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May 3, 2005

Mr. Paul DeLong, State Forester  
Wisconsin Department of Natural Resources  
101 S. Webster Street  
Madison, Wisconsin  
53703

Subject: Final ATFS Group Certification Audit Report

Dear Mr. Paul DeLong:

Congratulations, NSF-ISR has found that the Wisconsin Department of Natural Resources' administration of the Managed Forest Law (MFL) Program is in "Full Conformance" with the American Forest Foundation® (AFF) Standards of Sustainability and the American Tree Farm System® (ATFS) Standard Operating Procedures for Group Organizations and Managers (SOP-01).

This letter outlines the group certification audit process, major findings of the NSF-ISR Group Certification Audit, and other details. The specific Audit findings and objective evidence of conformance are detailed in the attached Final Report, the AFF Standards Checklist, the SOP-01 Checklist, and the Summary Report.

The NSF-ISR ATFS Group Certification Process began with a Phase I Gap Analysis conducted during the week of November 3-7, 2003. The Gap Analysis involved inspecting thirty-eight (38) MFL properties located in six (6) counties. Approximately twenty-one (21) DNR staff and foresters were interviewed. A formal Phase I Gap Analysis Report was submitted to the Wisconsin DNR on March 1, 2004.

Two ATFS Accredited Lead Auditors conducted the Phase II NSF-ISR Group Certification Audit: Mr. R. Scott Berg and Mr. Mike Ferrucci. The Audit Planning

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meeting was conducted on February 3-4, 2005 where the Lead Auditor finalized the Audit Plan (Appendix A), selected potential field sites, made necessary arrangements, and initiated the Group Certification Audit. The field audit was conducted on February 28<sup>th</sup> – March 4<sup>th</sup>, 2005 and included seventy-four (74) field sites across sixteen (16) counties. Approximately thirteen (13) landowners and fifty-five (55) DNR staff and foresters were visited and interviewed. An additional eleven (11) interested parties were interviewed including: contract loggers, forestry consultants, woodland owner organizations, industry procurement foresters and the State Tree Farm Committee.

In total, the Phase I and II Group Certification Audit Process involved almost a third of Wisconsin's counties represented in the MFL Program (22 of 71), 112 MFL properties, approximately 70 DNR staff and foresters, 13 landowners, and 11 outside interest groups. The auditors also reviewed CDs containing all relevant Wisconsin statutes, MFL Forest Tax Law Handbooks, inspection forms, management plans, and other documents.

Based upon this thorough review and analysis, the Wisconsin DNR fully demonstrated landowner conformance with the AFF Standards of Sustainable Forestry. NSR-ISR auditors found that the family forest owners involved in the MFL Program exceeded the basic requirements of the AFF Standards of Sustainable in a number of areas including: 1) all landowners obtain advice from professionally trained foresters, 2) all landowners have professionally prepared forest management plans that cover all aspects of the AFF Standards, 3) landowners consistently protect riparian zones, 4) management plans aggressively consider forest health protection, 5) landowners consider and protect native wildlife and biodiversity, and 6) management plans and practices maintain and enhance habitat for game and non-game species of plants and wildlife. Opportunities for Improvement exist to: 1) ensure appropriate regeneration and stocking of desirable and native species and 2) ensure that all tops and debris are removed from streams according to State BMP requirements.

The Wisconsin DNR has demonstrated overall conformance with the Standard Operating Procedures for Group Organizations and Managers (SOP-01) with the "Closure" of one Corrective Action Plan. At the time of the field audit, the DNR had not yet: 1) notified the existing Group Members that they are subject to all of the American Tree Farm System requirements, 2) made the AFF Standards of Sustainability accessible to Group Members, and 3) interpreted, appropriately applied and clearly explained the requirements of the AFF Standards to Group Members. A Corrective Action Plan was developed and approved by the Lead Auditor on March 4, 2005, and the implementation of the Plan was reviewed and "Closed" on May 3, 2005.

The vast majority (75%) of DNR foresters have completed the ATFS Inspector Training Course. However, Section 4.9 of SOP-01 requires that all inspectors conducting internal monitoring must have completed the training. A Corrective Action Plan was developed and approved for this Minor Non-conformance on March 4, 2005 to train all DNR Foresters by December 2005.

The Wisconsin DNR exceeds the requirements of the Standard Operating Procedure for Group Organizations and Managers (Section 4.9) addressing documentation of the monitoring process and reporting findings to individual Group Members. DNR Foresters demonstrated that

the agency's monitoring, working with landowners to accomplish required practices and Notice of Investigation procedures exceed those of the ATFS Group Certification Process. All other areas of SOP-01 were adequately addressed and the Wisconsin DNR was in full conformance with the respective requirements.

While administration of the ATFS Group Certification Program in conjunction with the Managed Forest Law Program is currently substantial and credible, the auditors are concerned that proposed budget cuts could reduce the ability of the agency to fully conform to program requirements. Specifically, a number of the landowners and outside interest groups expressed significant concerns with the magnitude of the proposed budget cuts and the implications for DNR programs, particularly new efforts such as MFL Group Certification. NSF-ISR reminds the agency that the Standard Operating Procedure for Group Organizations (Section 6.8) requires the Group Manager to keep the Group Organization's program up-to-date and in ongoing conformance with the AFF Standards and SOP-01.

This Final Report is the sole property of the Wisconsin DNR and is intended to aid in understanding the findings of the independent audit process, as well as the requirements of the AFF Standard and SOP-01. This report can also be used for the purpose of improving forest management and program administration over time.

NSF-ISR would like to express its sincere appreciation for the active support and participation of the Wisconsin DNR foresters and staff in the NSF-ISR Group Certification Audit Process. We came away from the audit with a tremendous amount of respect for the professionalism and credibility of the Wisconsin DNR MFL Program and staff. It is clear that the Wisconsin DNR MFL Program will bring significant credibility to the American Tree Farm System and the goal of broadening the practice of sustainable forestry among all segments of the forestry community.

If you or your staff have any questions about the attached Final Group Certification Audit Report and Appendices, please feel free to contact me at 904-277-4596.

Sincerely,

Mr. R. Scott Berg,  
Lead Auditor, NSF-ISR

cc: Mr. Paul Pingrey, DNR MFL Program  
Mr. Mike Ferrucci, Sustainable Forestry Program Manager, NSF-ISR

**Final Group Certification Audit Report**  
**Wisconsin Department of Natural Resources**  
**MFL Certified Group**

**I. Summary of the Group Certification Audit Process**

The NSF-ISR Group Certification Audit Process of the Wisconsin Managed Forest Law (MFL) Program against the American Tree Farm System® Group Certification Program began with a Phase I Gap Analysis. The Gap Analysis Final Report was issued on March 1, 2004 and that report is contained herein by reference.

The Phase II Group Certification Audit began in early 2005 with the review of new information including a revised Chapter 21 of the Forest Tax Law Handbook and an updated CD of relevant Wisconsin DNR procedures, manuals and forms.

The Lead Auditor conducted a number of conference calls with the MFL Primary Contacts, Mr. Paul Pingrey and Richard Lavalley, to explain the Group Certification Audit Process, set the dates for the Audit Planning Meeting and Field Audit, and draft the Audit Plan. The criteria for selecting field sites and interviewees were communicated to Mr. Lavalley and he worked with DNR Area and Field Foresters to identify a number of potential field sites that could be visited during the Field Audit.

The Lead Auditor then met with the Wisconsin DNR staff in Madison, Wisconsin on February 3-4<sup>th</sup> to develop a detailed Audit Plan. The Lead Auditor explained the requirements of the AFF Standards and the revisions to the Standard Operating Procedure for Group Organizations. The revised Forest Tax Law Handbook was reviewed and the audit process was begun. Conformance with the relevant requirements was documented and remaining gaps were identified.

The credentials of the NSF-ISR Audit Team were reviewed and confirmed. Mr. Scott Berg served as the Lead Auditor and Mr. Mike Ferrucci was the Audit Team member. Both are accredited by the American Tree Farm System® as Lead Auditors. The Audit Team has over fifty-five years of experience in the forestry sector. The Lead Auditor helped develop the ATFS Group Certification Process for the American Forest Foundation (AFF), and the Audit Team Members served as the Lead Auditor for the Sustainable Forestry Initiative® Standard certification audits for the Wisconsin State and County Lands and are very familiar with the Wisconsin DNR.

The Lead Auditor then met with the MFL Primary Contacts to identify the final sixteen counties to be involved in the field audit. Clusters of ten to twelve potential properties were identified in two alternative travel routes. Selection of potential field sites was based upon several criteria including: 1) management activity within the last eighteen months, 2) a variety of landownership sizes, 3) the presence of water and BMPs, 4) any corrective action required by MFL procedures, 5) active management on the site, and 6) easy access during the winter months.

A formal Audit Planning Closing Meeting was held to review the Group Certification Audit Process, address any outstanding issues in the Audit Plan, and make appropriate plans for the Field Audit. The Final Group Certification Audit Plan is contained in Appendix A.

The Group Certification Field Audit was conducted during the week of February 28 through March 4<sup>th</sup>, 2005. The Audit Team met prior to the Audit to review the Audit Plan and make final arrangements. A formal Opening Meeting was held at a meeting place in Wausau, Wisconsin with the Wisconsin DNR Team. An Attendance Sign-in Sheet was completed and is attached in Appendix B. The confidentiality arrangements were also reviewed and the NSF-ISR Confidentiality Agreements are attached in Appendix C.

The Lead Auditor explained during the Opening Meeting that the possible findings for the ATFS Group Certification Gap Analysis include: 1) Full Conformance, 2) Exceed the Basic Requirements, 3) Major Non-conformance, 4) Minor Non-conformance, and 5) Opportunity for Improvement. All other details contained in the Audit Plan were reviewed and final adjustments were made. The Opening Meeting was adjourned and the two Audit Teams departed for the four days of field visits.

Two Audit Teams visited seventy-four (74) field sites across sixteen (16) counties during the week of February 28<sup>th</sup> – March 4, 2005. Approximately thirteen (13) landowners and fifty-five (55) DNR staff and foresters were visited and interviewed. An additional eleven (11) interested parties were interviewed including: contract loggers, forestry consultants, woodland owner organizations, industry procurement foresters and the State Tree Farm Committee. A listing of the names of the MFL landowners, the DNR staff, and interested parties is attached in Appendix G.

The Audit Teams rejoined in Madison, Wisconsin on March 4<sup>th</sup> for the Closing Meeting. The audit findings are itemized and documented on the AFF Standard Audit Finding Checklist (Appendix D) and the Group Organization and Manager Audit Finding Checklist (Appendix E). The Objective Evidence that formed the basis of the findings is documented on the Checklists. Objective evidence included the inspection of written documents, field site visits, and interviews with appropriate parties. The Major and Minor Non-conformances are documented on the Corrective Action Request (CAR) forms (Appendix F).

The Closing Meeting was adjourned when all of the items on the Audit Plan were addressed, audit findings were reported and fully discussed, and all participants signed the Closing Meeting Attendance Form.

## *II. Audit Intensity and Sample Size*

It is important to note that the Phase I Gap Analysis involved inspecting thirty-eight (38) MFL properties located in six (6) counties. Approximately twenty-one (21) DNR staff and foresters were interviewed. The NSF-ISR auditors gained a full understanding of the Wisconsin DNR's MFL Program during the Gap Analysis that was used in assessing overall conformance to the ATFS Group Certification Program.

The Phase II Group Certification Audit Process covered seventy-four (74) field sites across sixteen (16) counties. Approximately thirteen (13) landowners, fifty-five (55) DNR staff and foresters, and eleven (11) interested parties were interviewed.

In total, the Phase I and II Group Certification Audit Process involved almost a third of Wisconsin's counties represented in the MFL Program (22 of 71), 112 MFL properties, approximately 70 DNR staff and foresters, 13 landowners, and 11 outside interest groups.

The Wisconsin DNR's effective and long-term administration of the MFL Program contributed to the high level of assurance that the sub-sample of field sites and interviewees accurately reflected overall performance. The NSF-ISR auditors are confident that other MFL properties in other counties in Wisconsin are similarly managed and in overall conformance with the AFF Standards.

### **III. Findings Related to the AFF Standards of Sustainability for Forest Certification**

The NSF-ISR Group Certification Audit Team determined that there is a high level of conformance between private family forest owner implementation of the Wisconsin Management Forest Law Program and the AFF Standards of Sustainability. The specific objective evidence for each required indicator is detailed in the AFF Standard Audit Finding Checklist in Appendix D.

Note that a July 13, 2004 interpretation from the ATFS National Interpretations Committee clarified that the AFF Standards Performance Measures and Indicators with the term “must” are considered Core Performance Measures and Primary Indicators. All Core Performance Measures and Primary Indicators are required to be met by each Group Member of the Group Organization. As such, overall conformance with the AFF Standards is judged against the Core Performance Measures and Primary Indicators. Other indicators have been included by the Wisconsin DNR to provide additional evidence of conformance, and these indicators were audited as if they were Primary Indicators.

The following narrative summarizes the objective evidence and audit findings from the ATFS Group Certification Audit.

#### *Standard 1: Ensuring Sustainable Forestry*

Inspection of field sites and MFL Forest Management Plans demonstrated that forest landowners that participate in the MFL Certified Group Program are in overall conformance with AFF Standard # 1 and Core Performance Measure 1.1.

The AFF Standard # 1 also requires that all Group Members “must” have their field practices inspected by an accredited Tree Farm Inspector (1.1.1). Both members of the NSF-ISR Audit Team are ATFS accredited Lead Auditors.

Indicator 1.1.2 requires that certified properties be re-audited every five years. Interviews and inspection of Chapter 21 demonstrated that the Wisconsin DNR fully intends to seek re-certification after five years. The DNR also plans to conduct annual regional reviews to internally assess ongoing AFF Standards conformance.

#### *Standard 2: Compliance with Laws*

Field site inspections demonstrated that landowners are complying with applicable laws and regulations as required by AFF Standard # 2. Interviews with DNR staff and landowners indicated that they are committed to comply with all relevant laws and will work to correct any non-compliance issues and mitigate any adverse environmental impacts.

Interviews indicated that landowners receive substantial forestry advice from trained professionals that are familiar with applicable laws and regulations consistent with Indicator 2.1.2. Wisconsin DNR foresters, wildlife biologists, hydrologists and other specialists are continually working with landowners to ensure compliance with relevant laws and regulations. This high level of technical assistance exceeds the requirements of the AFF Standard!

#### *Standard 3: Commitment to Practicing Sustainable Forestry*

The inspection of 112 field sites and management plans during Phase I and Phase II demonstrated that forest owners are implementing long-term forest management plans developed by the DNR Foresters or approved plan writers as required in AFF Standard Performance Measure 3.1 and Indicator 3.1.1.

More recent management plans are more comprehensive in addressing other resource values including visual quality, wildlife, special sites, and biological diversity. Most landowners choose to close their lands to recreation, but those that maintain their lands as “Open” do have management recommendations for enhancing

recreational opportunities. Interviews with consulting foresters that write management plans indicated that the DNR training is substantial and that there is greater consistency in management plans. This high level of management plan preparation by trained foresters exceeds the requirements of the AFF Standard!

Interviews with consulting foresters and DNR Foresters indicated that the agency is doing a much better job of ensuring that the management plans, particularly required practices, are actively implemented. Interviews with outside parties indicated that some management plan recommendations do not adequately address economic conditions, market access, and operability constraints. DNR Foresters maintain that they are flexible in adjusting and/or delaying management prescriptions where appropriate.

Interviews indicated a healthy dialogue between DNR Foresters, landowners, consultants, and the wood using industry when it comes to management prescriptions and practices. This give-and-take approach helps ensure sustainable forest management and the consideration of multiple forest objectives and benefits. Inspection of management plans and tract files indicated that the backlog of mandatory practices has been substantially reduced and most practices are up-to-date as required in Indicator 3.2.1.

#### *Standard 4: Reforestation*

Inspections and interviews demonstrated that landowners in the MFL Program generally achieve adequate reforestation and satisfactory stocking. The vast majority of sites inspected were regenerated naturally, with some planting.

Interviews indicated that DNR Foresters routinely recommend maintaining a diversity of forest species across the landscape. Most producing trees and other trees preferred by wildlife are recommended by the DNR Foresters, and in most cases the landowners accept those recommendations.

An Opportunity for Improvement related to Indicator 4.1.1 is to address challenges to regenerating species such as Oak and Cedar. Inspection of field sites indicated that high deer populations create a real obstacle to achieving adequate stocking of Oaks in most areas of the state. Interviews and inspection of field sites indicated that the reintroduction of turkey may have localized impacts on seed survival and tree regeneration.

#### *Standard 5: Air, Water and Soil Protection*

Inspections of field sites and interviews demonstrated that landowners are achieving Standard # 5 addressing Air, Water and Soil Protection.

Protection of water quality was particularly noteworthy. Most sites that are vulnerable to erosion and water quality impacts such as riparian areas are designated for winter logging only. Inspection of the 2002 Statewide BMP Monitoring Report indicated that BMP compliance on MFL Properties substantially exceeds the average on other private lands.

The majority of riparian zones exceeded the minimal requirements contained in the Wisconsin BMP Manual. The combination of lack of disturbance in the riparian zones and harvesting vulnerable sites during the winter exceeds the requirements of the AFF Standards Indicator 5.1.2.

Even though there is generally very high compliance with BMPs, there were a few instances where unmerchantable tops and debris were left in the stream channels and riparian zones. The few instances observed did not indicate a potential water quality impact. An Opportunity for Improvement is to ensure that all unmerchantable material is removed from stream courses and riparian zones according to the Wisconsin BMP Manual.

Interviews and inspection of management plans indicated that chemicals and prescribed burning are rarely used in the hardwood regions of Wisconsin where the field sites were located. Winter conditions were also not favorable for inspecting sites that may have been burned or where chemicals may have been used. Thus, Performance Measures 5.2 and 5.3 and associated Indicators were not audited.

Indicator 5.2.2 addressing integrated pest management was audited through inspection of harvest plans and field sites. Field sites indicated that forests are generally managed in a very healthy condition, with required practices and harvests targeted at removing the over mature and dying trees. Interviews also indicated that the timing of harvests is often dictated by the objective of limiting the occurrence of Oak Wilt and other diseases. This high level of performance exceeds the requirements of the AFF Standard!

### *Standard 6: Fish, Wildlife and Biodiversity*

Inspection of management plans and field sites demonstrated landowner conformance with Standard # 6 addressing Fish, Wildlife and Biodiversity.

Interviews consistently indicated that the Wisconsin DNR staff routinely access the State Natural Heritage Inventory (NHI) in developing management plans and prescriptions. Inspection of management plans also indicated that rare plants and animals are considered and included in the plans. This high level of performance exceeds the requirements of Performance Measure 6.1 that “encourages” landowners to confer with local natural resource agencies and heritage programs!

Interviews and inspection of management plans also indicated that landowners place a high value on wildlife habitat, hunting, and protection of special habitat features. Wildlife management and protection was consistently indicated as the number one priority in most MFL Management Plans. This high level of performance exceeds the requirements contained in Indicator 6.1.1, Performance Measure 6.2, and Indicator 6.2.1!

### **Standard 7: Forest Aesthetics**

Inspections of field sites demonstrated that landowners are conforming to Standard # 7 addressing Forest Aesthetics.

Interviews and inspection of management plans indicated that landowners are very concerned about the visual appearance of harvesting activities. Generally, landowners indicated in their management plans that they would prefer that fewer trees be removed and bigger trees be left.

Most sites that were inspected are uneven aged and regeneration is through natural means. Thus, there were few if any highly visible harvests. Harvests that were conducted close to residential areas were usually lightly thinned with very little evidence of management activities.

### *Standard 8: Protect Special Sites*

Interviews with Wisconsin DNR Foresters and inspection of forest management plans demonstrated overall conformance with Standard # 8 addressing Protection of Special Sites.

Interviews with DNR Foresters indicated that the National Heritage Inventory and Cultural/Historical databases are routinely accessed to identify any special sites from a biological, cultural, or historical standpoint. Field site inspections revealed, however, that only a few Special Sites exist on the ground for a variety of past land use and other reasons.

### *Standard 9: Wood Fiber Harvest and Other Operations*

And finally, inspections and interviews demonstrate landowner conformance with Standard # 9 addressing Wood Fiber Harvest and Other Operations.

Inspection of management plans and field sites indicated that landowners generally comply with the recommendations and required practices contained in the management plans consistent with Performance Measure 9.1.

Inspection of field sites indicated that landowners are in compliance with applicable laws and regulations. The DNR Foresters monitor landowner and contractor activities and practices to ensure that applicable regulations are complied with, consistent with Performance Measure 9.2

An additional indicator was introduced by the Wisconsin DNR addressing the filing of MFL Cutting Notices and Reports and County Cutting Notices, where required by the County. Inspection of tract records indicated that copies of Cutting Notices and Reports are filed and maintained.

#### **IV. Findings Related to SOP-01 Group Organization and Manager Requirements**

The ATFS Group Certification Process contains a Standard Operating Procedure (SOP-01) that specifies the requirements for Group Organizations and Group Managers. There are a total of twenty-five (25) specific requirements that contain the term “must.”

The specific findings and documentation of objective evidence is contained in the ATFS Group Organization and Manager Gap Analysis Finding Checklist in Appendix E. The audit findings and objective evidence of conformance are summarized below.

Inspection of legal documents demonstrated that the Wisconsin DNR is an independent legal entity that is authorized by Wisconsin Statutes, consistent with Section 3.1.

Inspection of Chapter 21 of the Tax Law Handbook demonstrated that the Wisconsin DNR has designated the Tax Law Section Chief as the Group Manager responsible for administering the Group Organization, consistent with Section 3.1. Other duties and responsibilities have been assigned to appropriate administrative and field staff.

Inspection of Chapter 21 demonstrated that several similar administrative requirements of SOP-01 have been achieved. The Chapter 21 Handbook has addressed: 3.2) eligibility and membership requirements of the Group; 3.3) the DNR will not charge any additional fees to join the Group Organization; and 3.4) a process for resolving disputes regarding conformance with the AFF Standards.

Inspection of documents and interviews with staff indicated that as of the dates of the scheduled Field Audit, the Wisconsin DNR had not yet notified the existing MFL landowners that they would be subject to the requirements of the ATFS Group Certification Program as required by Section 3.4 of SOP-01. Closely related to this Finding, the Wisconsin DNR had not yet made the AFF Standards accessible to the Group Member as required by Section 3.6, and had not yet interpreted and clearly explained the requirements of the AFF Standards to the Group Members as required by Section 4.1. However, the landowners that made up the sample pool for purposes of the on-site field visits had been notified and all properties that were inspected had explicit landowner approval to access their properties and assess AFF Standards conformance.

The lack of landowner notification prior to the Group Certification Audit constituted a Major Non-conformance with the above sections of the Standard Operating Procedure for Group Organizations and Group Managers. A Corrective Action Request (CAR #RSB-01, Appendix F) was completed by the Lead Auditor for all three Major Non-conformances and communicated to the appropriate DNR staff. DNR staff were able to develop a Corrective Action Plan addressing all three findings and presented the Plan to the Audit Team at the Closing Meeting.

The Corrective Action Plan was reviewed and approved by the Lead Auditor on March 4, 2005. All elements of the Corrective Action Plan are proposed to be completed by May 1, 2005. The Lead Auditor reviewed and confirmed implementation of the Corrective Action Plan and Closed the CAR on May 3, 2005.

Inspection of Chapter 21 of the MFL Handbook indicated that: 4.2) prospective new Group Members will be sent the appropriate entry and withdrawal forms; 4.3) new Group Members must have an approved management plan; 4.4) there is a procedure defining the application process and for ensuring eligibility; 4.5) there is a procedure for documenting acceptance of new Group Members into the Group Organization; 4.7) digital and hard copy files are maintained on each Group Member; and 4.9) there is a procedure for conducting ongoing monitoring.

Interviews and inspection of documents indicated that the majority (75%) of Wisconsin DNR Foresters administering the MFL Program have completed the ATFS Inspector Training Course. However, Section 4.9 of SOP-01 requires that all internal auditors conducting internal monitoring must have completed the ATFS Inspector Training Course. Consequently, a Minor Non-conformance with this requirement was found. A Corrective Action Request (CAR # RSB-02) was completed and communicated to the Wisconsin DNR Staff. A proposed Corrective Action Plan was prepared by DNR staff, and was reviewed and approved by the Lead Auditor on March 4, 2005.

Inspection of the Wisconsin DNR procedures for identifying non-conformances with the mandatory requirements of the management plans, working with landowners to correct non-conformances and monitoring the implementation of corrective action plans demonstrated that they are equivalent to the monitoring process envisioned in Section 4.9 of SOP-01. Interviews with outside parties and DNR staff indicated that efforts have been increased to ensure compliance with the requirements of the MFL Program and AFF Standards. This high level of performance exceeds the requirements of SOP-01!

Interviews with DNR Foresters confirmed that the MFL Program corrective action planning processes are equivalent to the Section 4.9 requirements.

Inspections and interviews demonstrated that landowners that withdraw or are removed from the MFL Program are also removed from the membership lists. This same procedure is to be applied to the ATFS Group Organization consistent with Section 4.10 of SOP-01.

The DNR enforcement procedure for expelling landowners from the MFL Certified Group Program and removing them from the list of members is consistent with Section 4.10.

Other ATFS Group Certification requirements addressing: 4.12) submittal of annual reports, 4.13) coordinating and ensuring corrective action, 6.8) keeping the ATFS Group Certification Program up-to-date, and 6.8) AFF Standard re-certification every five years all address future requirements that are not currently applicable. Interviews and inspection of documents indicated that the Wisconsin DNR is committed to, and capable of, conforming to these future requirements.

Inspection of the Wisconsin DNR's application for Group Certification demonstrated conformance with Section 6.3 of SOP-01.

## **VI. Conclusions:**

Based upon the findings of the ATFS Group Certification Audit contained here and in the AFF Standard Gap Analysis Finding Checklist (Appendix D), NSF-ISR has determined that family forest owners participating in the Wisconsin MFL Program are in "Full Conformance" with the AFF Standards of Sustainability. In fact, MFL participants exceed the requirements of the AFF Standards in a number of areas outlined above.

And based upon the findings of the Audit contained herein and in the Group Organization and Manager Audit Finding Checklist (Appendix E), the Wisconsin DNR's administration of the ATFS Group Certification Process is also in "Full Conformance" with the Standard Operating Procedure for Group Organizations and Group Managers (SOP-01). The Corrective Action Request (CAR #RSB-01) addressing the three Major Non-conformances related to notifying MFL participants has been resolved and "Closed" on May 3, 2005. The Corrective Action Request (RSB-02) addressing the Minor Non-conformance related to completing ATFS Inspector Training for all DNR Foresters is scheduled to be resolved by the end of 2005.

With the full implementation of the Corrective Action Plans by the Wisconsin DNR, NSF-ISR has determined that the MFL Certified Group is in overall "Full Conformance" with the ATFS Group Certification Program.

NSF-ISR will notify the American Tree Farm System of the finding and receive a formal Record Number. NSF-ISR will then issue a formal ATFS Certificate of Group Certification to the Wisconsin DNR.

## NSF-ISR Final Audit Report Summary

# Wisconsin Department of Natural Resources MFL Certified Group

### I. Background

NSF-ISR conducted a Group Certification Audit of the Wisconsin Department of Natural Resource MFL Certified Group's conformance with the AFF Standards of Sustainability and the ATFS Standard Operating Procedures for Group Organizations and Group Managers (SOP-01).

The Group Certification Audit was conducted during the week of February 28<sup>th</sup> through March 4<sup>th</sup>, 2005. The Lead Auditor was Mr. Scott Berg and the Audit Team Member was Mr. Mike Ferrucci of NSF-ISR.

The Phase I Gap Analysis and Phase II Certification Audit involved almost a third of Wisconsin's counties represented in the MFL Program (22 of 71), 112 MFL properties, approximately 70 DNR staff and foresters, 13 landowners, and 11 outside interest groups. The auditors also reviewed several CDs containing all relevant Wisconsin statutes, MFL Handbooks, inspection forms, management plans, and assorted other documents.

### II. Findings

The NSF-ISR Group Certification Audit was a comprehensive review of the Wisconsin DNR's Managed Forest Law Program (MFL Certified Group) involving approximately 29,000 landowners and close to two million acres of forestland. The findings of the Group Certification Audit are summarized below.

**AFF Standards:** The NSF-ISR Audit Team concluded that the private family forest owners that participate in the Wisconsin MFL Program are in full conformance with the AFF Standards of Sustainability. In a number of areas, the level of performance exceeds the requirements of the AFF Standards.

**Standard Operating Procedure (SOP-01):** The NSF-ISR Audit Team concluded that the Wisconsin DNR's administration of the MFL Certified Group is in full conformance with the Standard Operating Procedure for Group Organizations and Group Managers (SOP-01). As of the March 4<sup>th</sup> date of the Certification Audit, the Wisconsin DNR had not fully notified members of the Managed Forest Law Program that they would be subject to the requirements of the AFF Standards, had not made the AFF Standards accessible, and had not clearly explained the applicable requirements. A Corrective Action Plan was developed and approved, and the Plan was fully implemented and "Closed" as of May 3, 2005. NSF-ISR granted ATFS Group Certification to the DNR's MFL Certified Group on that date.

### III. Final Audit Report

The Final Certification Audit Report was completed on May 3, 2005. The report contains a three-page letter with the key findings. It is followed by a nine-page narrative report documenting the Group Certification Process and detailed findings.

Appendix A contains the Audit Plan developed by the Lead Auditor based upon a number of conference calls and a formal two-day Audit Planning Meeting with DNR Forest Tax Law Section staff.

Appendix B contains the Attendance Forms for the Opening and Closing Meeting, as well as the names of the landowners, DNR personnel, and outside interest groups that were interviewed.

Appendix C contains a Confidentiality Agreement signed by the Audit Team Members

Appendix D contains the AFF Standard Audit Finding Checklist. The Checklist documents conformance/non-conformance with the AFF Standard. A description of the Objective Evidence that formed the basis of the finding is included for each required AFF Performance Measure and Indicator.

Appendix E contains the Group Organization and Group Manager Audit Finding Checklist. It documents conformance to the Standard Operating Procedure (SOP-01) requirements. A brief description of the Objective Evidence is provided.

# **Group Certification Audit Plan**

## **Wisconsin Department of Natural Resources Managed Forest Law Program Certified Family Forests**

### **1.0 Introduction**

This NSF-ISR Certification Audit Plan describes the process for conducting independent certification audits to the American Tree Farm System (ATFS) Group Certification Program, consistent with the Standard Operating Procedures for Group Certification and Certification Bodies (SOP-02).

### **1.1 Group Certification Scope and Objective**

This ATFS Group Certification Audit Plan shall apply to the Wisconsin Department of Natural Resources Managed Forest Law (MFL) Program. The scope of the audit includes the forest management activities of the Group Members and the management of the Group Organization by the Wisconsin DNR Group Manager(s). The objective of the Group Certification Audit is to determine whether the Group Member's and Group Organization's administration and management is in conformance with the AFF Standard and Performance Measures and SOP-01, respectively.

### **1.2 The AFF Standard and Performance Measures**

The determination of conformance to the AFF Standard will be based entirely and solely on the requirements of the AFF Standards (2004-2006 Edition) and SOP-01. The ATFS Group Certification Audit will be based upon the specific language of the Standards, and NSF-ISR will not add additional requirements that are not specified in the Standard. Audit procedures shall be consistent with the Standard Operating Procedures for Group Certification Bodies (SOP-02).

### **1.3 Roles and Responsibilities**

The Group Organization's Group Manager with respect to the AFF Group Certification Audit will be Mr. Paul Pingrey, Private Forestry Specialist with the Wisconsin DNR. Other key members of the Group Organization's Team that will be involved in the Group Certification Certification Audit Process include, among others: Mr. Robert Mather, Bureau Director, Forest Management and Mr. Rich Lavalley, MFL Primary Contract.

The NSF-ISR lead auditor will be Mr. Scott Berg. The other member of the Certification Audit team will be Mr. Mike Ferrucci, who is also an ATFS accredited lead auditor. The two qualified and accredited lead auditors will judge conformity to the AFF Standards and SOP-01 jointly.

The specific audit processes and procedures that will apply to this audit are specified in the ATFS Group Certification Process: SOP-02 – Group Certification Bodies. The lead auditor will not use other auditing guidelines of other international or domestic standards

### **1.4 Confidentiality Agreement**

All participants in the ATFS Group Certification Audit will maintain complete and strict confidentiality regarding all aspects of the audit. The Wisconsin DNR reserves the right to release NSF-ISR from specific terms of this confidentiality agreement in writing. The NSF-ISR and the lead auditor will retain one copy of the Final Report and other documentation for its records. All other materials and documentation, including detailed evidence, will be returned to the Wisconsin DNR following the issuance of the final report.

All members of the NSF-ISR audit team will sign the NSF-ISR Confidentiality Agreement committing them to not

disclose any information pertaining to the Group Certification Audit.

## **2. Audit Planning**

The NSF-ISR lead auditor is responsible for contacting the Group Manager(s) by phone and email to begin preparations for the Certification Audit with the Group Organization. A document review was performed and the draft Audit Plan was discussed in detail on February 3-4, 2005 and agreed to.

The Audit Planning meeting marked the initiation of Phase II of the independent audit process. The lead auditor began assessing conformity with the 25 requirements contained in SOP-01. The lead auditor and DNR staff also identified the specific AFF Standards Core Performance Measures, Primary and other Indicators that are within the scope of the audit.

The Audit Planning meeting identified areas of conformance and other issues that warrant additional attention prior to the field audit.

## **3. Field Sites and Interviewees**

The lead auditor and Group Manager reviewed the criteria for selecting field sites and interviewees during the Audit Planning meeting in order to obtain objective evidence of conformance to the AFF Standards. The final selection of field sites and interviewees will be done following the Opening Meeting of the field audit and before the field site inspections begin.

## **4. Certification Audit Schedule**

The Group Certification Audit schedule for the February 28<sup>th</sup> through March 4<sup>th</sup> office and field visits to be performed by the audit team are outlined below.

### **4.1 Audit Team Meeting**

The NSF-ISR Audit Team shall meet on February 27<sup>th</sup> prior to conducting the Certification Audit to review the audit plan and make any final adjustments. This meeting will occur the night before the Opening Meeting.

### **4.2 Audit Schedule**

#### **Opening Meeting**

The Opening Meeting will be held at the Group Organization's offices in Wausau, Wisconsin at 8:00 a.m. on Monday, February 28, 2005.

Attendance at the Opening Meeting shall include the Group Organization's Management Team and the NSF-ISR Audit Team. The purpose of the meeting is to introduce all parties, circulate the sign-in sheet, confirm the Audit Plan and responsibilities, review the audit schedule, confirm travel plans and escorts, review any safety and emergency procedures, and attend to any outstanding details.

The lead auditor shall explain the audit procedures contained in the SOP-02 Group Certification Process and the appropriate lines of communication between the lead auditor and the Group Organization's Group Manager. The specific field sites and routes to be traveled will be finalized, based upon weather and access constraints. The potential interviewees will be identified and contact information will be arranged. Travel arrangements, escorts, daily debriefings, meal plans, hotel accommodations and schedules should also be finalized and understood.

The time and location of daily debriefings should be organized, and the time and location of the Closing Meeting should be finalized. Other aspects of the Audit Plan should be discussed including the content of the Final Report, tentative dates of publication of the Final and Summary Reports, confidentiality procedures and signing of the confidentiality agreement, and the NSF-ISR dispute resolution process.

At the conclusion of the Opening Meeting, the Group Manager should present an overview of its operations, its

indicators and objective evidence, its documents and filing systems, and other details regarding its conformity to the AFF Standards and SOP-01. Any changes to the schedule should be reviewed and finalized and any outstanding issues addressed and resolved.

The Opening Meeting should be concluded and adjourned by about 10:00 A.M. Following the Opening Meeting and presentation of the Group Organization's indicators and evidence, each audit team member will be paired up with a representative of the Group Organization to begin conducting the Certification Audit. One member of the audit team will conduct the office audit of any remaining and un-audited written documentation using the ATFS Group Organization and Manager Audit Finding Checklist (CB-09). Another member of the audit team will compare field procedures with appropriate indicators and conduct interviews with contractors and other categories of relevant personnel using the AFF Group Certification Audit Finding Checklist (CB-08).

### *Field Site Review and Selection (Feb. 3-4<sup>th</sup>)*

The 16 Wisconsin Counties that have been tentatively selected for the field audit are organized as two travel routes leaving from Wausau and forming broad loops heading north on the first afternoon and then heading back down south and ending in Madison.

The A loop would include the following counties:

- 1) Marathon-Monday Afternoon,
- 2) Price-Tuesday Morning,
- 3) Ashland-Tuesday Afternoon,
- 4) Barron-Wednesday Morning,
- 5) Dunn-Wednesday Afternoon,
- 6) Trempealeau-Thursday Morning,
- 7) Jackson-Thursday Afternoon, and
- 8) Juneau-Friday Morning.

The B loop would include the following counties:

- 1) Lincoln-Monday Afternoon,
- 2) Marinette-Tuesday Morning,
- 3) Oconto-Tuesday Afternoon,
- 4) Shawano-Wednesday Morning,
- 5) Waupacka-Wednesday Afternoon,
- 6) Manitowoc-Thursday Morning,
- 7) Sheboygan-Thursday Afternoon, and
- 8) Marquette-Friday Morning.

These county selections are based upon the number of MFL landowners, the variety of timber types in the state, broad geographic distribution, and the logistics of travel routes and schedules. The counties and travel routes are subject to modification based upon weather conditions, access, operability and other logistical factors.

The lead auditor met with the DNR Group Manager(s) on February 3-4<sup>th</sup> and identified two groupings of approximately 10 landowners in two geographic sub-region within a county that are either actively harvesting or have recently conducted operations and that could be visited in one half of one day, respectively. The lead auditor then selected one sub-region as Plan A and another sub-region as Plan B based upon various sizes of ownerships, environmental risk, number of AFF Standards issues involved, accessibility and timing.

The DNR County foresters are being asked to contact the ten landowners on the Plan A list to gain permission to access the property and serve as the population for the independent audit. The DNR County foresters would then pull together property files on each of 10 field sites including maps, management plans, inspection reports, and other appropriate documents. From this total population, the audit team member will work with the County foresters to actually select the 4-5 target properties in each county that would be visited on each half day.

### *Field Visits (February 28-March 4)*

In the early afternoon of the first day, the two audit team members and their escorts will depart for the county in which the field visits will begin. Each member of the audit team, accompanied by the responsible field manager and escort, shall attempt to visit 4-5 field sites in each identified county, with two counties visited on Tuesday, Wednesday and Thursday. On Friday morning each audit team member will visit the final county and 4-5 properties.

In the early afternoon of the fifth day, the audit team should meet to review the AFF Standards and SOP-01

Checklists, develop a consensus set of findings and conclusions, complete any Corrective Action Request (CAR) forms (CB-10), and prepare for the Closing Meeting scheduled for 3:00 P.M.

### **4.3 Daily Briefings**

Each day of the Certification Audit will begin with a very brief Opening Meeting in the County Office to document the day's schedule, assign responsibilities, make travel and other arrangements; obtain any needed documents and evidence; and to answer other preliminary questions. Each day should conclude with a brief Closing Meeting to review the day's findings, to confirm plans for the evening, and to plan for the following day's activities.

Any potential areas of minor or major non-conformity to the AFF Standards and SOP-01 shall be identified during the field audit and discussed at the daily Closing Meeting. Any additional evidence or field site investigations that could clarify the areas of non-conformity should be identified and prepared for the following day. The lead auditor will contact the management representative each evening to review preliminary findings.

### **4.4 Closing Meeting**

The Closing Meeting should be held in the Wisconsin DNR's headquarters office in Madison, Wisconsin starting around 3:00 P.M. on Friday afternoon. The formal Closing Meeting should include the Wisconsin DNR's Team and the full NSF-ISR audit team.

The audit team will make an oral presentation of audit findings, identify any minor or major non-conformities, practices that exceed the requirements of the AFF Standards and SOP-01, opportunities for improvement, and the lead auditor's findings regarding overall conformance with the AFF Standards and SOP-01. Audit findings including Certification, Pending Certification and Deny Certification are detailed in the Tree Farm Group Certification Process SOP-02.

Any minor or major non-conformities shall be fully documented in the Certification Audit Checklists (CB-08 and CB-09) and Corrective Action Request (CAR) forms (CB-10) and presented to the Wisconsin DNR for discussion. The DNR shall have the opportunity to discuss and clarify any outstanding issues related to the findings and any other aspects of the audit. The Group Manager or other appropriate management representative shall sign any issued Corrective Action Request forms.

The lead auditor shall present the conclusions of the Group Certification Audit. Conclusions may include a determination that the Wisconsin DNR's Managed Forest Law Certified Family Forests Program conforms to the AFF Standards and SOP-01. Or, the lead auditor may conclude that a Major non-conformity has been found and request that a Corrective Action Plan be prepared to close the non-conformance.

Every effort shall be made to resolve any questions and issues related to the Group Certification Audit before the end of the Closing Meeting. The audit team shall fully explain the next steps of producing the draft final and summary reports for review by the Group Organization. Timeframes for completing the Certification Audit process and issuing the final report will be finalized.

## **5. Dispute Resolution Process**

If there are disagreements over interpretations of the AFF Standards or any other aspect of the certification audit, the Wisconsin DNR shall have the opportunity to discuss the issue with the lead auditor. If the dispute is not resolved at that level, the dispute can be addressed according to the formal NSF-ISR Dispute Resolution Process. The audit team and Group Organization may also utilize the ATFS Dispute Resolution Process as contained in SOP-01.

## **6. Final Report**

The lead auditor shall draft an unofficial Final and Summary Report consistent with the format and contents outlined in the Group Certification Process SOP-02 and using the Final Report and Findings document (CB-11). The lead auditor shall forward the draft Final Report to the Group Manager for a review of factual accuracy within two weeks of the Closing Meeting. The Wisconsin DNR will have up to two weeks to submit comments to the lead auditor for consideration.

The lead auditor shall incorporate appropriate suggestions and forward the Final Reports to the Wisconsin DNR within two weeks of the receipt of comments.

## **7. Summary Report**

Because the Wisconsin DNR plans to make a public statement about the results of the Group Certification Audit and findings, the Group Manager shall work with the lead auditor to prepare a Certification Audit Summary for public disclosure. The summary should include the Certification Audit scope and process and a summary of relevant findings.

The contents of the Summary Report shall be agreed to by NSF-ISR and the Wisconsin DNR to ensure that it accurately reflects the relevant Certification Audit findings.

## **8. Distribution of Reports**

The Final and Summary Reports are the sole property of the Wisconsin DNR. The distribution of the Final and Summary Reports will be at the discretion of the Group Organization. All working documents, draft and final and summary reports in the possession of the audit team member and lead auditor shall be returned at the end of the Group Certification Audit process, unless agreed to in writing.

The lead auditor shall retain one copy of all documents related to the Group Certification Audit in a permanent NSF-ISR file for purposes of conducting future reviews and audits, and for other legitimate purposes.

## **9. Certificate of Conformity**

NSF-ISR will inform the Wisconsin DNR of its findings and conclusions and forward the finding on to the ATFS. The ATFS will issue a Tree Farm Record Number. NSF-ISR will then issue a formal certificate of conformity to the Wisconsin DNR. The DNR will maintain the Tree Farm Certificate on behalf of the MFL Group Members.

## **10. Logo and Signage Use**

The Wisconsin DNR will be responsible for ensuring that the Group Organization follows applicable ATFS guidelines contained in P&P 05 and 06.

**ATFS Group Certification**  
**Wisconsin DNR MFL Program**  
**List of Counties Visited, DNR Staff and Interest Groups**  
**Interviewed, Group Member Tracts Visited**

**Audit Team B (Scott Berg, Rich LaValley)**

- I. Lincoln County (DNR Staff: Andy Shaney, Mike Shohasky, Bill Millis, Kathy Nelson)
  1. John Quist
  2. Daniel Diaz, et. al.
  3. James Barr
  4. Thomas Loka\* (Bob Smith-Logger)
  
- II. Marinette County (DNR Staff: Jennifer Boice, Cole Couvillion, Jeff Bonokowske Bob Mather, Tim Mulhern)
  1. Janine Squier
  2. Janine Squier (2<sup>nd</sup> parcel)
  3. Scott Standfield
  4. Glenn Anderson
  5. Gerald Schroeder
  6. Richard Thomson
  
- III. Oconto County (DNR Staff: Todd McCourt, Ryan Severson, Curt Wilson, Bob Mather, Tim Mulhern)
  1. Patrick Hales
  2. Gary Moody
  3. Richard Maternoski
  4. Robert Golik
  
- IV. Shawano County (DNR Staff: Tom Albrecht, Buzz Vahradian, Curt Wilson, Eric Roers)
  1. Dan Dedolph\*
  2. Dan Dedolph (2<sup>nd</sup> parcel)
  3. James Brandt\*
  4. Michael Davel
  5. Robert Nett
  
- V. Waupaca County (DNR Staff: Ben Baumgart, Lucas Schmidt, Mike Schuessler, Buzz Vahradian, Curt Wilson, Carol Nielsen)
  1. A Frinak
  2. Brian Bazile
  3. Richard Karth
  4. Richard Jobst
  5. Stephan Shoup
  6. Rex Evchuk
  
- VI. Manitowoc County (DNR Staff: Sue Crowley, Curt Wilson, Carol Nielsen)
  1. Diane Grimmer
  2. Donald Johanek\*
  3. John Thomsen\*
  4. Paul Novacheck\*
  5. Warren Wiltman
  
- VII. Sheboygan County (DNR Staff: Tim Beyer, Jennifer Peltier)

1. Donald Binvestie
2. Ervin Brandt
3. June Webb
4. Marion Graumann
5. Robert Athorp
6. Saxon Homesteads

VIII. Marquette County (DNR Staff: Tim Allen, Sue Swanson, Gary Bibow, Curt Wilson)

1. Rodney Abraham\*
2. Amy Farmer
3. Janice Farmer
4. Todd Kruger
5. Dan Walther

**Audit Team A (Mike Ferrucci, Paul Pingrey, Mike Lietz)**

IX. Marathon County (DNR Staff: Chuck Bright, Lyle Eiden, Mike King, Shirley Bargander, Steve Courtney)

1. John Pelot
2. John Friday
3. Daniel Dammerow \*
4. Glan Landwehr

X. Price County (DNR Staff: Joe Danowski, Rich Windmoeller, Greg Mitchell, Mike Luedeke)

1. Don Demaster
2. Randall & Shirley Hueckman
3. Lloyd & Lois Riske
4. Gust Kalander
5. Gust Kalander (second parcel)

XI. Ashland County (DNR Staff: Rick Thorbjornsen, Tom Piikkila, Darryl Fenner, Peter Anderson, Mike Luedeke)

1. Peter Bushman
2. Joeseeph Jauquet
3. James Driscoll
4. Barnard Eder

XII. Barron County (DNR Staff: Chris Rucinski, Brad Johnson, Mike Luedeke)

1. Virgil Barthman \*
2. Troy Monson
3. Greg Wright
4. Donald Jordan

XIII. Dunn County (DNR Staff: Bob Strand, Jay Jordan, Jim Skorczewski)

1. Lawrence Phillips
2. Ericskon Family Trust
3. Vergene Viets
4. Janet Rothbauer
5. Brian and Mary Blakely \*

XIV. Trempealeau County (DNR Staff: Scott Laurie, Dan Dehmer, Arvid Haugen )

1. Karen Stuve

2. Jerome Marsalek
3. Judith Back-Barth
4. Gerald Hawkenson \*

XV. Jackson County (DNR Staff: Dave Halverson, Russ Kind, Paul Westegaard, Arvid Haugen)

1. Joel Krohn
2. David Ludeman
3. William Gilster
4. Gary & Annette Hockerman \*

XVI. Juneau County (DNR Staff: Tom Quilty, Bruce Djumpstrom, Steve Coffin, Arvid Haugen)

1. John Darrey
2. Marv Salmon
3. Dan Nicholson
4. Betty Byers \*

\* Indicates landowner(s) interviewed

**Outside Interest Groups Interviewed:**

1. Nancy Bozek, Wisconsin Woodland Owners Association
2. Troy Brown, Kretz Lumber Company
3. Jeffrey Groeschl Forestry Consulting, Inc.
4. Tom Jacobs, Trees & Trails Forestry Consultants, LLC (State Tree Farm Committee Chair)
5. Brian Leitinger, Packaging Corporation of America
6. Gery Mich, Wisconsin Family Forests
7. Juris Repsa, Domtar Industries, Inc.
8. Joe Timmerman, Midwest Forest Products Company
9. Allan Waelchli, Allan G. Waelchli, ACF
10. Peter Wagner, Wagner Woods & Wildlife

**Total:**

- 16 Wisconsin Counties
- 74 MFL Properties
- 55 DNR Staff
- 11 Outside Interested Parties

## CORRECTIVE ACTION REQUEST (CAR) FORM

### GROUP CERTIFICATION PROCESS AMERICAN TREE FARM SYSTEM

NSF-ISR Auditors use this form to document any major or minor non-conformances with the AFF Standards Core Performance Measures and Primary Indicators, or requirements of SOP-01. The Lead Auditor shall complete Section A. The Group Member or Group Manager shall complete Sections B and C with signature and date. The Lead Auditor shall approve the Corrective Action Plan in Section D and Close the Corrective Action in Section E.

|   |  |                                 |
|---|--|---------------------------------|
| Group Organization Name: Wisconsin DNR MFL<br>Group Manager: Paul Pingrey   | Date:<br>3/1/05                            | CAR #:<br><b><i>RSB-01</i></b>  |
| Lead Auditor: Scott Berg  | Major: <input checked="" type="checkbox"/> | Minor: <input type="checkbox"/> |
| A. Describe the Major or Minor Non-Conformance to the specific AFF Standards and Core Performance Measure or SOP-01.  |  |                                 |
| <p>The Wisconsin DNR has not notified existing Group Members that they are subject to the requirements of the American Tree Farm System as required by Section 3.4 of SOP-01.</p> <p style="text-align: center;">                     Lead Auditor Signature: <u>    R. Scott Berg    </u>                      Date: <u>    3/1/05    </u> </p>  |  |                                 |
| B. Identify the Corrective Action by the Group Organization or Member:  |  |                                 |
| <ul style="list-style-type: none"> <li>• Conduct an information campaign for MFL participants including an Internet site and the Tax Law Stewardship Newsletter to explain that DNR is seeking MFL - Tree Farm Group Certification and what the obligations and benefits would be. Clarify that Group Members are subject to AFF Standards, which are detailed on the Internet site. The Internet site was live on February 28. A special "certification edition" of the Tax Law Newsletter has been written and will be mailed to each MFL participant by March 30.</li> <li>• By April 16, DNR will mail each MFL landowner a follow-up letter about DNR's intent to create an MFL Certified Group. It will include the Tree Farm Standards (as modified by the Department for application to the MFL Certified Group) and interpret how existing MFL regulations and Wisconsin sustainable forestry policies are essentially a mirror image of the AFF Standards. The letter will explain that being designated in the MFL Certified Group will be entirely voluntary, free and not have any effect on statutory MFL benefits or obligations. MFL participants will be offered an option to send in a "Group Departure" form by May 1 should they prefer not to participate in the certified group. An MFL landowner decision to depart from the group could also be made at any time.</li> <li>• Meet with the Wisconsin Tree Farm Committee on March 9 to share information about the planned MFL Certified Group and to discuss cooperative ventures, including joint news releases.</li> <li>• Present an MFL - Tree Farm Group Certification update to the Wisconsin Natural Resources Board on March 23, which will include a press release about the relationship between MFL and Tree Farm Standards, obligations and benefits.</li> <li>• By March 30, conduct four MFL Certified Plan Writer courses for DNR and Cooperating Foresters, including coverage of MFL Certified Group program and AFF Standards.</li> <li>• Launch a DNR Intranet site on March 2 with complete MFL Certified Group background and program administration details that Department staff can use to interpret how AFF standards relate to MFL standards. Foresters will use the information to respond to questions from MFL participants about the MFL – Tree Farm Certified Group.</li> </ul> |  |                                 |

|  |  |
|--|--|
| Estimated Completion Date: May 1, 2005. Person Responsible: Robert Mather  |  |
| C. Identify the Root Cause of the Non-Conformance:   |  |
| <p>While the Department has a long track record of administering the MFL and a longstanding relationship with Tree Farm, the two programs have been separate. Establishing a closer link at this time can further the mutual objectives of MFL and Tree Farm to promote sustainable forestry.</p> <p>Identify Preventive Action to ensure that the Non-Conformance does not recur.</p> <p>Continue to communicate with MFL participants about the obligations and benefits of the MFL – Tree Farm Certified Group. Conduct annual internal monitoring of the program. Complete annual reports.</p> |  |
| Completion Date: Ongoing. Person Responsible: Robert Mather  |  |
| D. Corrective Action Plan Approved: (Comments)   |  |
| Lead Auditor Signature: <u>R. Scott Berg</u> Date: <u>3/4/05</u>   |  |
| E. Corrective Action Closed:   |  |
| Lead Auditor Signature: <u>R. Scott Berg</u> Date: <u>5/3/05</u>   |  |

## CORRECTIVE ACTION REQUEST (CAR) FORM

### GROUP CERTIFICATION PROCESS AMERICAN TREE FARM SYSTEM

NSF-ISR Auditors use this form to document any major or minor non-conformances with the AFF Standards Core Performance Measures and Primary Indicators, or requirements of SOP-01. The Lead Auditor shall complete Section A. The Group Member or Group Manager shall complete Sections B and C with signature and date. The Lead Auditor shall approve the Corrective Action Plan in Section D and Close the Corrective Action in Section E.

|  |                 |                         |
|--|-----------------|-------------------------|
| Group Organization Name: Wisconsin DNR MFL<br>Group Manager: Paul Pingrey  | Date:<br>3/1/05 | CAR #:<br><b>RSB-02</b> |
| Lead Auditor: R. Scott Berg  | Major:          | Minor: X                |
| C. Describe the Major or Minor Non-Conformance to the specific AFF Standards and Core Performance Measure or SOP-01.<br><br>The majority (75%) of the Wisconsin DNR foresters administering the MFL Program have completed the ATFS Tree Farm Inspector training course. However, Section 4.9 of SOP-01 requires those conducting internal monitoring to complete the ATFS Inspector training course.<br><br><p style="text-align: center;">Lead Auditor Signature: <u>R. Scott Berg</u> Date: <u>3/1/05</u></p> |                 |                         |
| D. Identify the Corrective Action by the Group Organization or Member:<br><br>By December 30, 2005, provide ATFS Inspector Training to the balance of DNR staff who conduct internal monitoring.<br><br><p style="text-align: center;">Estimated Completion Date: Dec. 30, 2005. Person Responsible: Robert Mather</p>   |                 |                         |
| C. Identify the Root Cause of the Non-Conformance:<br><br>The MFL Certified Group is a new initiative necessitating the training of additional DNR personnel.<br><br>Identify Preventive Action to ensure that the Non-Conformance does not recur.<br><br>Provide ATFS Inspector training on a periodic basis. Designate ATFS Inspector training as mandatory in the appropriate DNR handbooks.<br><br><p style="text-align: center;">Completion Date: Dec. 30, 2005. Person Responsible: Robert Mather</p>      |                 |                         |
| F. Corrective Action Plan Approved: (Comments)<br><br><br><br><p style="text-align: center;">Lead Auditor Signature: <u>R. Scott Berg</u> Date: <u>3/4/05</u></p>  |                 |                         |
| G. Corrective Action Closed:<br><br><p style="text-align: center;">Lead Auditor Signature: _____ Date: _____</p>   |                 |                         |