



2014 SFI Summary Surveillance Audit Report The Conservation Fund

The SFI Program of The Conservation Fund of Chapel Hill, North Carolina has achieved conformance with the SFI Standard®, 2010-2014 Edition, according to the NSF-ISR SFIS Certification Audit Process.

NSF-ISR initially certified The Conservation Fund to the SFIS on July 1, 2007 and recertified the program in 2012. This report describes the 2014 Surveillance Audit designed to focus on changes in the standard, changes in operations, the management review system, and efforts at continuous improvement. In addition, a subset of SFI requirements were selected for detailed review. The audit included a review of lands in California, Virginia, and Maine comprising 7 of the 11 tracts making up the program.

The Conservation Fund's certified land base includes most portions of its Working Forest Fund, excluding lands slated for sale over the short term. All of the forestland will have working forest conservation easements to ensure long-term forest management and conservation. The fund is described in the Working Forest Fund Policy Digest:

The Conservation Fund launched the Working Forest Fund in 2009 to address a major conservation challenge: the loss of America's last big forests. Over the next 20 years, according to the U.S. Forest Service, as much as 26 million acres of our forests will be sold, much of it broken into pieces and either developed or the mature trees heavily logged. As forests become fragmented, their ability to filter our water and air is compromised and there is less space for wildlife to live and migrate.

The Working Forest Fund is a dedicated source of conservation bridge capital that allows us to acquire and sustainably manage working forests with high conservation value, saving them from inappropriate development while working with our conservation partners to get land permanently protected. Support from foundations and private philanthropists makes this possible.

The program's largest tracts are managed collectively as The North Coast Forest Conservation Program in California. 72,000 acres of working forestland in five major tracts located in the coastal portion of Mendocino and Sonoma Counties, California are included. These forests support second and third-growth stands of coastal redwood, Douglas-fir, pine, and related species, with some areas of oak prairie and pygmy cypress trees. The forests are generally well-roaded, blocked in, and provide an opportunity for demonstrating the conservation of aquatic and upland resources in a working-forest context. Beyond California, the certified portions of the Working Forest Fund consist of properties totaling 37,000 acres in Pennsylvania, Vermont, Maine, Texas, Virginia, and New Hampshire.

The Conservation Fund's SFI Program is managed by Evan Smith, Vice President – Conservation Ventures

SFIS Surveillance Audit Process

The surveillance audit was performed by NSF on October 7-8, October 28, 2014, and October 29, 2014 by an audit team headed by Mike Ferrucci, Lead Auditor and Norman Boatwright/Scott Berg, Team Auditors. Audit team members fulfill the qualification criteria for conducting SFIS Certification Audits of “Section 9. SFI 2010-2014 Audit Procedures and Auditor Qualifications and Accreditation” contained in Requirements for the SFI 2010-2014 Program: Standards, Rules for Label Use, Procedures, and Guidance. It was conducted concurrently with the FSC Surveillance Audit of the same lands by Brendan Grady, FSC Lead Auditor.

The objective of the audit was to assess conformance of the Organization’s SFI Program to the requirements of the Sustainable Forestry Initiative® Standard, 2010-2014 Edition. The scope of the SFIS Audit included fee timberland. Forest practices that were the focus of field inspections included those that have been conducted since the previous field audit conducted in 2013. Practices conducted earlier were also reviewed as appropriate (regeneration and BMP issues, for example). In addition, a subset of SFI obligations to promote sustainable forestry practices, to seek legal compliance, and to incorporate continual improvement systems were reexamined during the audit. Use of the SFI logo and the requirement to provide a public summary of audit results were also reviewed.

As with the initial certification, several of the SFI Performance Measures were outside of the scope of The Conservation Fund’s SFI program and were excluded from the scope of the SFI Certification Audit as follows:

- Indicator 2.1.4 – The Conservation Fund does not plant exotic tree species.
- Indicator 2.1.7 - No afforestation is being conducted by The Conservation Fund.
- Indicator 3.2.5 – BMPs exist to protect riparian areas in the operating area of The Conservation Fund.
- Objective 8-13 – The Conservation Fund does not procure fiber.
- Indicator 15.1.2 – The Conservation Fund does not perform research or deploy trees derived from genetically engineered trees via forest tree biotechnology.
- Objective 18 – The Conservation Fund does not have forest management responsibilities on public land.

The review was governed by a detailed audit protocol designed to enable the audit team determine conformance with the applicable SFI requirements. The process included the assembly and review of audit evidence consisting of documents, interviews, and on-site inspections of ongoing or completed forest practices. Documents describing these activities were provided to the auditor in advance, and a sample of the available audit evidence was designated by the auditor for review.

During the audit NSF-ISR reviewed a sample of the written documentation assembled to provide objective evidence of SFIS Conformance. NSF-ISR also selected field sites for inspection based upon the risk of environmental impact, likelihood of occurrence, special features, and other criteria outlined in the NSF-ISR SFI-SOP. NSF-ISR also selected and interviewed stakeholders such as contract loggers, landowners and other interested parties, and interviewed employees within the organization to confirm that the SFI Standard was understood and actively implemented.

The possible findings for specific SFI requirements included Full Conformance, Major Non-conformance, Minor Non-conformance, Opportunities for Improvement, and Practices that exceeded the Basic Requirements of the SFIS. Surveillance Audits generally focus on conformance issues and do not generally address exceptional practices.

Overview of Audit Findings

The Conservation Fund's SFI Program was found to be in conformance with the SFIS Standard and was recommended for continuing certification.

Two Opportunities for Improvement were identified for the North Coast of California Region.

The 2013 Annual Review used the copyrighted terms "Sustainable Forestry Initiative" and "SFI" without using the required Registration (®) mark.

North Coast Forest Conservation Program's Staff Training Log documents training of employees but not of contractors. The key logging contractor used by TCF on the North Coast was interviewed and demonstrated that he had received on-the-job training and was a Licensed Timber Operator in California, which requires logger training. However, the logger in question could not communicate any training classes that he attended, other than a training course for rock quarry operators. The California SIC has recognized the Licensed Timber Operators certification program in California as meeting the spirit and intent of the SFI. There is an Opportunity to Improve by reviewing the SFI definition of a Qualified Logging Professional to ensure that loggers understand and attend relevant logger training to maintain their continuing education requirements.

(SFI 2010-2014 Indicator 16.1.3)

These findings do not indicate a current deficiency, but serve to alert The Conservation Fund to areas that could be strengthened or that could merit future attention.

Exceptional Practices

- The North Coast Forest Conservation Program, California routinely exceeds Best Management Practices by following California Forest Practices and Timber Harvest Plans. (Indicator 2.2.6: "Use of management practices appropriate to the situation ...; Indicator 3.1.1: "Program to implement state or provincial best management practices during all phases of management activities.)
- North Coast riparian protection measures exceed the basic requirements of the SFI. Indicator 3.2.1: "Program addressing management and protection of rivers, streams, lakes, and other water bodies and riparian zones."
- The Conservation Fund exceeds the requirements for the conservation of native biological diversity, including species, wildlife habitats and ecological community types by operating a program to locate, purchase, manage, and protect working forestlands in support of biological diversity. (SFI Indicator 4.1.1 "Program to promote the conservation of native biological diversity, including species, wildlife habitats and ecological community types.")

- The Conservation Fund’s program is an exceptional example of forest management in support threatened and endangered species.
(SFI Indicator 4.1.2: “Program to protect threatened and endangered species.”)
- The North Coast Forest Conservation Program, California exceed the basic requirements by managing the overall forest to mimic late successional stage forests and by protecting all old-growth forests and legacy trees.
(SFI Indicator 4.1.6: “Support of and participation in plans or programs for the conservation of old-growth forests in the region of ownership.”)
- The Conservation Fund exceeds the requirements for application of knowledge gained through research, science, technology, and field experience to manage wildlife habitat and contribute to the conservation of biological diversity.
(Performance Measure 4.2: “Program Participants shall apply knowledge gained through research, science, technology and field experience to manage wildlife habitat and contribute to the conservation of biological diversity.”)
- The Conservation Fund exceeds the basic requirements for the protection of special sites of ecological, historic, or cultural importance by making sustained and detailed efforts to locate all such sites, including previously unknown sites, and to manage them with cutting edge science.
(Performance Measure 6.1 and associated Indicators: “Program Participants shall identify special sites and manage them in a manner appropriate for their unique features.”)
- The Conservation Fund exceeds the basic requirements in development and use of regional conservation planning and priority-setting efforts that include a broad range of stakeholders.
(SFI Indicator 17.1.5: “Program Participants are knowledgeable about credible regional conservation planning and priority-setting efforts that include a broad range of stakeholders and have a program to take into account the results of these efforts in planning.”)
- The Conservation Fund’s outreach activities on its East Grand Lake, Maine and its North Coast Forest Conservation Program, California exceed the basic requirements for opportunities to promote sustainable, conservation-oriented forestry.
(SFI Indicator 17.2.1 requires, in part “Periodic educational opportunities promoting sustainable forestry, such as a. field tours, seminars, websites, webinars or workshops; b. educational trips; ...”)

The Conservation Fund’s commitment to environmental protection is unique among SFI Program Participants. TCF’s staff outreach and partnerships with other organizations is truly impressive and allows the organization to accomplish its broad mission effectively in many locations throughout the United States.

Follow-up on 2013 Findings

The NSF-ISR Audit team reviewed all previous minor non-conformances and corrective action plans implemented by The Conservation Fund.

In 2013 the Conservation Fund had not fully implemented certain BMP measures on 2 properties (SFI 2010-2014 Indicator 3.1.4). On Success Pond in New Hampshire the audit team observed an erosion and access road damage associated with a plugged culvert caused by beavers. On Bobcat Ridge in Texas a project to replace culverts resulted in one malfunctioning culvert and associated soil movement. The Conservation Fund had previously developed and has now fully implemented plans to address this issue. The completion of the proposed work has been confirmed and this Minor Non-conformance has been resolved.

All of the Opportunity for Improvement identified during the 2013 Surveillance Audit have also been addressed.



The next surveillance audit is scheduled for October, 2015. The SFI Standards (2015-2019 Edition) will be issued on January 1, 2015 and surveillance audits after March 31st will be audited to the new Standard. Gaps will be identified where conformance is not yet achieved, but identified Gaps will not affect certification. Any Gaps would need to be filled prior to the 2016 Surveillance Audit.



General Description of Evidence of Conformity

NSF's audit team used a variety of evidence to determine conformance. A general description of this evidence is provided below, organized by SFI Objective.

Objective 1. Forest Management Planning - To broaden the implementation of sustainable forestry by ensuring long-term forest productivity and yield based on the use of the best scientific information available.

Summary of Evidence – The forest management plan for The Conservation Fund and supporting documentation and the associated inventory data and growth models were the key evidence of conformance.

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

Summary of Evidence – Field observations and associated records were used to confirm practices. The Conservation Fund has programs for reforestation, for protection against insects, diseases, and wildfire, and for careful management of activities which could potentially impact soil and long-term productivity.

Objective 3. Protection and Maintenance of Water Resources - To protect water quality in streams, lakes and other water bodies.

Summary of Evidence – Field observations of a range of sites were the key evidence. Auditors visited the portions of many field sites that were close to water resources.

Objective 4. Conservation of Biological Diversity including Forests with Exceptional Conservation Value To manage the quality and distribution of wildlife habitats and contribute to the conservation of biological diversity by developing and implementing stand- and landscape-level measures that promote habitat diversity and the conservation of forest plants and animals, including aquatic species.

Summary of Evidence – Field observations, written plans and policies, use of college-trained field biologists, availability of specialists, and regular staff involvement in conferences and workshops that cover scientific advances were the evidence used to assess the requirements involved biodiversity conservation.

Objective 5. Management of Visual Quality and Recreational Benefits - To manage the visual impact of forest operations and provide recreational opportunities for the public.

Summary of Evidence – Field observations of completed operations and policies/procedures for visual quality were assessed during the evaluation. Further maps of recreation sites, combined with field visits, helped confirm a strong recreation program.

Objective 6. Protection of Special Sites - To manage lands that are ecologically, geologically, or culturally important in a manner that takes into account their unique qualities.

Summary of Evidence – Field observations of completed operations, records of special sites, training records, and written protection plans were all assessed during the evaluation.

Objective 7. Efficient Use of Forest Resources - To promote the efficient use of forest resources.

Summary of Evidence – Field observations of completed operations, contract clauses, and discussions with supervising field foresters provided the key evidence.

Objective 8. Landowner Outreach - To broaden the practice of sustainable forestry by forest landowners through fiber sourcing programs.

Summary of Evidence – N.A. The Conservation Fund does not obtain fiber.

Objective 9. Use of Qualified Resource and Qualified Logging Professionals - To broaden the practice of sustainable forestry by encouraging forest landowners to utilize the services of forest management and harvesting professionals.

Summary of Evidence – N.A. The Conservation Fund does not obtain fiber.

Objective 10. Adherence to Best Management Practices - To broaden the practice of sustainable forestry through the use of best management practices to protect water quality.

Summary of Evidence – N.A. The Conservation Fund does not obtain fiber.

Objective 11. Promote Conservation of Biological Diversity, Biodiversity Hotspots and High-Biodiversity Wilderness Areas - To broaden the practice of sustainable forestry by conserving biological diversity, biodiversity hotspots and high-biodiversity wilderness areas.

Summary of Evidence – N.A. The Conservation Fund does not obtain fiber.

Objective 12. Avoidance of Controversial Sources including Illegal Logging -

To broaden the practice of sustainable forestry by avoidance of illegal logging.

Summary of Evidence – N.A. The Conservation Fund does not obtain fiber.

Objective 13. Avoidance of Controversial Sources including Fiber Sourced from Areas without Effective Social Laws - To broaden the practice of sustainable forestry by avoiding controversial sources.

Summary of Evidence – N.A. The Conservation Fund does not obtain fiber.

Objective 14. Legal and Regulatory Compliance -

Compliance with applicable federal, provincial, state and local laws and regulations.

Summary of Evidence – Field reviews of ongoing and completed operations were the most critical evidence.

Objective 15. Forestry Research, Science, and Technology - To support forestry research, science, and technology, upon which sustainable forest management decisions are based.

Summary of Evidence – Financial records were confirmed by receipt from funded agency.

Objective 16. Training and Education -To improve the implementation of sustainable forestry practices through appropriate training and education programs.

Summary of Evidence – Training records of personnel, records associated with harvest sites audited, and review of state training database provided confirmation of participation in training programs.

Objective 17. Community Involvement in the Practice of Sustainable Forestry -

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

Summary of Evidence – Mailing lists, agendas for meetings, and selected summaries of comments were sufficient to assess the requirements.

Objective 18: Public Land Management Responsibilities -

To support and implement sustainable forest management on public lands.

Summary of Evidence – N.A. The Conservation Fund does not have management responsibilities for public lands.

Objective 19. Communications and Public Reporting - To broaden the practice of sustainable forestry by documenting progress and opportunities for improvement.

Summary of Evidence – Reports filed with SFI Inc. and the SFI Inc. website provided the key evidence.

Objective 20. Management Review and Continual Improvement - To promote continual improvement in the practice of sustainable forestry, and to monitor, measure, and report performance in achieving the commitment to sustainable forestry.

Summary of Evidence – Records of program reviews, agendas and notes from management review meetings, and interviews with personnel involved in management review were assessed.



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