-field interview | None |
| Whalen, Kerry | MFL Landowner, Marathon County | Granite Oaks, LLC 510 Alderson street Schofield, WI 54476 715-241-6935 | In-field interview | None |
| Williams, Randy | Forestry Consultant | 715-623-5660 | In-field interview, e- mail contact | None |
| Winkelsron, Don | Trapper | 715-536-2539 | In-field interview | None |

APPENDIX IV: Forest management standard conformance (confidential)

The table below demonstrates conformance or nonconformance with the FSC-US Forest Management Standard (v1.0)-Family Forest Indicators, and non-Family Forest Indicators used for evaluation as required by FSC. The RA Task Manager provided guidance on which sections of the standard should be evaluated in a particular audit. RA 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 nonconformance at the criterion level will be documented in the following table with a reference to an applicable NCR or OBS. The nonconformance and NCR is also summarized in a NCR table in Section 2.4. All nonconformances identified are described on the level of criterion though reference to the specific indicator shall be noted. Criteria not evaluated are identified with a NE.

For Indicators with “Low risk of negative social or environmental impact” no findings are needed unless a nonconformance or potential nonconformance is identified as long as there is an absence of evidence presented to, or otherwise brought to the attention of RA that indicates a likelihood of non-conformance

Applicability to use Family Forest Indicators:

The auditor determined that WIDNR had conducted a satisfactory risk assessment based on the group size, scale and intensity of operations, and the likelihood of impacts in the surrounding landscape for all indicators that have FF indicators. The documented risk audit concluded that group members were a low risk designation for all indicators applicable to FFs. The risk assessment is on file.

| P & C | Conformance: Yes/No/ NE/NA | Findings | NCR OBS (#) |
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| Principle 1: COMPLIANCE WITH LAWS AND FSC PRINCIPLES | | | |
| 1.1 | NE | | |
| 1.2 | NE | | |
| 1.3 | Yes | The MFL program, and associated FMPs and operations comply with relevant provisions of all applicable binding international agreements. WIDNR maintains a list of relevant laws, treaties, and agreements in various documents and on its Web site. The auditors asked if there were any violations, outstanding complaints or investigations since the last annual audit and there were none to report. FF Indicator: Conformance is assumed due to the absence of evidence presented to, or otherwise brought to the attention of the auditor. | |
| 1.4 | Yes | Incidents where this has been dealt with in regard to MFL program participants were documented and referred to the Rainforest Alliance. For example, since the last audit one group member was taken out of the MFL program FSC certification pool since that individual persisted in using a prohibited chemical. | |
| 1.5 | Yes | 1.5.a. The primary protection methods used by WIDNR, its service foresters, and Cooperating Foresters to prevent illegal harvesting and other unauthorized activities on group properties is to make sure the property boundaries are clearly marked and painted. The WIDNR will supply landowners and contractors with site maps showing stand and boundary locations, and | |

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| | | <p>discusses specific job requirements in pre-harvest meetings and walks with the landowner, Cooperating Forester and/or logging contractors. Periodic property visits during timber harvests by WIDNR service foresters do take place and aid in being sure that timber harvest activities occur within property boundaries. No improper activities of this nature were observed during the audit. Interviews indicated that timber trespass on MFL properties has been very limited. This issue, while prevalent, needs to be continually addressed with an expectation that total elimination of this problem is unrealistic.</p> <p>No other unauthorized activities on MFL program FMUs were observed during the audit with the exception of a small, but prohibited, garden on one FMU in which the forester had previously communicated to the landowner the need to remove it. The forester confirmed procedures used for stepped enforcement as described in Section 2.5 of this report..</p> <p>1.5.b. When illegal or unauthorized activities occur the WIDNR will communicate with the party involved (if known) to try to resolve the situation. As indicated in the Forest Tax Law Handbook, Chapter 21, "Managed Forest Law Certified Group" Cooperating Foresters will provide appraisals of land, timber, damage, and trespass or theft. Typically, attempts will be made by foresters or consultants, acting as agents for landowners, to settle disputes in their earliest stages. In cases where timber trespass is a major concern, or there are other serious intrusions, landowners will have to seek the assistance from local and/or state authorities." The Forest Tax Law Handbook, Chapter 60, Enforcement provides a series of steps to be taken to achieve enforcement of both the tax laws and for Managed Forest Law Group Certification.</p> | |
| 1.6 | NE | | |
| Principle 2. TENURE AND USE RIGHTS AND RESPONSIBILITIES | | | |
| 2.1 | Yes | <p>2.1.a. Legal ownership must be clearly established as a requirement for landowner entry into the MFL program. The 2007–08 Wisconsin Statutes Database refers to the portion of the MFL statute that requires legal descriptions and documentation of FMU ownership. Description of ownership also is included in the FMPs. New MFL applicants and people acquiring MFL land through transfers are required to fill out an application for membership (See Forest Tax Law Handbook, Chapter 21, "Managed Forest Law Certified Group") and would thereby have to establish ownership. Program requirement documentation was provided to the auditor.</p> <p>2.1.b. The WIDNR MFL program has documented the legally established use and access rights associated with its group member private FMUs and backed this up through the application and supporting documents when landowners sign to join the MFL program. Under the MFL program, private lands can be open to the public for recreation (e.g., for hunting, fishing, cross-country skiing, sightseeing, snowmobiling, hiking) and are then taxed at a lower rate than lands closed to the public. Although closed lands also receive a reduced rate, it is a higher tax rate than the rate for open lands. This documentation was established in the statute related to the MFL program and described in all FMPs and associated FMU documentation provided to the auditors.</p> <p>2.1.c At every site inspected during the audit, foresters provided detailed paperwork such as forest management plans. At every site, auditors were provided with maps showing boundaries of land ownership and reviews of use rights that were identified on the ground and on maps prior to harvest activities.</p> | |
| 2.2 | Yes | 2.2.a. | |

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| | | <p>By law MFL program lands can now be closed to public access up to 160 acres per municipality (80 acres in entries dated 2004 and earlier). However, under the MFL program, private lands can be open to the public for recreation (e.g., for hunting, fishing, cross-country skiing, sightseeing, and hiking) with taxed at a lower rate than those from lands closed to the public.</p> <p>While legal and customary activities may be permitted on forested properties in the MFL program, the landowner and their resources are protected by state statutes. These laws provide for a layer of protection for natural resources as well as for achievement of the FMP objectives. There are two sets of laws used to prevent trespassing and fall under the Wisconsin Trespass Laws. One is the State civil or tort laws that allow landowners to sue trespassers for damages they cause while trespassing. The other is the statutory trespass rules that can impose a fine on trespassers. In cases where there may be burial sites on a landowner's property, the landowner is under no obligation to permit visitation to this site. However, Wisconsin's Burial Sites Law does place restrictions on how these sites should be handled, for example, in the case of site disturbing activities. In addition, there are processes in place under this law for handling burial sites upon discovery.</p> <p>2.2.b. Consultation with individuals and groups are left to individual landowners, or their designated representatives (e.g., Cooperating Foresters, forest consultants), who will accommodate them within the strictures of the MFL program. In general, there are few claims of traditional or cultural uses on small, nonindustrial land ownerships in the MFL program and no consultation is necessary.</p> <p>There are cases where the tribes are directly connected to the MFL program. For example, some tribes have purchased MFL properties. As a result, the WIDNR employees and the WIDNR Tribal Liaison and staff have made concerted efforts in the past to work with tribes on issues of concern. For example, under Statute 77, section 77.885, it describes the processes for handling Indian Tribe land withdrawals from the MFL program.</p> | |
| 2.3 | NE | | |
| Principle 3. INDIGENOUS PEOPLES' RIGHTS | | | |
| 3.1 | Yes | <p>3.1.a. Tribal forest management planning and implementation may be carried out by authorized tribal representatives in accordance with tribal laws and customs and relevant federal laws when MFL lands are held or acquired by the Tribes. The only exceptions are under Statute 77, section 77.885, where it describes the processes for managing these lands until the facilitation of the Indian Tribe land withdrawals from the MFL program is final. Withdrawal is the common occurrence since there are no taxes, and no tax benefits, making program participation irrelevant.</p> <p>3.1.b. WIDNR does not manage tribal forest resources, thereby making the securing of informed consent regarding forest management activities from the tribe or individual forest owner prior to commencement of those activities a nonissue.</p> | |
| 3.2 | NE | | |
| 3.3 | NE | | |
| 3.4 | NA | Since the WIDNR does not manage tribal lands and traditional knowledge is not used, this Criterion is not applicable. | |
| Principle 4. COMMUNITY RELATIONS AND WORKERS' RIGHTS | | | |
| 4.1 | Yes | <p>4.1.a. Employee compensation (e.g., remuneration, benefits) meets or exceeds the prevailing local norms for work within the forest industry that requires</p> | |

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| | <p>equivalent education, skills, and experience. WIDNR bases compensation on the job requirements and wages and benefits are determined based on these three variables.</p> <p>FF Indicator: Conformance is assumed due to the absence of evidence presented to, or otherwise brought to the attention of the auditor.</p> <p>4.1.b. The “2012 Directory of Foresters, DNR and Cooperating Foresters Serving Wisconsin Landowners” contains extensive lists of services offered by Cooperating Foresters (i.e., consulting and industrial foresters; See http://dnr.wi.gov/files/pdf/pubs/fr/FR0021.pdf). Consulting foresters represent private landowners through contracts, while industrial foresters, employed by wood-using industries, provide assistance to private landowners to promote acceptable forest practices. These foresters operate under the MFL program guidelines and with the approval of the WIDNR. This has the effect of providing long-term and stable relationships among all parties.</p> <p>WIDNR private land service foresters have a number of diverse tasks to perform requiring varying skills. Most apparent is their need to understand details and procedures necessary to help enroll and facilitate private landowner participation in the MFL program. There is a need to also understand all related legislation key to the success of this program. They need to be skilled foresters to determine how well Cooperating Foresters and landowners are working together to manage the forest. WIDNR service foresters also perform many other tasks which include technical and administrative assistance for cost sharing programs, timber sale marking (if declined by Cooperating Foresters), and making referrals to Cooperating Foresters for various services for landowners.</p> <p>Each county in Wisconsin has a service forester whose job is to serve private landowners. In many cases, this involves facilitation of the MFL program. However, through interviews with these foresters it is apparent that they have many other tasks to perform (e.g., fire suppression performing functions on non-MFL WIDNR properties). These positions provide opportunities for foresters to relocate when vacancies occur. In addition, these foresters are eligible to advance to the level of Area Forestry Leader and Regional Forestry Leader. There are also opportunities to advance to other positions within the WIDNR. The fact that a number of WIDNR foresters have been long employed is an indication of a level of satisfaction and also provides stability to the MFL program. Interviews with foresters confirmed their ability to upgrade their positions when opportunities present themselves.</p> <p>The WIDNR, Bureau of Forestry, training program is organized to provide basic and in-service training to all forestry employees. The “Forestry Training Handbook” outlines training and recordkeeping procedures. Beyond special requests to seek out specific training related to forest management, planning, and facilitation, there were a number of WIDNR training opportunities available in the realm of employee education and human dimensions. Documentation of ongoing training was provided to the auditors.</p> <p>New employees are required to participate in the New Employee Orientation program. Also, on the human resource side all permanent employees are required to take, within five years of employment, a workshop on Perspective Communications and one on Perpetual Thinking Patterns. A course called Crucial Conversations, which is a best management practices in communication course, is available in-house at the WIDNR four times a year. Also available is the WIDNR Leadership Academy and the WIDNR Aspiring Supervisor Assessment Program. The breadth and depth of these</p> | |
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| | <p>programs are important to the success of the MFL program due to the high level of communications required with the public (i.e., private landowners) and the business world (e.g., forestry consultants, wood using industries, merchants, other landowners).</p> <p>FF Indicator: Conformance is assumed due to the absence of evidence presented to, or otherwise brought to the attention of the auditor.</p> <p>4.1.c. Employees have historically received comparable pay and benefits for similar work in the region. However, the recent US economic downturn impacted Wisconsin very hard. Budget crises led to an across the board 3% cut in state worker salaries. While workers were not pleased with this situation most understood the underlying reason for such action. Contractors interviewed by the auditors seemed to be pleased with the compensation they were receiving from working with the MFL program. Many were appreciative to just have the work itself.</p> <p>FF Indicator: Conformance is assumed due to the absence of evidence presented to, or otherwise brought to the attention of the auditor.</p> <p>4.1.d. Since WIDNR is a state agency, compliance with state and federal laws, and avoidance of discrimination in these areas is minimized. WIDNR does not discriminate for the purposes of employment between locals and those from other areas. Opportunities in its employment programs, services, and functions are guided by an Affirmative Action Plan. Training opportunities are available to all employees when it is justified and state budgets can support it. This was validated through a number of interviews with WIDNR employees affiliated with MFL.</p> <p>Through the MFL program's statewide presence there are opportunities for local goods and service providers to bid on forestry-related contract work and provide services (e.g., development of forest management plans). Cooperating Foresters associated with the MFL program consist of a cadre of contractors, industry employers/employees, and forestry consultants and, as a result, have numerous work opportunities available to them. Certified Plan Writers (CPWs) are also permitted to write FMPs when contracted by landowners.</p> <p>WIDNR has produced a booklet titled "Conducting a Successful Timber Sale, A Primer for Landowners." Section 4 is titled "Solicit bids and select winning bid." This document provides some measure of consistency in terms of educating landowners and their agents on solicitation practices.</p> <p>FF Indicator: Conformance is assumed due to the absence of evidence presented to, or otherwise brought to the attention of the auditor.</p> <p>4.1.e. MFL is invested in the local economies of towns and counties in the State. There are MFL private land foresters in every State county and over 36,000 landowner participants in the MFL program, covering over 50,000 land holdings. Therefore, through the MFL program's statewide presence there are opportunities for local goods and service providers to bid on forestry-related contract work and provide services (e.g., development of FMPs). Cooperating Foresters associated with the MFL program consist of a cadre of contractors, industry employers/employees, and forestry consultants and, as a result, have numerous work opportunities available to them. CPWs are also permitted to write FMPs when contracted by landowners. To further educate participants WIDNR is running workshops titled of "2012 MFL Recertification Session," which are mandatory for CPW and WIDNR foresters, and they cover many items relevant to this Indicator.</p> | |
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| | <p>Documentation on these workshops was provided to the auditors. All providers interviewed resided in the region and were qualified for the work they were doing.</p> <p>To assist foresters, contractors, and landowners in the above process, WIDNR has produced a booklet titled "Conducting a Successful Timber Sale, A Primer for Landowners." Section 4 is titled "Solicit bids and select winning bid." This document provides some measure of consistency in terms of educating landowners and their agents on solicitation practices.</p> <p>FF Indicator: Collectively, MFL group members are providing employment opportunities (e.g., for contractors, CPWs); purchasing local goods and services to facilitate forest practices; and providing forest product sales opportunities to local harvesters and value-added manufacturers by following the requirement of the MFL program. On certain landownerships visited during the audit some landowners open their properties to support learning opportunities about forest management or for visitors to gain an appreciation for natural resource conservation.</p> <p>4.1.f. The WIDNR, as a public agency engages in a wide variety of public education programs. A number of publications are produced to provide information to MFL participants and the general public. These publications and forms are listed in the WIDNR Forestry Publications Index. The WIDNR Forestry Publication Catalog also lists offerings that contribute to this public education effort.</p> <p>The WIDNR also supports the research-based educational outreach programs of the University of Wisconsin, in particular University of Wisconsin Extension (UWEX). UWEX offers a variety of programs, many of which involve forestry and wildlife related topics.</p> <p>The WIDNR produces the Emmy Award winning children's television program titled "Into the Outdoors." Another educational opportunity that utilizes the forest for education is the Wisconsin Environmental Education Board's (WEEB) Grant Program Forestry Category. These grants are a part of many statewide initiatives to promote forestry education. One area where grants can be applied, with relevance to the MFL program, is to conduct workshops on private woodland management.</p> <p>The WIDNR also sponsors recreational safety education classes to educate the public on how to be safe, knowledgeable, and responsible in their recreational pursuits. The Law Enforcement Safety Education Program includes introductory classes on boating, snowmobile, ATV, hunter, and bow hunter education.</p> <p>4.1.g. The MFL program is invested in the local economies of towns and counties in the state. There are MFL private land foresters in every state county and currently there are over 37,057 primary landowner contacts in the MFL certification program (out of 47,353 total contacts), covering over a total 62,115 MFL land ownerships. A total of 2,441,261 acres (as of January 1, 2012) are in the certification group out of a total of 3,184,978 acres. Due to requirements for managing the forest under the MFL program and, in some cases, the provision of recreational opportunities on these lands, many rural areas benefit greatly from the program. Economic impacts generated affect, in a positive way, all sectors of county economies. For example, a good deal is spent on non-forestry related purchases such as insurance and recreational related accessories. Also adding to this are purchases made to support offices and facilities maintained by the WIDNR.</p> <p>An indirect investment to the local economies of the state can be attributed</p> | |
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| | | <p>to the tax savings landowners receive from the MFL program. The average property tax savings are significant, about an 83% average <i>net</i> reduction compared to general property taxes according to a 2007 Wisconsin Department of Revenue (DOR) report. That translates to a net tax savings of millions of dollars annually for all MFL participants.</p> <p>Interviews with WIDNR foresters associated with counties sampled during the audit also provided an indication that many of them are involved in professional (e.g., SAF) and civic activities that benefit these towns, counties, and the state. Also involved in these types of activities are the Regional and Area Forestry Leaders. Specifically, Division of Forestry employees are assigned as liaisons to important MFL stakeholder groups. Central office specialists regularly attend meetings of the Wisconsin Woodland Owners Association, Wisconsin Family Forests, Woodland Leaders Institute, Wisconsin Tree Farm Committee, and others who provide input on MFL administration. At a local level, WIDNR private land foresters are technical members of county Land Conservation Committees, Farm Service Agency working groups, and many local conservation organizations. WIDNR foresters involved with the MFL program also attend County Board, County Forestry Committee, and Town Board meetings.</p> <p>FF Indicator: Inapplicable.</p> | |
| 4.2 | Yes" Indicator 4.2.b only | <p>4.2.b. Although WIDNR Foresters are not authorized to administer timber sale contracts for landowners or to enforce laws or ordinances outside the scope of the Forester's authority, WIDNR program cites the use of the Wisconsin Woodland Owner's Association (WWOA) which has language in their sample timber sale contracts requiring loggers to wear safety equipment. Landowners individually determine logging contract and language. Over 95% of landowners and professional forestry consultants interviewed during the course of the audit who were asked by auditors what contracts they used confirmed the use of WWOA contracts. Logger interviews and observations during the audit confirmed conformance of all interviewed and observed logging contractors.</p> <p>Current Forest Tax Program staff FISTA training was confirmed by auditors through examination of Training Agenda to refresh loggers training about wearing safety equipment and having spill kits while on active logging jobs. Training in 2011 included over 124 students with at least more additional FISTA training dates that are scheduled.</p> | |
| 4.3 | NE | | |
| 4.4 | NE | | |
| 4.5 | NE | | |
| Principle 5. BENEFITS FROM THE FOREST | | | |
| 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 | Yes, Indicator 6.3.a.3 only | <p>6.3.a.3. WIDNR provides guidance for the management of old-growth forests. Old-growth forests in Wisconsin are generally rare. They were well represented in the mid 1800's, but were mostly harvested and either replaced by younger or converted to other land uses. The handbook, "Old Growth and Old Forests Handbook, HB24805" provides extensive guidance on maintenance and restoration of old growth habitat.</p> | |

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| 6.4 | NE | | |
| 6.5 | NE | | |
| 6.6 | Yes, Indicator 6.6.a only | 6.6.a. WIDNR has taken appropriate steps to ensure that no products on the FSC list of Highly Hazardous Pesticides are used (See NCR 01/11 closing evidence). | |
| 6.7 | Yes | Although WIDNR Foresters are not authorized to administer timber sale contracts for landowners or to enforce laws or ordinances outside the scope of the Forester's authority, current Forest Tax Program staff FISTA training was confirmed by auditors through examination of Training Agendas to refresh loggers training about having spill kits while on active logging jobs. Training in 2011 included over 124 students with at least 2 more additional FISTA training dates that are scheduled. All loggers interviewed and observed during the course of the audit were confirmed to possess spill equipment and were in conformance with FSC Standards. | |
| 6.8 | NE | | |
| 6.9 | Yes | No use of exotic tree species was observed in the audit. Administrative Code Ch. NR 40 creates a comprehensive, science-based system with criteria to classify invasive species into 2 categories: "Prohibited" and "Restricted". With certain exceptions, the transport, possession, transfer and introduction of prohibited species is banned. The WIDNR actively educates landowners to the benefits of planting native species over non-invasive exotics. In fact, this educational and applied management work was formalized through the development of a variety of BMP's for Invasive Species efforts. These educational efforts in combination with the aforementioned regulatory activities of actually listing and prohibiting truly invasive species in NR 40 minimize the planting of these non-invasive, exotics on MFL lands a low risk. | |
| 6.10 | NE | | |
| Principle 7. MANAGEMENT PLAN | | | |
| 7.1 | NE | | |
| 7.2 | Yes | MFL forest management plans are revised to incorporate the results of monitoring following receipt of Cutting Notices, new scientific and technical information, as well as to respond to changing environmental, social and economic circumstances. Forest management plans are continuously updated through revisions following harvest and as other management activities trigger desk reviews or field inspections. Examples of revisions to forest management plans included in field inspections were Buckthorn treatment sites in Portage County that resulted in changed forest management plans that incorporate treatment of Buckthorn prior to harvest activities. Another example was revisions to forest management plans for red pine management in Shawano County in a stand infected with Annosum root rot. WIDNR specialists and university scientists were consulted and results of consultations led to revised management plans. | |
| 7.3 | NE | | |
| 7.4 | Yes | 7.4.a. Forest management plans in the MFL program are public documents and available upon request. The WIDNR program compiles annual summaries for a range of metrics which are also available to the public. 7.4.b. MFL forest management plans, revisions and supporting documentation are easily accessed through requests at local offices or through main WIDNR department offices throughout the state. | |
| Principle 8. MONITORING AND ASSESSMENT | | | |
| 8.1 | NE | | |
| 8.2 | Yes | Indicators 8.2.d.3, 8.2.d.4, and 8.2.d.5 are not included in these findings | |

and are considered “Inapplicable” to FF.

Documents examined for this Indicator include:

- WIDNR Forest Tax Law Handbook (2450.5)
- WIDNR Old-growth and Old Forests Handbook (2480.5)
- NR 46, Wis. Admin. Code
- Ch. 77, Wis. Stats.

Yield of forest timber products must be provided to WIDNR at the conclusion of all cutting operations conducted on MFL properties. Landowners keep their own records of non-timber products.

1. While volume control systems are generally used on MFL lands via silviculture (e.g., stand-level control of basal area), timber growth and mortality are not recorded, but this lack of record was judged as not be critical given the small scale of forests.
2. Stocking of stands is described at the time that the management plan development. Stands are classed by tree species composition, average tree size, and merchantable volume of trees. Regeneration is informally accounted for in some stand descriptions
3. Stand-level and forest-level composition and structure are established and recorded in manner similar to (2) above. Stands are classed by tree species composition, average tree size, and merchantable volume of trees. Standard forest cover designations are used to classify stands. Ecological classification systems are used to describe MFL properties in context of the surrounding landscape (in FMPs developed since 1990).
4. Terrestrial and aquatic features are recorded on property maps. Some of these features are included in the stand descriptions of environmental conditions.
5. Soil conditions are described in management plan, often in the stand descriptions of environmental conditions.
6. Pest conditions are described in management plan, often in the stand descriptions of environmental conditions.

Major habitat elements are addressed in general terms through links to website information. Rare species information is based on NHI data, and updated when management activities are proposed. Initial monitoring occurs during management plan preparation when the Natural Heritage Inventory working list is queried by the WIDNR forester to determine the presence of rare, threatened and endangered (RTE) species and communities. Information including the species and recommended protection measures are communicated to the Independent Certified Plan Writer for inclusion in the management plan for the landowner. Due to privacy concerns, any information included in the management plan is blacked out on file copies held by the WIDNR. Additional monitoring occurs when a mandatory practice is scheduled. The NHI working list is again consulted to note the presence of RT&E species and communities, and if there are occurrences, that information along with recommended protection measures is communicated to the landowner.

Monitoring for the presence of invasive species is done during initial field reconnaissance, mandatory practice assessments, and other visits to the property. Targeted monitoring would be done if the WIDNR forester or cooperating forester were alerted by WIDNR Forest Health Specialists or other personnel to the possible presence of an invasive species. The presence and location of protected areas, set-asides, and buffer zones is determined during initial reconnaissance for the management plan, assessment prior to initiation of a mandatory practice, and following a mandatory practice, particularly in the case of established Riparian Management Zones along water features. MFL lands do not have designated HCVFs. WIDNR has procedures in place in the event that

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| | | HCVFs are found. | |
| 8.3 | NE | | |
| 8.4 | No | <p>8.4.a. Results of monitoring are incorporated at several key stages in the MFL Mandatory Practices program. When Mandatory Practices notices are sent, foresters inform landowners which provides one of the first opportunities to revise management plans. Once a management activity has been planned, Cutting Notices are sent to WIDNR Foresters who then inspect field sites and accept, reject or revise management plans prior to harvest or other management activities occur.</p> <p>8.4.b. Landowners and Foresters inspect post-management activities to assess the degree to which the objectives stated in the management plan are being fulfilled, as well as significant deviations from the plan. However, the pre-harvest inspections that occur triggered by Cutting Notices allow the WIDNR Forester to assess the likelihood of the proposed set up activities to meet forest management plans. Policy documents and field interviews with WIDNR foresters, staff and landowners all confirm that the monitoring takes place and revisions routinely result and are incorporated into plan revisions.</p> <p>Although most sites inspected during field visits had great success in regeneration efforts resulting from implemented forest management plans, there was one county that had notable exceptions related to regeneration failure of tree species. Multiple sites in Shawano County were observed to have whole-scale tree regeneration failures when uneven-aged selection harvests were being used specifically for regeneration of both shade tolerant throughout the stands and shade intolerant species in gaps. Severe deer browsing was also evident on most of these Shawano County sites. Foresters and landowners acknowledge lack of success in achieving silviculture objectives for these stands. However, the degree to which regeneration objectives are not being met is unknown and undocumented and successful changes to management strategies have not been implemented. OBS 01/12.</p> | OBS 01/12 |
| 8.5 | Yes | While respecting landowner confidentiality, WIDNR provides monitoring results for a variety of forest attributes in PlanTrac including forest yields, tax revenues and GIS forest descriptors and is available to public upon request. | |
| Principle 9. MAINTENANCE OF HIGH CONSERVATION VALUE FORESTS | | | |
| 9.1 | NE | | |
| 9.2 | Yes | WIDNR completed an HCVF assessment and determined there were no HCVF on MFL lands. The WIDNR assessment included procedures for examining adjacent lands as well. WIDNR assesses conservation values for every sale including querying NHI databases. When actual or possible RTE findings from databases indicate a RTE attribute is on or near a proposed site, WIDNR does seek input from regional, state, and local stakeholders, scientists, and naturalists to ensure that it is appropriately managed. WIDNR staff confirmed by interview that they plan to complete a 5 year periodic reassessment of HCVF on MFL lands. | |
| 9.3 | NA | There are no HCVF areas identified on the MFL lands in the certificate, so specific management approaches for HCVF are not applicable. | |
| 9.4 | NA | There are no HCVF areas identified on the MFL lands in the certificate, so specific monitoring approaches for HCVF are not applicable. | |
| Principle 10. PLANTATIONS | | | |
| General | NA | The 2008 FSC certification assessment report found that Principle 10 was not applicable. The 2008 assessment team concluded <i>"WIDNR does not manage plantation forests as defined by FSC. Plantings on MFL potential group lands are mostly red pine and total more than 100,000 acres (~5 percent of potential group lands). All of these plantings were described by WIDNR as being primarily established to convert abandoned often degraded, agricultural lands to forest. These types of plantings continue to be established using native conifer species, including both red pine and jack</i> | |

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| | | <p><i>pine. Long rotations are used to produce normal, natural forest goods and services.”</i></p> <p>This principle was not audited in 2009 or 2010.</p> <p>During the 2011 the audit team visited several planted sites and also considered if even-aged management in naturally regenerated stands were created “plantations” as defined by the FSC. The current FSC-US definition of plantation and FSC-US v.1.0 Appendix G Plantation Classification guidance was used for the 2011 audit. Findings:</p> <p>New plantings are limited to native species and clonal material is not used. These plantings occur infrequently and, in most cases, are a restoration of the forest on old fields.</p> <p>Red pine and white pine were the primary species observed in older planted stands (25-60 years old). These were also established on old fields. While typically planted as single species stands, patches are small (most < 20 acres) and are being invaded by mixed species of trees, shrubs, and herbaceous cover. Understory density and species diversity vegetation typically increases with each successive thinning. No planted stands observed by the auditor in three years of MFL auditors have reached rotation age, but WIDNR foresters assume that most landowners will allow natural regeneration to occupy the site and will not replant the stands. In sum, the audit team has concluded that no areas on MFL lands are being managed as “plantations” as defined by the FSC-US.</p> | |
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APPENDIX V: Chain-of-Custody Conformance (confidential)

Note: This CoC Appendix is used for FMEs only selling standing timber, stumpage, logs, chips and/or non-timber forest products (NTFPs) 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. Refer to that separate report Appendix.

Definition of Forest Gate: (check all that apply)

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

Scope Definition of CoC Certificate:

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| 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"/> |
| Note: This does not apply to on-site production of chips/biomass from wood harvested from the evaluated forest area or onsite processing of NTFPs. | |
| 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: WIDNR oversees the Managed Forest Law (MFL) group certificate which is over 10,000 ha. | |
| Does non-FSC certified material enter the scope of this certificate prior to the forest gate, resulting in a risk of contamination with wood/NTFPs 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 4.1 below.)</i> | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| Comments: | |
| Does FME purchase certified wood/NTFPs 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: WIDNR uses the trademarks on the WIDNR web site but has not used them on printed material or on products. | |

Annual Sales Information

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| Total Sales/ Turnover | 14,898,399 US\$ |
| Volume of certified product sold as FSC certified (i.e. FSC claim on sales documentation) (previous calendar year) | 75,887,451 m ³ |
| Total volume of forest products harvested from certified forest | 75,887,451 m ³ |

area. during reporting period defined in Appendix I above.

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

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| 1. Quality Management | |
| 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"/> |
| Findings: WIDNR has defined responsibilities of all personnel responsible for implementing the CoC control system. The COC control system is included on page 21-13 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"/> |
| Findings: WIDNR has undertaken training with Service Foresters to describe the CoC system. Foresters demonstrated knowledge of the system through proper use of the FSC certification code and through the use of the checkbox on the "Cutting Notice and Report of Wood Products from Forest Crop and Managed Forest Lands" form. | |
| COC 1.3: FME procedures/work instructions shall provide effective control of FSC certified forest products (including NTFPs) from standing timber until ownership is transferred at the forest gate. <i>Note: For large scale operations (>10,000ha) and Group Entities, CoC procedures covering all relevant CoC criteria shall be documented.</i> Including: a) Procedures for physical segregation and identification of FSC certified from non-FSC certified material. (If applicable) b) Procedures to ensure that non-FSC certified material is not represented as FSC certified on sales and shipping documentation. (If applicable) c) Procedures to include the FME's FSC certificate registration code and FSC claim (FSC 100%) on all sales and shipping documentation for sales of FSC certified products. 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. e) Procedures to ensure compliance with all applicable FSC/Rainforest Alliance trademark use requirements. Note 1: In the case of group certificates, the Group Manager must ensure Group Members implement CoC control system as defined in documents procedures/work instruction. Note 2: In cases where it is not possible or practical to include the FME's certificate registration code on shipping documents, the FMEs procedures shall provide for a clear, auditable link between the material included in the shipment, a FMU included in the scope of the certificate and the applicable sales documentation (i.e. harvest or procurement contract) that includes the required information detailed in c) above. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Findings: Written procedures under "Chain of Custody" in the Forest Tax Law handbook addresses elements a) through e) above. | |

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| 2. Certified Material Handling and Segregation | |
| 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: a) Physical segregation and identification of FSC certified from non-FSC certified material. b) A system to ensure that non-FSC certified material is not represented as FSC certified on sales and shipping documentation. Note: If no outside wood/NTFP is handled by FME within scope of certificate, mark as N/A. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> |

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| <p>Findings: Most MFL sales are low risk, involving a harvest of a single group member's land with no risk of mixing FSC certified and non-FSC certified materials. However, some sales may occur where adjacent lots under a single ownership are being harvested by one contractor where one lot is in the MFL FSC certified group membership and the adjacent lot is not. In that case, the Forest Tax Law Handbook specifies that: a) physical segregation of the logs is required, b) non-MFL wood cannot be classified as FSC certified, and c) the "Cutting Notice and Report of Wood Products from Forest Crop and Managed Forest Lands" form displaying the CoC certificate number given to buyers wishing to establish a CoC documentation chain is only applicable to the MFL group lot harvest.</p> | |
| <p>COC 2.2: FME shall identify the sales system(s) or "Forest Gate", for each FSC certified product covered by the Chain of Custody control 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.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> |
| <p>Findings: The forest gate has been identified as the "stump, landing, or roadside." For purposes of the FSC certificate, the RA considers the landing and roadside to be equivalent.</p> | |
| <p>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.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> |
| <p>Findings: The FSC certificate number on the "Cutting Notice and Report of Wood Products from Forest Crop and Managed Forest Lands" form as described in CoC 2.1 serves this purpose.</p> | |
| <p>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.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> |
| <p>Note: If no outside wood is handled by FME within scope of certificate, mark as N/A.</p> | |
| <p>Findings: See CoC 2.1.</p> | |

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| <p>3. Certified Sales and Recordkeeping</p> | |
| <p>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 100%</p> <p>Note: In cases where it is not possible or practical to include the FME's certificate registration code on shipping documents, the FMEs shall ensure there is a clear, auditable link between the material included in the shipment, a FMU included in the scope of the certificate and the applicable sales documentation (i.e. harvest or procurement contract) that includes the required information detailed above.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> |
| <p>Findings: For material sold with the FSC claim, WIDNR has: a) procedures on sales and shipping documentation clarifying that all wood is sold as FSC certified. The FSC certification code is included the "Cutting Notice and Report of Wood Products from Forest Crop and Managed Forest Lands" form and b) "FSC Pure" is included on the same form along with the FSC certification code.</p> | |
| <p>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.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> |
| <p>Findings: WIDNR's paper record retention policy is seven years. Electronic data is never deleted.</p> | |
| <p>COC 3.3: FME shall compile an annual report on FSC certified sales containing monthly sales in terms of volume of each FSC certified product sold to each customer. This report shall be made available to Rainforest Alliance staff and auditors during regular audits and upon request.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> |
| <p>Findings: All wood is sold through the MFL program for landowners choosing to remain in the FSC certified pool is sold as FSC-certified. WIDNR compiles summaries of sales volume and value (based on WIDNR 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. A record of sales by product for the last year was provided to the auditors.</p> | |

4. Outsourcing

| | |
|---|---|
| COC 4.1: FME shall obtain approval from Rainforest Alliance prior to initiating outsourcing of handling (e.g. storage concentration yards) or processing of FSC certified material to subcontractors. | Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/> |
| CoC 4.2: 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 <i>FSC Standard for Chain of Custody Certification</i> . Note 1: If FME outsources processing or handling of FSC certified material the outsourcing report appendix is required. Note 2: Check N/A If FME does not outsource processing or handling of FSC material. | Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/> |
| Findings: WIDNR's MFL landowners in the FSC certified pool do not outsource wood materials prior to the forest gate. | |

5. FSC/Rainforest Alliance Trademark (TMK) Use Criteria

Check if section not applicable (FME does not, and does not plan to use FSC trademarks)

Standard Requirement:
The following section summarizes the FME's compliance with FSC and Rainforest Alliance trademark requirements. Trademarks include the Forest Stewardship Council and Rainforest Alliance names, acronyms (FSC), logos, labels, and seals. This checklist is directly based on the FSC standard. FSC-STD-50-001 *FSC Requirements for use of the FSC trademarks by Certificate Holders*. 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).

General

| | |
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| COC 5.1: FME shall have procedures in place that ensure all on-product and promotional FSC/Rainforest Alliance trademark use follows the applicable policies: | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Findings: Procedures for use of the FSC/Rainforest Alliance trademarks are described in the Forest Tax Law Handbook "Chain of Custody" section. The Forest Certification Coordinator has contacted the RA for use of trademarks on the WIDNR website. | |
| COC 5.2: FME shall have procedures in place and demonstrate submission of all FSC/Rainforest Alliance claims to Rainforest Alliance 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 trademarks (names and seal) (50-001, 1.1.6). | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Findings: FSC certification is mentioned on the WIDNR website but is not used on any printed material. WIDNR obtained RA approval for trademark use. There were no new uses of the FSC/Rainforest Alliance trademarks since the last annual audit. | |
| COC 5.3: FME shall have procedures in place and demonstrates that all trademark review and approval correspondence with Rainforest Alliance is kept on file for a minimum of 5 years: | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Findings: All approval records are maintained by WIDNR in their Madison, Wisconsin office. Long-term records are kept in electronic backup for at least 5 years. | |

Off-product / Promotional

Check if section not applicable (FME does not, and does not plan to use the FSC trademarks off-product or in promotional pieces)

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).

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| When applicable to the FME's promotional/off-product use of the trademarks, the criteria | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
|--|---|

| | |
|---|--|
| below shall be met: | |
| Findings: Trademark use by WIDNR has been approved by the RA. A WIDNR 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 (50-001, 6.2): 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: If the FSC “promotional panel” is used, the following elements shall be included: FSC checkmark logo, FSC trademark license code, FSC promotional statement, FSC web site address (50-001, 5.1). Note: the promotional panel is a prescribed layout with a border available to certificate holders on the FSC label generator site. | |
| COC 5.7: In cases that the FSC trademarks are used with the trademarks (logos, names, and identifying marks) of other forestry verification schemes (SFI, PEFC, etc.), Rainforest Alliance approval shall be in place (50-001, 7.2). | |
| COC 5.8: 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 (50-001, 1.9). | |
| COC 5.9: Use of the FSC trademarks on stationery templates (including letterhead, business cards, envelopes, invoices, paper pads) shall be approved by Rainforest Alliance to ensure correct usage (50-001, 7.3, 7.4 & 7.5). | |
| COC 5.10: In cases that the FSC trademarks are used as part of a product name, domain name, and/or FME name, R approval shall be in place (50-001, 1.13). | |

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| On-product |
| <input checked="" type="checkbox"/> Check if section not applicable (FME does not, and does not plan to apply FSC labels on product) |

APPENDIX VI: Rainforest Alliance Database Update Form

Instructions: For each FSC certificate, Rainforest Alliance is required to upload important summary information about each certificate to the FSC database (FSC-Info). During each annual audit RA 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 RA 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)

| | | | |
|--------------------------|--|------------------|--------------|
| Organization name | | | |
| Primary Contact | | Title | |
| Primary Address | | Telephone | |
| Address | | Fax | 608-266-8576 |
| Email | | Webpage | |

Forests

| | | | |
|------------------------------------|---|--|---------------------|
| Change to Group Certificate | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Net Change in # of Parcels in Group | 3,139 total members |
| Total certified area | | 987,944 Hectares | 2,441,260 Acres |

Species (note if item to be added or deleted)

| Scientific name | Common name | Add/Delete |
|-----------------|-------------|------------|
| | | |

Products

| FSC Product categories added to the FM/CoC scope (FSC-STD-40-004a) | | |
|--|---------|---------|
| Level 1 | Level 2 | Species |
| | | |

APPENDIX VII: Group management conformance checklist *FSC-STD-30-005 v1-0* (confidential)

Group Certification Division of Responsibilities

| Type of Forest Management Group: | Type I group | |
|--|-------------------------------------|-------------------------------------|
| Forest Management Activity | Group Entity | Group Member |
| Forest management planning | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| FMU monitoring activities | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Forest and resource inventory | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Harvest planning | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Harvesting | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Training of forest workers | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Legal compliance (taxes, permitting, etc) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Timber Sales | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Marketing | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| FSC/RA trademark use (if applicable) | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Summary of division of responsibilities: Responsibilities for all parties are delineated in Chapter 21 titled "Managed Forest Law Certified Group" of the Forest Tax Law Handbook. | | |

Quality System Requirements

| 1.0 General Requirements | |
|---|---|
| 1.1 The Group entity shall be an independent legal entity or an individual acting as a legal entity. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Findings required if No: | |
| 1.2 The Group entity shall comply with relevant legal obligations, as registration and payment of applicable fees and taxes. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Findings required if No: | |
| 1.3 The Group entity shall have a written public policy of commitment to the FSC Principles and Criteria. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Findings required if No: | |
| 1.4 The Group entity shall define training needs and implement training activities and/or communication strategies relevant to the implementation of the applicable FSC standards. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Findings: Legal or regulatory authority for WIDNR is presented in Section 77.80 of the Wisconsin Statutes. The Forest Tax Law Handbook (2450.5) provides detailed instructions on administration of the WIDNR MFL program. | |
| 2.0 Responsibilities | |
| 2.1 The Group entity shall clearly define and document the division of responsibilities between the Group entity and the Group members in relation to forest management activities (for example with respect to management planning, monitoring, harvesting, quality control, marketing, timber sale, etc). | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| NOTE: The actual division of responsibilities may differ greatly between different group certification schemes. Responsibilities regarding compliance to the applicable Forest Stewardship Standard may be divided between the Group entity and Group members in order to take into account of a landscape approach. | |

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| <p>Findings: The Forest Tax Law Handbook (2450.5) provides detailed instructions on the administration of the WIDNR MFL program. Responsibilities for all parties are detailed out in Chapter 21, titled "Managed Forest Law Certified Group" of the Forest Tax Law Handbook.</p> | |
| <p>2.2 The Group entity shall appoint a management representative as having overall responsibility and authority for the Group entity's compliance with all applicable requirements of this standard.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> |
| <p>Findings: Legal or regulatory authority for WIDNR 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 WIDNR MFL program. The WIDNR had personnel charged with FSC certification responsibilities present during the audit.</p> | |
| <p>2.3 Group entity staff and Group members shall demonstrate knowledge of the Group's procedures and the applicable Forest Stewardship Standard.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> |
| <p>Findings: WIDNR staff are adequately qualified, trained, and equipped to carry out their MFL program responsibilities. This was determined through interviews, job performance, and training programs attended by personnel.</p> | |
| <p>3.0 Group Entity Procedures</p> | |
| <p>3.1 The Group entity shall establish, implement and maintain written procedures for Group membership covering all applicable requirements of this standard, according to scale and complexity of the group including:</p> <ul style="list-style-type: none"> I. Organizational structure; II. Responsibilities of the Group entity and the Group members including main activities to fulfill such responsibilities (i.e. Development of management plans, sales and marketing of FSC products, harvesting, planting, monitoring, etc); III. Rules regarding eligibility for membership to the Group; IV. Rules regarding withdrawal/ suspension of members from the Group; V. Clear description of the process to fulfill any corrective action requests issued internally and by the certification body including timelines and implications if any of the corrective actions are not complied with; VI. Documented procedures for the inclusion of new Group members; VII. Complaints procedure for Group members. | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> |
| <p>Findings: WIDNR has written procedures for MFL group membership as described in Chapter 21, "Managed Forest Law Certified Group" of the Forest Tax Law Handbook. Procedures cover all applicable requirements, rules, and processes which are readily, publicly available on the WIDNR website at http://dnr.wi.gov/forestry/feeds/faqsFull.asp?s1=ForestTax&s2=MFL&inc=ftax.</p> | |
| <p>3.2 The Group entity's procedures shall be sufficient to establish an efficient internal control system ensuring that all members are fulfilling applicable requirements.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> |
| <p>Findings: WIDNR has procedures in place for the MFL program for conducting internal inspections, addressing any non-conformance(s) identified in such inspections, and taking actions to correct any non-conformance(s). Relevant documents regarding internal control systems were provided to auditors. Examples of completed internal audits and corrective actions were provided to auditors both as a presentation and in hard copy.</p> | |
| <p>3.3 The Group entity shall define the personnel responsible for each procedure together with the qualifications or training measures required for its implementation.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> |
| <p>Findings: Responsibilities for all parties are detailed out in Chapter 21, titled "Managed Forest Law Certified Group" of the Forest Tax Law Handbook. In addition, WIDNR staff are adequately qualified, trained, and equipped to carry out their MFL program responsibilities. During the audit more specific responsibilities for staff were provided to the auditors.</p> | |
| <p>3.4 The Group entity or the certification body (upon request of Group entity and at the Group entities expense) shall evaluate every applicant for membership of the Group and</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> |

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| <p>ensure that there are no major nonconformances with applicable requirements of the Forest Stewardship Standard, and with any additional requirements for membership of the Group, prior to being granted membership of the Group.</p> <p>NOTE: for applicants complying with SLIMF eligibility criteria for size, the initial evaluation may be done through a desk audit.</p> | |
| <p>Findings: WIDNR has established mechanisms to evaluate candidate MFL group members to ensure there are no nonconformities and determine any requirements necessary through the required FMP process.</p> | |
| <p>4.0 Group Member Informed Consent</p> | |
| <p>4.1 The Group entity shall provide each Group member with documentation, or access to documentation, specifying the relevant terms and conditions of Group membership. The documentation shall include:</p> <ul style="list-style-type: none"> I. Access to a copy of the applicable Forest Stewardship Standard; II. Explanation of the certification body's process; III. Explanation of the certification body's, and FSC's rights to access the Group members' forests and documentation for the purposes of evaluation and monitoring; IV. Explanation of the certification body's, and FSC's requirements with respect to publication of information; V. Explanation of any obligations with respect to Group membership, such as: <ul style="list-style-type: none"> a. maintenance of information for monitoring purposes; b. use of systems for tracking and tracing of forest products; c. requirement to conform with conditions or corrective action requests issued by the certification body and the group entity d. any special requirements for Group members related to marketing or sales of products within and outside of the certificate; e. other obligations of Group membership; and f. explanation of any costs associated with Group membership. | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> |
| <p>Findings: Links to the applicable FSC-US standard and FSC certification process are included at http://dnr.wi.gov/forestry/certification/mfl.html. This URL and a hot link are included in the new FMP template. Additional MFL group membership requirements are included as explained in 4.2 below.</p> | |
| <p>4.2 A consent declaration or equivalent shall be available between the Group Entity and each Group member or the member's representative who voluntarily wishes to participate in the Group. The consent declaration shall:</p> <ul style="list-style-type: none"> I. include a commitment to comply with all applicable certification requirements; II. acknowledge and agree to the obligations and responsibilities of the Group entity; III. acknowledge and agree to the obligations and responsibilities of Group membership; IV. agree to membership of the scheme, <i>and</i> V. authorize the Group entity to be the primary contact for certification and to apply for certification on the member's behalf. <p>NOTE: A consent declaration does not have to be an individual document. It can be part of a contract or any other document (e.g. meeting minutes) that specifies the agreed relationship between the Group member and the Group entity.</p> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> |
| <p>Findings: In meeting I. through V. above, the WIDNR program has a firm program in place for compliance. For new and renewing MFL group members, by signing the MFL application and FMP, they are agreeing to MFL requirements. This includes the obligations and responsibilities of MFL group membership. Details of these requirements are provided in the WIDNR certification web link http://dnr.wi.gov/forestry/certification/MFL.html. Landowners may opt out of the FSC certification group and still remain in the MFL program. Signing the FMP is a 25-year (or 50-year) commitment to</p> | |

WIDNR MFL program and FSC certification requirements. The application and management form authorize WIDNR's enrollment of the property in the MFL FSC certified group. The signed application authorizes WIDNR and "its agents" (FSC, Rainforest Alliance, or others designated by WIDNR) to access the property.

5.0 Group Records

5.1 The group entity shall maintain complete and up-to-date records covering all applicable requirements of this standard. These shall include:

- I. List of names and contact details of Group members, together with dates of entering and leaving the Group scheme, reason for leaving, and the type of forest ownership per member;
- II. Any records of training provided to staff or Group members, relevant to the implementation of this standard or the applicable Forest Stewardship Standard;
- III. A map or supporting documentation describing or showing the location of the member's forest properties;
- IV. Evidence of consent of all Group members;
- V. Documentation and records regarding recommended practices for forest management (i.e. silvicultural systems);
- VI. Records demonstrating the implementation of any internal control or monitoring systems. Such records shall include records of internal inspections, non-compliances identified in such inspections, actions taken to correct any such non-compliance;
- VII. Records of the estimated annual overall FSC production and annual FSC sales of the Group.

Yes No

NOTE: The amount of data that is maintained centrally by the Group entity may vary from case to case. In order to reduce costs of evaluation by the certification body, and subsequent monitoring by FSC, data should be stored centrally wherever possible.

Findings: All relevant records described in I. through VII. above are maintained by WIDNR in Madison, Wisconsin and at their regional Service Centers. Historically, WIDNR has relied on a paper record system based in the county offices with summary data maintained at the Madison, Wisconsin office. WIDNR is moving to a fully electronic system for all FMPs, maps, and other records (WisFIRS) which will be partially operational in 2012, and completely so in the near future. Currently, training sessions are ongoing to illustrate the WisFIRS to various stakeholders. During the closing meeting, the auditors were given a 2-hour presentation on WisFIRS and its capabilities.

5.2 Group records shall be retained for at least five (5) years.

Yes No

Findings: Group Entity and group member records are maintained well over five years via paper records and electronic databases. Many of these records were used or referred to during the audit.

5.3 Group entities shall not issue any kind of certificates or declarations to their group members that could be confused with FSC certificates.

Yes No

NOTE: Group member certificates may however be requested from Rainforest Alliance.

Findings: WIDNR is aware of, and acknowledges, this requirement.

Group Features

6.0 Group Size

6.1 The Group entity shall have sufficient human and technical resources to manage and control the Group in line with the requirements of this standard.

Yes No

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|---|--|
| NOTE: The number of Group members, their individual size and the total area will influence the evaluation intensity applied by the certification body in their annual audits. | |
| Findings: WIDNR staff and associated partners (e.g., CPWs, MFL landowners, logging contractors, consultants) are adequately qualified, trained, and equipped to carry out their MFL program responsibilities. This was determined by viewing training records, and by conducting extensive interviews with all parties concerned with the MFL program. | |
| 6.2 The Group entity shall specify in their procedures the maximum number of members that can be supported by the management system and the human and technical capacities of the Group entity. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Findings: WIDNR evaluates program capacity annually, rather than define a maximum number of members. During future annual audits of WIDNR, the Rainforest Alliance will follow the FSC protocol for sampling intensity. Future evaluations will focus on group members who have not been visited by a Rainforest Alliance auditor, as well as those group members who have had recent, active, or proposed forest management activities taking place. In addition, properties affiliated with any NCRs or OBSs will likely be visited. Additional considerations for the auditing strategy will also be based on any stakeholder comments. | |
| 7.0 Multinational Groups | |
| 7.1 Group schemes shall only be applied to national groups which are covered by the same Forest Stewardship Standard. | Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/> |
| Findings required if No: | |
| 7.2 The Group entity shall request formal approval by FSC IC through their accredited Certification Body to allow certification of such a group scheme. | Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/> |
| Findings required if No: | |

Internal Monitoring

| | |
|--|---|
| 8.0 Monitoring Requirements | |
| 8.1 The Group entity shall implement a documented monitoring and control system that includes at least the following: <ul style="list-style-type: none"> I. Written description of the monitoring and control system; II. Regular (at least annual) monitoring visits to a sample of Group members to confirm continued compliance with all the requirements of the applicable Forest Stewardship Standard, and with any additional requirements for membership of the Group. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Findings: A monitoring team that includes staff members from WIDNR's Madison central office and regional staff members annually monitor applications of the FSC certification program in one state region. Audits are usually three days in length, cover at least three counties, and include a morning county office audit covering records and procedures and an afternoon field audit visiting several MFL group member 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. WIDNR has developed a new monitoring form to be used during the annual monitoring that includes all Criteria and Indicators of the FSC Standard as well as applicable Chain-of-Custody and Group Certification procedures. This monitoring procedure has been used since 2009 and the 2011 results were provided to the auditors. | |
| 8.2 The Group entity shall define criteria to be monitored at each internal audit and according to the group characteristics, risk factors and local circumstances. | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Findings: Group certification Criterion 8.2 requires that the group entity defines criteria to be | |

monitored at each internal audit and according to the group's characteristics, risk factors, and local circumstances. See NCR 02/11 for greater detail.

8.3. The minimum sample to be visited annually for internal monitoring shall be determined as follows:

a) Type I Groups with mixed responsibilities (see FSC-STD-30-005 v-1 section D Terms and definitions)

Groups or sub-groups with mixed responsibilities shall apply a *minimum* sampling of $X = \sqrt{y}$ for „normal“ FMUs and $X = 0.6 * \sqrt{y}$ for FMUs < 1,000 ha. Sampling shall be increased if HCVs are threatened or land tenure or use right disputes are pending within the group.

b) Type II Resource Manager Groups (see FSC-STD-30-005 v-1 section D Terms and definitions)

Group entities who also operate as resource managers may define the required internal sampling intensity at their own discretion for the forest properties they are managing, independent of their size and ownership (the minimum numbers as defined above do not apply here).

Yes No

NOTE: for the purpose of sampling, FMUs < 1,000 ha and managed by the same managerial body may be combined into a „resource management unit“ (RMU) according to the proposal made in FSC-STD-20-007 Annex 1.

Findings: WIDNR is sampling as required for internal monitoring.

FSC-STD-30-005 recommendations for internal monitoring.

8.4 For monitoring purposes the Group entity should use the same stratification into sets of „like“ FMUs as defined by the certification body in their evaluation.

8.5 The Group entity should visit different members in their annual monitoring than the ones selected for evaluation by the certification body, unless pending corrective actions, complaints or risk factors are requiring a revisit of the same units.

8.6 In the selection process of members to be visited, the Group entity should include random selection techniques.

Comments: For the purposes of the FSC certification, a “group member” is equivalent to an individual property enrolled in the MFL program, also referred to as “MFL Orders” by WIDNR or “Forest Management Units” (FMUs) in this report thus both the Group Entity and certification body stratify “like” FMUs in the same manner. WIDNR provided internal audit documents demonstrating that internal monitoring selected sites not evaluated by the certifying body and included random selections in their sampling protocols.

8.7 The Group entity shall issue corrective action requests to address non-compliances identified during their visits and monitor their implementation.

Yes No

Findings: WIDNR provided internal audit samples including details on corrective actions issued each year since 2009.

8.8 Additional monitoring visits shall be scheduled when potential problems arise or the Group entity receives information from stakeholders about alleged violations of the FSC requirements by Group members.

Yes No
NA

Findings: WIDNR provided internal audit samples including details on violation investigations and their resolution.

Group Assessment Requirements: (Completed by RA Task Manager/Lead Auditor)

Group member size restriction:

There are currently no size restrictions (See Indicator 6.2 above).

RA Certificate auditing strategy:

During future annual audits of WIDNR, the Rainforest Alliance will follow the FSC certification protocols for sampling intensity. Future

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| | evaluations will focus on group members who have not been visited by a Rainforest Alliance auditor, as well as those MFL group members who have had recent, active, or proposed management activities taking place. In addition, properties affiliated with any NCRs or OBSs will likely be visited. Additional considerations for the auditing strategy will be based on any stakeholder comments. |
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APPENDIX VII-a: Certified Group Member/FMU List

- 1. Total # members and FMUs in the certified pool: 36,057 as of January 31. 2012**
- 2. Total area in Current Pool (ha. or acres): 987,944 ha (2,441,260 acres) as of January 31. 2012**

A complete listing of WIDNR MFL participants can be located at <http://dnr.wi.gov/topic/TimberSales/mfl.html>. Additionally, copies of members as of May 21, 2012 are on file with Rainforest Alliance.