

# Indiana Department of Natural Resources—Division of Forestry



2000 Powell St., Suite 600  
Emeryville, CA 94608, USA

[www.scs-certified.com](http://www.scs-certified.com)

Brendan Grady

[bgrady@scs-certified.com](mailto:bgrady@scs-certified.com)

## FOREST MANAGEMENT AND STUMP-TO-FOREST GATE CHAIN-OF-CUSTODY CERTIFICATION EVALUATION REPORT

Indiana DNR Division of Forestry  
Classified Forest & Wildlands Program  
SCS-FM/COC-00123N

402 W. Washington St, Room W296  
Indianapolis, IN 46204

Brenda Huter, [BHuter@dnr.IN.gov](mailto:BHuter@dnr.IN.gov)

<http://www.in.gov/dnr/forestry/4801.htm>

CERTIFIED	EXPIRATION
15/Mar/2010	14/Mar/2015

DATE OF FIELD AUDIT
17-21/Oct/2011
DATE OF LAST UPDATE
09/Dec/2011

### Organization of the Report

This report of the results of our evaluation is divided into two sections. Section A provides the public summary and background information that is required by the Forest Stewardship Council. This section is made available to the general public and is intended to provide an overview of the evaluation process, the management programs and policies applied to the forest, and

the results of the evaluation. Section A will be posted on the FSC Certificate Database (<http://info.fsc.org/>) no less than 30 days after issue of the certificate. Section B contains more detailed results and information for the use of by the FME.

## FOREWORD

<b>Cycle in annual surveillance audits</b>			
<input type="checkbox"/> 1 <sup>st</sup> annual audit	<input checked="" type="checkbox"/> 2 <sup>nd</sup> annual audit	<input type="checkbox"/> 3 <sup>rd</sup> annual audit	<input type="checkbox"/> 4 <sup>th</sup> annual audit
<b>Name of Forest Management Enterprise and abbreviation used in this report:</b>			
Forest Management Enterprise (FME)	Indiana DNR Division of Forestry Classified Forest & Wildlands Program (ICF)		

All certificates issued by SCS under the aegis of the Forest Stewardship Council (FSC) require annual audits to ascertain ongoing compliance with the requirements and standards of certification. A public summary of the initial evaluation is available on the SCS website [www.scscertified.com](http://www.scscertified.com).

Pursuant to FSC and SCS guidelines, annual/surveillance audits are not intended to comprehensively examine the full scope of the certified forest operations, as the cost of a full-scope audit would be prohibitive and it is not mandated by FSC audit protocols. Rather, annual audits are comprised of three main components:

- A focused assessment of the status of any outstanding conditions or Corrective Action Requests (CARs; see discussion in section 5.0 for a summary those CARs and their disposition as a result of this annual audit in the separate CAR report file);
- Follow-up inquiry into any issues that may have arisen since the award of certification or prior to the audit; and
- As necessary given the breadth of coverage associated with the first two components, an additional focus on selected topics or issues, the selection of which is not known to the certificate holder prior to the audit.

All items marked with an asterisk (\*) are not required for FMUs that qualify as single SLIMFs.

## Contents

Section A – Public Summary .....	5
1.0 General Information .....	5
1.1 Annual Audit Team.....	5
1.2 Total time spent on evaluation.....	5
1.3 Standards Employed .....	5
2.0 Annual Audit Dates and Activities.....	6
2.1 Annual Audit Itinerary and Activities .....	6
3.0 Changes in Management Practices.....	6
4.0 Annual Summary of pesticide and other chemical use .....	7
5.0 Corrective Action Requests (CARs) and Observations (OBSs).....	7
6.0 Stakeholder Comment* .....	7
7.0 Certification Decision .....	9
8.0 Current list of Non-SLIMF FMUs (multiple FMU and group certificates only).....	9
Section B - Appendices.....	10
Appendix 1 – List of FMUs selected for evaluation (CONFIDENTIAL) .....	10
Appendix 2 – Evaluation of Management Systems (CONFIDENTIAL)* .....	16
Appendix 3 – Stakeholder analysis (CONFIDENTIAL)* .....	16
Appendix 4 – Additional Audit Techniques Employed (CONFIDENTIAL)* .....	18
Appendix 5 – Changes in Certification Scope .....	18
Appendix 6 – Pesticide derogations.....	23
Appendix 7 – Detailed observations (CONFIDENTIAL).....	23
Appendix 8 – Chain of Custody Indicators for FMEs (CONFIDENTIAL) .....	63

## Section A – Public Summary

### 1.0 General Information

#### 1.1 Annual Audit Team

<b>Auditor Name:</b>	Kyle Meister	<b>Auditor role:</b>	Lead auditor
<b>Qualifications:</b> Mr. Meister is a Certification Forester with Scientific Certification Systems. He has been with SCS for nearly three years and has conducted FSC pre-assessments, evaluations, and surveillance audits in Brazil, Panama, Mexico, Indonesia, India, and all major forest producing regions of the United States. He holds a B.S. in Natural Resource Ecology and Management and a B.A. in Spanish from the University of Michigan; and a Master of Forestry from the Yale School of Forestry and Environmental Studies. Mr. Meister has experience as an environmental educator and natural resource consultant in the U.S., Mexico, Ecuador, Costa Rica, Colombia, and Brazil. He is responsible for reviewing all of SCS' forest management reports from Latin America. He is a member of the Forest Guild, Society of American Foresters, International Society of Tropical Foresters, and the Cascade Green Building Council.			

For the purposes of assessing SCS' conformance to FSC requirements and forest management evaluation protocols, two representatives from Accreditation Services International, GmbH (ASI) observed SCS during the 2011 annual surveillance assessment. The results of this evaluation can be found at <http://www.accreditation-services.com/>.

#### 1.2 Total time spent on evaluation

A. Number of days spent on-site assessing the applicant:	5.0
B. Number of auditors participating in on-site evaluation:	1
C. Additional days spent on preparation, stakeholder consultation, and post-site follow-up:	2.0
<b>D. Total number of person days used in evaluation:</b>	<b>7.0</b>
<b>(Line D = (Total number of days in Line A x Total number of auditors from Line B) + additional days from Line C.</b>	

#### 1.3 Standards Employed

Box 1.3.1. – Applicable FSC-Accredited Standards		
Title	Version	Date of Finalization
FSC-US Forest Management Standard (with Family Forest indicators)	V1-0	8 – July – 2010
FSC standard for group entities in forest management groups (FSC-STD-30-005)	V1-0	31 – August – 2009
All standards employed are available on the websites of FSC International ( <a href="http://www.fsc.org">www.fsc.org</a> ), the FSC-US ( <a href="http://www.fscus.org">www.fscus.org</a> ) or the SCS Forest Conservation Program homepage ( <a href="http://www.scscertified.com/forestry">www.scscertified.com/forestry</a> ).		

Standards are also available, upon request, from Scientific Certification Systems ([www.scscertified.com](http://www.scscertified.com)).

## 2.0 Annual Audit Dates and Activities

### 2.1 Annual Audit Itinerary and Activities

<b>17 – Oct – 2011</b>	
<b>FMU/Location/ sites visited*</b>	<b>Activities/ notes</b>
Opening meeting	Review of group standards, tour of group management record keeping system, interviews with ICF staff
Field visits to District 12	Review of recent timber harvest activities
Daily debrief	
<b>18 – Oct</b>	
<b>FMU/Location/ sites visited*</b>	<b>Activities/ notes</b>
District 2, 3 & 12 Office	Review of hard copies of group records, observation of electronic database
Field visits in Districts 1, 2 & 3	Review of recent timber harvests
Daily debrief	
<b>19 – Oct</b>	
<b>FMU/Location/ sites visited*</b>	<b>Activities/ notes</b>
Field visits in Districts 1 and 19	Review of recent timber harvests and road management BMPs
Daily debrief	
<b>20 – Oct</b>	
<b>FMU/Location/ sites visited*</b>	<b>Activities/ notes</b>
District 1 & 19 Office	Review of hard copies of group records, observation of electronic database
District 13 Office	Review of hard copies of group records, observation of electronic database, review of certified sales and chain of custody
Field visits in District 13	Review of recent timber harvests, TSI, and road management BMPs
Daily debrief	
<b>21 – Oct</b>	
<b>FMU/Location/ sites visited*</b>	<b>Activities/ notes</b>
Closing meeting with ICF	Review of initial findings, including nonconformities
Closing meeting with ASI	
<i>Add more rows as necessary.</i>	

## 3.0 Changes in Management Practices

There were no significant changes in the management and/or harvesting methods that affect the FME's conformance to the FSC standards and policies.

#### 4.0 Annual Summary of pesticide and other chemical use

ICF currently does not have the capability to report quantities and size of area treated. When ICF's new database comes online, ICF will be able to report this information at the group level while protecting group member confidentiality.

Commercial name of pesticide/herbicide	Active ingredient	Quantity applied annually (kg or lbs)	Size of area treated during previous year (ha or ac)	Reason for use

#### 5.0 Corrective Action Requests (CARs) and Observations (OBSs)

SCS publishes Corrective Action Requests (CARs) and Observations (OBSs) assigned as a result of previous evaluations, as well as their current status, as separate files on the FSC certificate database. Similarly, SCS publishes a separate file for any newly assigned CARs/OBSs as a result of the current evaluation.

#### 6.0 Stakeholder Comment\*

SCS conducts stakeholder outreach as part of annual audits in order to assess on-going conformance to the applicable FSC standards. Stakeholder consultation activities can include telephone calls, written letters, emails or consultation in the field. The results of stakeholder consultation activities are summarized below. Where a stakeholder comment has triggered a subsequent investigation during the evaluation, the corresponding follow-up action and conclusions from SCS have been noted.

Box 6.1 – Summary of Stakeholder Comments and Responses from the Team Where Applicable	
Stakeholder comments	SCS Response
<b>Economic concerns</b>	
Indiana Department of Forestry (DOF) has had its budget cut severely and has lost good people to early retirement. The problem is to replace those folks and bring them up to speed. DOF is managing as best as it can. Would love to see the good work continue as public opinion	Duly noted. ICF is financially able to implement core activities necessary to achieve conformance to the FSC-US and FSC Group standards. No nonconformance is warranted.

<p>towards forest management is changing. About 80% of what I have learned about forest management I have learned from DNR staff. Instructors from DOF have always been good with landowners.</p>	
<p>ICF recently stopped servicing landowners that have less than 10 acres of land. There are many landowners (~60,000 landowners) with less than 10 acres of land. Research shows that small acreages are less likely to do forest management activities.</p>	<p>Although some lands were grandfathered into the system, It is clearly stated in ICF's management plan that to be eligible for membership to the group that forest landowners must have at least 10 acres of forestland. No nonconformance is warranted.</p>
<p><b>Social concerns</b></p>	
<p>Have been impressed with how ICF has been able to meet program requirements without seeming to have an effect on their budget. It has been a very transparent process. There have been very few programs or communications that have gone by the wayside.</p>	<p>Duly noted. No nonconformance is warranted.</p>
<p>As a private landowner, there is a concern about growing expectations from FSC.</p>	<p>The latest version of the FSC-US Standard (V1-0, July 8, 2010) contains more specific guidance for Family Forest owners (forestland &lt;2,471 acres) that actually make several parts of the FSC standard easier for Family Forest managers to achieve conformance than under the previous FSC Lake States/ Central Hardwoods standard. No nonconformance is warranted.</p>
<p>ICF group members have to do an annual report, and this contact with landowner is very important for ICF. Lots of the timber sales are from knock-on-the-door. More landowners need to know what they have- so it is good that ICF has contact</p>	<p>ICF staff assist group members in writing management plans, and encourage landowners to seek more detailed advice on timber harvest planning and implementation from private consulting foresters. ICF group members must report to ICF on planned timber harvests prior to their implementation so that ICF can conduct pre-harvest, harvest, and post harvest management review. However, implementation of the management plan is still up to each individual landowner. Several group members visited in the northern part of</p>

<p>with landowners. Demonstration and study forests are good too- and people have been looking at them. Many landowners are more in contact with their farmland than their woodland. It is good that we are seeing more consultant foresters get out there. One thing that is scary is that grain prices are so high and there is an incentive to clear forestland for agriculture.</p>	<p>the state are surrounded by farmland and are being maintained as forest despite the economic pressure to convert to farmland. No nonconformance is warranted.</p>
<p><b>Environmental concerns</b></p>	
<p>None noted.</p>	

**7.0 Certification Decision**

<p><b>Box 7.1 Surveillance Decision</b></p>	
<p>The certificate holder has demonstrated continued overall conformance to the applicable Forest Stewardship standards. The SCS annual audit team recommends that the certificate be sustained, subject to subsequent annual audits and the FME’s response to any open CARs.</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>
<p>Comments: ICF does an excellent job of respecting the rights and decision-making authority of private landowners in the group. ICF writes each landowner’s management plan, but it does so based on the inputs of each individual landowner. The landowner reviews the plan and has the final decision on accepting or rejecting it. Furthermore, it is up to the landowner to implement the management plan and report any deviations from it.</p>	

**8.0 Current list of Non-SLIMF FMUs (multiple FMU and group certificates only)**

ICF does not currently contain any Non-SLIMF group members. However, ICF maintains the confidentiality of the names, locations, and contact information of group members. Interested stakeholders may find out who ICF group members are through public records requests at county offices. Prospective timber buyers may verify a group member’s certified status by contacting ICF’s group manager or accessing the Indiana Forestry Exchange website. Group members are bound by ICF’s chain of custody procedures and must contact their district forester prior to making a sale of FSC-certified timber.

## Section B - Appendices

### Appendix 1 – List of FMUs selected for evaluation (CONFIDENTIAL)

- |   |
|---|
| <input type="checkbox"/> FME consists of a single FMU – <i>No further action required</i>   |
| <input checked="" type="checkbox"/> FME consists of multiple FMUs – <i>See table below, which applies to multiple FMU and group management evaluations, but is inapplicable if the scope of the evaluation is a single FMU.</i> |

#### Selection of FMUs for evaluation

##### Introduction

According to the FSC definition (see FSC-STD-01-002 V1-0), a Forest Management Unit (FMU) is “a clearly defined forest area with mapped boundaries, managed by a single managerial body to a set of explicit objectives which are expressed in a self-contained multi-year management plan.” As long as it meets FSC’s definition, any single FMU may range in size from smaller than 20 ha to over 1,000,000 ha.

SCS classifies FMUs included in the scope of the evaluation as sets of 'like' FMUs for the purpose of sampling. 'Like' FMUs typically are similar in forest type, size, and applicable FSC national or regional standards. A group or multiple FMU evaluation may consist of one or more sets of 'like' FMUs. At times, SCS may select an FMU for evaluation due to a pertinent stakeholder issue, pending corrective actions or its proximity to another sampled FMU.

These sets are selected to minimize variability within each set in terms of:

- a) Forest types (natural/ semi-natural vs. plantation);
- b) FMU size class – small, medium, and large FMUs (see Annex 1 of FSC-STD-20-007); and
- c) Applicable national or regional Forest Stewardship Standard.

The results of this analysis of a) – c) are detailed below in terms of size of FMUs. SCS determines sampling intensity prior to conducting all evaluations. In special cases, such as the high presence of HCVPs, controversial forest operations, stakeholder issues, RMUs or so-called mega groups, SCS follows section 5.3 and Annex 1 FSC-STD-20-007 and other FSC guidance as appropriate.

##### Group Management certificates

In the case of forest management groups comprised of SLIMF and non-SLIMF FMUs, SCS samples non-SLIMF and 'small' SLIMF FMUs as separate strata. Groups that consist all or in part of 'small' SLIMF FMUs may be sampled using the Resource Management Unit (RMU) concept if they meet the definition of RMU (an RMU is a set of FMUs managed by the same managerial body). So-called Mega-groups may be sampled according to Annex 1 of FSC-STD-20-007. In all cases, sampling in group management programs is carried out in accordance to section 5.3 and Annex 1 of FSC-STD-20-007.

##### Sampling process for large and medium size FMUs

###### Part 1:

A) Step A determines the number of sets of 'like' FMUs in each evaluation. Classify the FMUs under the scope of the evaluation into sets of 'like' FMUs:

1. Within each management type and size class, determine if there are any differences in national or regional Forest Stewardship Standards;
2. Categorize the FMUs by management type (either "Natural/ Semi-Natural Forest Management" or "Plantation Forest Management");
3. Within each management type, categorize the FMUs by the two size classes in Table 1; and
4. Record the number of sets of 'like' FMUs for each size class: 0.

B) Step B is to determine the *number of sets* of 'like' FMUs to visit during the evaluation.

1. All sets of 'like' FMUs must be visited in the main evaluation.
2. 50% of the sets of 'like' FMUs shall be visited in surveillance and re-evaluations for FMUs in size class 1,000-10,000 ha, and all sets of 'like' FMUs must be visited in surveillance and re-evaluations for FMUs > 10,000 ha.

**See Worksheet 1 for a full representation of Steps A & B.**

**Table 1**

Size class	Main evaluation	Surveillance	Re-evaluation
>10,000 ha	$X = y$	$X = 0.8 * y$	$X = 0.8 * y$
>1,000 – 10,000 ha	$X = 0.3 * y$	$X = 0.2 * y$	$X = 0.2 * y$

**Worksheet 1.** Check a box for each set of 'like' FMUs within a group containing medium and large FMUs. Each box checked represents one set of a 'like' FMU. So if there are two boxes checked, there are two sets of 'like' FMUs for given size classes.

Size Class	>1,000 – 10,000 ha	>10,000 ha
Forest Stewardship Standard 1	<input type="checkbox"/> Natural/ Semi-Natural Forest FMUs	<input type="checkbox"/> Natural/ Semi-Natural Forest FMUs
	<input type="checkbox"/> Plantation FMUs	<input type="checkbox"/> Plantation FMUs
Forest Stewardship Standard 2	<input type="checkbox"/> Natural/ Semi-Natural Forest FMUs	<input type="checkbox"/> Natural/ Semi-Natural Forest FMUs
	<input type="checkbox"/> Plantation FMUs	<input type="checkbox"/> Plantation FMUs
<b>Sum of sets of 'like' FMUs</b>	0 (ICF has no Non-SLIMF member)	0
<b>Number of sets of 'like' FMUs to visit</b>		
<input type="checkbox"/> <b>Main evaluation</b>	All	All
<input type="checkbox"/> <b>Surveillance</b>	50%	All
<input type="checkbox"/> <b>Re-evaluation</b>	50%	All
<b>Total sets of 'like'</b>	0	0

<b>FMUs to visit within each size class (rounded to nearest upper whole number)</b>		
---	--	--

**Part 2:**

1. For each set of 'like' FMUs to be sampled, SCS shall select a minimum number of units for evaluation (x) by applying the applicable formula in Table 1 (y= total number of FMUs within a set of 'like' FMUs). The number of units to be sampled (x) is calculated by entering the total number of units within the set of 'like' FMUs (y) is as follows:

		<b>Applicable equation for evaluation from Table 1</b>	<b>Sample size (rounded to nearest upper whole number)</b>
<b>Set 1 – description of set</b>			
<b>Total number of FMUs</b>	NA		
<b>Set 2 – description of set</b>			
<b>Total number of FMUs</b>	NA		
<i>Add more Sets as necessary for calculations</i>			

2. Each FMU within the group shall have been visited on-site by the certification body at least once in a 5 years certificate cycle. *This information must be tracked by the client or SCS or both.*

**Sampling process for small size FMUs**

Sampling for FMUs ≤ 1,000 ha must be conducted in a 2-step approach in accordance to Annex 1 of FSC-STD-20-007:

**Part 1:**

A) Step A determines the number of sets of 'like' FMUs in each evaluation. Classify the FMUs under the scope of the evaluation into sets of 'like' FMUs:

1. Within each management type and size class, determine if there are any differences in national or regional Forest Stewardship Standards;
2. Categorize the FMUs by management type (either "Natural/ Semi-Natural Forest Management" or "Plantation Forest Management");

3. Within each management type, categorize the FMUs by the two size classes in Table 2; and
4. Record the number of sets of 'like' FMUs for each size class: \_\_\_\_\_.

B) Step B defines the minimum number of sets of 'like' FMUs *to be sampled* in each evaluation. This number (x) shall be calculated by entering the total number of sets of 'like' FMUs (y) found in Step A into the applicable formula in Table 2.

**See Worksheet 2 for a full representation of Steps A & B.**

**Table 2**

Size class	Main evaluation	Surveillance	Re-evaluation
100 – 1,000 ha	$X = 0.8 * \nu y$	$X = 0.6 * \nu y$	$X = 0.6 * \nu y$
<100 ha	$X = 0.6 * \nu y$	$X = 0.3 * \nu y$	$X = 0.3 * \nu y$

**Worksheet 2.** Check a box for each set of 'like' FMUs within a group containing FMUs  $\leq 1,000$  ha. Each box checked represents one set of a 'like' FMU. So if there are two boxes checked, there are two sets of 'like' FMUs for given size classes.

Size Class	<100 ha	100 – 1,000 ha
Forest Stewardship Standard 1	<input checked="" type="checkbox"/> Natural/ Semi-Natural Forest FMUs	<input checked="" type="checkbox"/> Natural/ Semi-Natural Forest FMUs
	<input type="checkbox"/> Plantation FMUs	<input type="checkbox"/> Plantation FMUs
Forest Stewardship Standard 2	<input type="checkbox"/> Natural/ Semi-Natural Forest FMUs	<input type="checkbox"/> Natural/ Semi-Natural Forest FMUs
	<input type="checkbox"/> Plantation FMUs	<input type="checkbox"/> Plantation FMUs
<b>Sum of sets of 'like' FMUs</b>	1	1
<b>Applicable equation for evaluation from Table 2</b>	$X = 0.3 * \nu y$	$X = 0.6 * \nu y$
<b>Results of equation</b>	$X = 0.3 * \nu 1 = 0.3$	$X = 0.6 * \nu 1 = 0.6$
<b>Total sets of 'like' FMUs to visit during evaluation (rounded to nearest upper whole number)</b>	0.9 $\rightarrow$ 1	

**Part 2**

Part 2 defines the minimum number of units to be sampled within each set of ‘like’ FMUs selected to be sampled in Part 1. For this purpose, FMUs managed by the same managerial body (e.g. the same resource manager) may be combined to a single ‘resource management unit’ (RMU). The number of units to be sampled (x) shall be calculated by entering the total number of units (y= number of FMUs directly managed by the forest owner + number of RMUs) within the set of ‘like’ FMUs (y) into the applicable formula in Table 2. So the number of units to be sampled (x) is calculated by entering the total number of units (y= number of RMUs + remaining FMUs) within the set of ‘like’ FMUs (y) is as follows:

		Applicable equation for evaluation from Table 2	Sample size (rounded to nearest upper whole number)
<b>Set 1 – description of set:</b>			
<p>1. ICF is organized into RMUs, thus the exercise done in Worksheet 2 is irrelevant. All FMUs ≤ 1,000 ha are classified as natural/ semi-natural forest management. ICF qualifies for RMU classification since ICF district foresters provide: a) management planning preparation; b) harvesting planning review using ICF templates; c) group level baseline documentation and information; d) robust group member training programs; e) a timber sale clearinghouse for group members to market certified forest products; and f) group member monitoring at intensity greater than that required by FSC-STD-30-005. Due to these multiple factors, ICF reasonably qualifies as the managerial body that manages all group members.</p> <p>2. ICF organizes RMUs at the district level, which is a group of counties based on legislative representation. Although a regional office may serve multiple districts, sampling for monitoring of group members is based at the district level.</p>			
<b>Basis for RMU classification:</b> 1. Describe how the FME’s management meets the requirement that each FMU within an RMU must be managed by the same managerial body. 2. Describe how RMUs are determined. FMUs classified as part of a given RMU may be based on the group manager’s or certification body’s grouping of ‘like’ FMUs according management type, ecozones, districts, political boundaries, regulatory context, and/or other units. For example, an FME may stratify ‘small’ FMUs into districts based on location and then classify FMUs into an RMU based at the county-level.			
<b>Number of RMUs</b>	20	$X = 0.6 * \sqrt{y} \rightarrow X = 0.6 * \sqrt{20} = 2.68$	3; actual sample size was 6 districts.
<b>Remaining FMUs</b>	0		
<b>Total (y = RMU + FMU)</b>	20		
		Applicable equation for evaluation from Table 2	Sample size (rounded to nearest upper whole number)
<b>Set 2 – description of set</b>			
<b>Basis for RMU classification:</b> (as above)			

<b>Number of RMUs</b>			
<b>Remaining FMUs</b>			
<b>Total (y = RMU + FMU)</b>			

Sampling within a 'resource management unit' shall be conducted in accordance to Clause 5.4.2 in a main- and re-evaluation and in accordance to Clause 6.3 in a surveillance evaluation as detailed in FSC-STD-20-007.

**Simplified sampling options for large Group Certificates of 'small' FMUs** (based Annex 1 of FSC-STD-20-007)

**Mega groups of small size FMUs ≤ 1,000 ha**

1. For mega groups or sets of small size FMUs (i.e. more than 5,000 members per group or set) the certification body may sub-stratify the group or sets of small size FMUs according to the level of risk in relation to presence of HCVs, land tenure or land use disputes, and long harvesting cycles.

2. In the demonstrated absence of:

- high conservation value attributes, and
- land use or tenure disputes, and
- short (< 30 years) rotation cycles,

the certification body may reduce the sampling size as specified in Table 2 for units within a set of 'like' FMUs by a maximum of 50% (but not less than 55 units in total).

<b>Non-SLIMF FMUs</b>		
<i><b>Natural/ Semi-Natural Forest Management</b></i>		
<b>Name</b>	<b>Rationale for selection (check all that apply)</b>	
NA	<input type="checkbox"/> Random sample	<input type="checkbox"/> Near other sampled FMU
	<input type="checkbox"/> Stakeholder issue	<input type="checkbox"/> Other:
<i><b>Plantation Forest Management</b></i>		
NA	<input type="checkbox"/> Random sample	<input type="checkbox"/> Near other sampled FMU
	<input type="checkbox"/> Stakeholder issue	<input type="checkbox"/> Other:
<b>SLIMF FMUs</b>		
<i><b>Natural/ Semi-Natural Forest Management</b></i>		
<b>Name</b>	<b>Rationale for selection (check all that apply)</b>	
NA	<input type="checkbox"/> Random sample	<input type="checkbox"/> Near other sampled FMU
	<input type="checkbox"/> Stakeholder issue	<input type="checkbox"/> Other:
<i><b>Plantation Forest Management</b></i>		
NA	<input type="checkbox"/> Random sample	<input type="checkbox"/> Near other sampled FMU
	<input type="checkbox"/> Stakeholder issue	<input type="checkbox"/> Other:
<b>SLIMF RMUs (groups of 'small' FMUs managed by same managerial body only)</b>		
<i><b>Natural/ Semi-Natural Forest Management</b></i>		

Name	RMU Name	Rationale for selection (check all that apply)	
1. E. Borkholder 2. R. Borkholder 3. Kuhns 4. Hartsough	District 1	<input type="checkbox"/> Random sample	<input checked="" type="checkbox"/> Near other sampled FMU
		<input type="checkbox"/> Stakeholder issue	<input checked="" type="checkbox"/> Other: Traditional community forest management
1. Rawleigh	District 2	<input type="checkbox"/> Random sample	<input checked="" type="checkbox"/> Near other sampled FMU
		<input type="checkbox"/> Stakeholder issue	<input type="checkbox"/> Other:
1. Pecks 2. Lungs	District 3	<input type="checkbox"/> Random sample	<input checked="" type="checkbox"/> Near other sampled FMU
		<input type="checkbox"/> Stakeholder issue	<input checked="" type="checkbox"/> Other: Withdrawal
1. Milligan 2. Kellam	District 12	<input type="checkbox"/> Random sample	<input checked="" type="checkbox"/> Near other sampled FMU
		<input type="checkbox"/> Stakeholder issue	<input type="checkbox"/> Other:
1. Kuebler 2. Layton 3. SUELAC	District 13	<input type="checkbox"/> Random sample	<input checked="" type="checkbox"/> Near other sampled FMU
		<input type="checkbox"/> Stakeholder issue	<input type="checkbox"/> Other:
1. Grass 2. Wagner	District 19	<input type="checkbox"/> Random sample	<input checked="" type="checkbox"/> Near other sampled FMU
		<input type="checkbox"/> Stakeholder issue	<input type="checkbox"/> Other:
<b>Plantation Forest Management</b>			
NA		<input type="checkbox"/> Random sample	<input type="checkbox"/> Near other sampled FMU
		<input type="checkbox"/> Stakeholder issue	<input type="checkbox"/> Other:

## Appendix 2 – Evaluation of Management Systems (CONFIDENTIAL)\*

As each district is managed by a regional office, the audit team visited the head office of each district RMU to review group membership records, management plans, and monitoring records. At least one FMU was visited within each RMU as is permitted under FSC-STD-20-007. The audit team prepared a field site inspection questionnaire to review the criteria selected for the scope of this annual surveillance assessment. The team reviewed individual landowner field sites, and management and monitoring documentation. Interviews were targeted at ICF staff and individual landowners. Stakeholder interviews were conducted over the phone, RMU sampling established, and document portions of FSC-STD-30-005 were reviewed prior to the field assessment. Initial results of FSC-STD-30-005 review and document requests were delivered to ICF prior to the assessment. Auditor deliberations were conducted prior to the closing meeting. Initial findings were issued and any remaining gaps to review prior to finalization of the report were identified during the closing meeting.

## Appendix 3 – Stakeholder analysis (CONFIDENTIAL)\*

### 3.1 Stakeholder list (confidential)

#### List of FME Staff Consulted

Name	Title	Contact	Consultation method
Phil Wagner	Asst. State Forester	<a href="mailto:pwagner@dnr.in.gov">pwagner@dnr.in.gov</a>	Field consultation, meeting
Brenda Huter	Forest Stewardship Coordinator	<a href="mailto:bhuter@dnr.in.gov">bhuter@dnr.in.gov</a>	Field consultation, meeting
Duane McCoy	CSI Timber	<a href="mailto:dmccoy@dnr.in.gov">dmccoy@dnr.in.gov</a>	Meeting
Scott Haulton	Forestry Wildlife Specialist	<a href="mailto:shaulton@dnr.in.gov">shaulton@dnr.in.gov</a>	Meeting
Brad Rody	District Forester 2	<a href="mailto:brody@dnr.IN.gov">brody@dnr.IN.gov</a>	Field consultation, meeting
Hank Hefner	District Forester 3	<a href="mailto:hhefner@dnr.IN.gov">hhefner@dnr.IN.gov</a>	Field consultation, meeting
Steve Winicker	District Forester 1	<a href="mailto:swinicker@dnr.IN.gov">swinicker@dnr.IN.gov</a>	Field consultation, meeting
James Potthoff	District Forester 19	<a href="mailto:jpotthoff@dnr.IN.gov">jpotthoff@dnr.IN.gov</a>	Field consultation, meeting
Eric Summerfield	District 13 Forester	<a href="mailto:esummerfield@dnr.IN.gov">esummerfield@dnr.IN.gov</a>	Field consultation, meeting
John Seifert	State Forester	<a href="mailto:jseifert@dnr.IN.gov">jseifert@dnr.IN.gov</a>	Field consultation, meeting

#### List of other Stakeholders Consulted

Name/ Title	Organization	Contact	Consultation method
Eric Zenner, Ph.D. / Local expert	ASI	<a href="mailto:eric.zenner@psu.edu">eric.zenner@psu.edu</a>	Field consultation, meeting
Etienne Kuzong/ Lead auditor	ASI	<a href="mailto:e.kuzong@accreditation-services.com">e.kuzong@accreditation-services.com</a>	Field consultation, meeting
Liz Jackson/ Executive Director	Indiana Forestry & Woodland Owners Association	<a href="mailto:jackson@purdue.edu">jackson@purdue.edu</a> ; (765) 583-3501	Phone
Robert Woodling/ Retired	N/A	<a href="mailto:robertwoodling@aim.com">robertwoodling@aim.com</a>	Phone
Brian MacGowan/ Extension Wildlife Specialist FNR Extension Co-coordinator	Purdue University Department of Forestry and Natural Resources	<a href="mailto:macgowan@purdue.edu">macgowan@purdue.edu</a> ; 765-647-3538	Phone
Kenneth Collins/ NRCS	NRCS, Indianapolis, IN	<a href="mailto:kenneth.collins@in.usda.gov">kenneth.collins@in.usda.gov</a>	Phone

### 3.2 Stakeholder review, complaints, and resolution

Version 5-0  
June 2011

Box 3.2.1 – Summary of Stakeholder Comments and Responses from the Team Where Applicable	
FME has not received any stakeholder complaints and the annual audit uncovered no known disputes since the previous evaluation. SCS has not received any complaints from stakeholders regarding its performance or treatment of FME's management system.	<input checked="" type="checkbox"/>

#### Appendix 4 – Additional Audit Techniques Employed (CONFIDENTIAL)\*

The audit team did not employ any additional audit techniques for this annual surveillance audit.

#### Appendix 5 – Changes in Certification Scope

Changes in Certificate Scope				
<i>Check all applicable changes and include updated information</i>				
<input type="checkbox"/>	Organization name			
<input checked="" type="checkbox"/>	Contact person	Name:	John Seifert	
		Telephone:	317-232-4116	e-mail:
<input checked="" type="checkbox"/>	FSC salesperson	Name:	Brenda Huter	
		Telephone:	317-232-0142	e-mail:
<input checked="" type="checkbox"/>	Website address	<a href="http://www.in.gov/dnr/forestry/4801.htm">http://www.in.gov/dnr/forestry/4801.htm</a>		
Certificate information				
<input type="checkbox"/>	Certificate Type	<input type="checkbox"/> Single FMU	<input type="checkbox"/> Multiple FMU	
		<input type="checkbox"/> Group		
<input type="checkbox"/>	SLIMF <i>if applicable</i>	<input type="checkbox"/> Small SLIMF certificate	<input type="checkbox"/> Low intensity SLIMF certificate	
		<input type="checkbox"/> Group SLIMF certificate		
<input type="checkbox"/>	Group Members <i>if applicable</i>	# of Group Members		
<input type="checkbox"/>	Number of FMUs in scope of certificate	#		
Total forest area in scope of certificate which is:				
<input type="checkbox"/>	<b>privately managed<sup>1</sup></b>	<i>ha or ac</i>		
<input type="checkbox"/>	<b>state managed</b>	<i>ha or ac</i>		
<input type="checkbox"/>	<b>community managed<sup>2</sup></b>	<i>ha or ac</i>		

<sup>1</sup> The category of 'private management' includes state owned forests that are leased to private companies for management, e.g. through a concession system.

<sup>2</sup> A community managed forest management unit is one in which the management and use of the forest and tree resources is controlled by local communities.

Number of FMUs in scope that are:				
<input type="checkbox"/>	less than 100 ha in area	#	100 - 1000 ha in area	#
<input type="checkbox"/>	1000 - 10 000 ha in area	#	more than 10 000 ha in area	#
Total forest area in scope of certificate which is included in FMUs that:				
<input type="checkbox"/>	are less than 100 ha in area	#		
<input type="checkbox"/>	are between 100 ha and 1000 ha in area	#		
<input type="checkbox"/>	meet the eligibility criteria as <i>low intensity</i> SLIMF FMUs	#		
<input type="checkbox"/>	Division of FMUs into manageable units:			
	Describe any changes as to how FMUs are divided into manageable areas, units or stands.			
Social Information				
<input type="checkbox"/>	Number of forest workers (including contractors) working in forest within scope of certificate (differentiated by gender):			
	# of male workers	# of female workers		
<input type="checkbox"/>	Number of accidents in forest work since last audit		Serious	Fatal
		#	#	#

Production Forests		
Timber forest products		
<input type="checkbox"/>	Total area of production forest (i.e. forest from which timber may be harvested)	<i>ha or ac</i>
<input type="checkbox"/>	Area of production forest classified as 'plantation'	<i>ha or ac</i>
<input type="checkbox"/>	Area of production forest regenerated primarily by replanting or by a combination of replanting and coppicing of the planted stems <sup>3</sup>	<i>ha or ac</i>
<input type="checkbox"/>	Area of production forest regenerated primarily by natural regeneration, or by a combination of natural regeneration and coppicing of the naturally regenerated stems	<i>ha or ac</i>
<input type="checkbox"/>	The sustainable rate of harvest (usually the AAC where available) of commercial timber (cubic meters of round wood)	<i>m<sup>3</sup> or bd ft by species</i>
Non-timber forest products		
<input type="checkbox"/>	Area of forest protected from commercial harvesting of timber and managed primarily for the production of NTFPs or services	<i>ha or ac</i>
<input type="checkbox"/>	Approximate annual commercial production of non-timber forest products included in the scope of the certificate, by product type	<i>ha or ac; kg; or some other quantity per ha or ac</i>
Species and product categories in scope of joint FM/COC certificate		

<sup>3</sup> The area is the *total* area being regenerated primarily by planting, *not* the area which is replanted annually. NB this area may be different to the area defined as a 'plantation' for the purpose of calculating the Annual Accreditation Fee (AAF) or for other purposes.

<input type="checkbox"/>	<b>Scientific/ Latin Name (Common/ Trade Name)</b>
	<i>Abies religiosa</i> (Sacred fir), <i>Nothofagus</i> spp. (Southern beech), <i>Vochysia ferruginea</i> (Chancho), <i>Carya ovata</i> (Pignut hickory)

<b>FSC Product Classification</b>			
<b>Wood Products</b>	<b>Product Level 1</b>	<b>Product Level 2</b>	
<input checked="" type="checkbox"/>	W1 Rough Wood	W1.1 Roundwood (logs)	
<input checked="" type="checkbox"/>	W1 Rough Wood	W1.2 Fuel Wood	
<input type="checkbox"/>	W1 Rough Wood	W1.3 Twigs	
<input type="checkbox"/>	W2 Wood charcoal		<i>E.g. Barbecue charcoal</i>
<input checked="" type="checkbox"/>	W3 Wood in chips or particles	W3.1 Wood chips <i>(Please select the appropriate product from the list)</i>	
<input type="checkbox"/>	W5 Solid wood (sawn, chipped, sliced or peeled)	W5.1 Flitches and boules <i>(Please select the appropriate product from the list)</i>	<i>E.g. Lumber core, rough-cut lumber, blockboard, stave core board, Railroad tie, Wood blocks, friezes, strips.</i>
<b>Non-timber forest products</b>	<b>Product Level 1</b>	<b>Product Level 2</b>	<b>Product Level 3</b>
<input type="checkbox"/>	N1 Bark		
<input type="checkbox"/>	N4 Straw, wicker, rattan and similar	N4.1 Rattan cane (rough form) <i>(Please select the appropriate product from the list)</i>	
<input type="checkbox"/>	N6 Plants and parts of plants	N6.1 Flowers <i>(Please select the appropriate product from the list)</i>	<input type="checkbox"/> N6.3.1 Christmas trees
<input type="checkbox"/>	N7 Natural gums, resins, oils and derivatives	N7.1 Rubber/ Latex <i>(Please select the appropriate product from the list)</i>	<i>E.g. Gum arabic, gum tragacanth, gamboge, frankincense, myrrh, Dammar, elemi, sandarac, canada balsam, benjamin, pitch, lacquer, unguents, incense, Camphor, Brazil nut oil, Copaiba Oil.</i>
<input type="checkbox"/>	N9 Food	N9.1 Nuts <i>(Please select the appropriate product from the list)</i>	<i>E.g. Deer, rabbit, berries, açai, Shiitake mushrooms, pine mushrooms, mate, Brazil nuts, cashew nuts</i>
<b>For a full list of FSC product classes, product types, and product sub-types, see FSC-STD-40-004a (Version 2-0) EN – FSC Product Classification.</b>			

<b>Conservation Areas</b>				
<input type="checkbox"/>		Area of forest and non-forest land protected from commercial harvesting of timber and managed primarily for conservation objectives		<i>ha or ac</i>
<b>High Conservation Value Forest/ Areas</b>				
<b>High Conservation Values present and respective areas</b>				
	<b>Code</b>	<b>HCV Type<sup>4</sup></b>	<b>Description &amp; Location</b>	<b>Area</b>
<input type="checkbox"/>	HCV1	Forest areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia).		
<input type="checkbox"/>	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.		
<input type="checkbox"/>	HCV3	Forest areas that are in or contain rare, threatened or endangered ecosystems.		
<input type="checkbox"/>	HCV4	Forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).		
<input type="checkbox"/>	HCV5	Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).		
<input type="checkbox"/>	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).		
<input type="checkbox"/>	<b>Total Area of forest classified as 'High Conservation Value Forest'</b>			<i>ha or ac</i>
<b>ANY REDUCTION IN HCVF/HCVA AREA OR CHANGES IN HCVF/HCVA CLASSIFICATION MUST BE REVIEWED BY SCS TO ENSURE COMPLIANCE WITH FSC CONVERSION POLICIES AND THAT ANY REDUCTION IS EITHER THE RESULT OF CREDIBLE FIELD ANALYSIS AND RECLASSIFICATION OR THE SALE OF LANDS TO OTHER FORESTRY COMPANIES, CONSERVATION GROUPS, STATE AGENCIES, ETC.</b>				

<sup>4</sup> High conservation values should be classified following the numbering system given in the ProForest High Conservation Value Forest Toolkit (2003) available at [www.ProForest.net](http://www.ProForest.net) or at [www.wwf.org](http://www.wwf.org)

**Current ICF Group Management Roster (June 30, 2011)**



6-30-2011 ICFCG  
Roster.xlsx

**Appendix 6 – Pesticide derogations**

ICF does not have any pesticide derogations.

Name of pesticide/ herbicide	Date derogation received	Condition(s) imposed by FSC	Annual progress on conditions
<b>See the following FSC documents for more information on pesticide derogations:</b>			
<a href="#">Processing pesticide derogation applications</a> , FSC-PRO-01-004		<a href="#">FSC Fee Structure For Processing Pesticide Derogations</a> , FSC-ADV-30-002	
Approved derogations for use of pesticides, FSC-GUI-30-001a		<a href="#">FSC Forest Managers Checklist For Developing Derogation Applications</a> , FSC-PRO-01-004a	

**Appendix 7 – Detailed observations (CONFIDENTIAL)**

Evaluation year	FSC P&C Reviewed
2009	All – Recertification Evaluation
2010	<b>Open CAR/OBS:</b> 1.1, 1.6, 2.1, 3.1, 5.1, 6.1, 6.2, 6.3, 7.1, 7.3, 8.1, 6.9, and 8.3.  <b>GAP Assessment to new FSC-US Standard:</b> 1.2, 1.4, 1.6, 2.1, 3.1, 3.2, 4.2, 4.4, 5.5, 5.6, 6.1, 6.2, 6.3, 6.4, 6.6, 6.8, 6.10, 7.1, 8.1, 8.2, and 9.1.
2011	FSC-STD-30-005 (V1-0), 1.3, 1.5, 2.2, 2.3, 3.3, 3.4, 4.1, 4.3, 4.5, 6.6, 6.7, 6.9, 7.1, 7.2, and 7.4.
2012	
2013	
2014	

- C= Conformance with indicator and/or criterion**
- NC= Non-Conformance with indicator and/or criterion**
- NA = Indicator and/or criterion in not applicable to FME**
- NE = Criterion not evaluated during this audit**

REQUIREMENT	C/ NC	COMMENT/CAR
<b>P1 Forest management shall respect all applicable laws of the country in which they occur, and</b>		

<b>international treaties and agreements to which the country is a signatory, and comply with all FSC Principles and Criteria.</b>		
<b>C1.1 Forest management shall respect all national and local laws and administrative requirements.</b>	NE	
<b>C1.2. All applicable and legally prescribed fees, royalties, taxes and other charges shall be paid.</b>	NE	
<b>C1.3. In signatory countries, the provisions of all binding international agreements such as CITES, ILO Conventions, ITTA, and Convention on Biological Diversity, shall be respected.</b>	C	
1.3.a. Forest management plans and operations comply with relevant provisions of all applicable binding international agreements.	NA	
<b>FF Indicator 1.3.a: Low risk of negative social or environmental impact</b>	C	In the State of Indiana, there is one forest species covered under CITES, <i>Panax quinquefolius</i> or American ginseng. In the United States, each state is responsible for regulating the commercial sale of this CITES-listed species. Commercial harvest of ginseng is regulated through the <i>Indiana Administrative Code, Title 312, Article 19 Research, Collection, Quotas, and Sales of Plants</i> , and <i>Indiana Code IC 14-31-3, Chapter 3. Ginseng</i> . Commercial harvesters and sellers must obtain permits and licenses through the State of Indiana and adhere to harvesting practices intended to maintain the ginseng resource. Most group members interviewed were not aware of any ginseng growing on their FMUs and thus do not harvest any. One group member allowed some individuals to harvest without asking for evidence of a permit. Another group member expressed interest in growing ginseng. As the issues with ginseng regulations were not systematic, no non-conformance is warranted. ICF may need to consider more options for ginseng if more group members become interested in its

		<p>production.</p> <p>ITTA is not applicable. Federal and State regulations, such as the Endangered Species Act, are intended to address issues of biodiversity, such as RTE species.</p>
<b>C1.4. Conflicts between laws, regulations and the FSC Principles and Criteria shall be evaluated for the purposes of certification, on a case by case basis, by the certifiers and the involved or affected parties.</b>	NE	
<b>C1.5. Forest management areas should be protected from illegal harvesting, settlement and other unauthorized activities.</b>	C	
1.5.a. The forest owner or manager supports or implements measures intended to prevent illegal and unauthorized activities on the <b>Forest Management Unit</b> (FMU).	C	Group members interviewed generally maintain communication with neighbors and regularly visit their FMUs. Some properties were posted, and several others were fenced (especially in more agricultural areas). Some group members have made agreements with family or friends to allow them access to hunt. One group member has had issues with a neighbor entering the FMU to hunt, but has managed to at least keep the neighbor's deer stand off the FMU.
1.5.b. If illegal or unauthorized activities occur, the forest owner or manager implements actions designed to curtail such activities and correct the situation to the extent possible for meeting all land management objectives with consideration of available resources.	C	ICF recently assisted a group member during a case of timber theft by providing a timber appraisal. The group member was able to settle the case out of court and receive a reasonable fee for damages as allowed in Indiana law.
<b>C1.6. Forest managers shall demonstrate a long-term commitment to adhere to the FSC Principles and Criteria.</b>	NC	
1.6.a. The forest owner or manager demonstrates a long-term commitment to adhere to the FSC Principles and Criteria and FSC and FSC-US policies, including the FSC-US Land Sales Policy, and has a publicly available statement of commitment to manage the FMU	NC	ICF lacks a publicly available statement of commitment to manage the FMU in conformance with FSC standards and policies. See <b>CAR 2011.1</b> .

in conformance with FSC standards and policies.		
1.6.b. If the certificate holder does not certify their entire holdings, then they document, in brief, the reasons for seeking partial certification referencing FSC-POL-20-002 (or subsequent policy revisions), the location of other managed forest units, the natural resources found on the holdings being excluded from certification, and the management activities planned for the holdings being excluded from certification.	NC	<p>One group member in District 19 had an area that the District Forester had designated as potential for conversion to woodland. The area currently serves as wildlife food plot (but is not yet fully forested).</p> <p>ICF has some procedures on partial withdrawals from the certified group. ICF currently does not document reasons for partial certification in any group member documentation (which would include location, natural resources found, and planned management activities on forest holdings being excluded from certification). See <b>CAR 2011.1</b>.</p>
1.6.c. The forest owner or manager notifies the Certifying Body of significant changes in ownership and/or significant changes in management planning within 90 days of such change.	NA	There are no Non-SLIMF group members of ICF.
<b>FF Indicator 1.6.c The forest owner, manager or group manager notifies the Certifying Body of significant changes in ownership, the certified land base and/or significant changes in management planning prior to the next scheduled annual audit, or within one year of such change, whichever comes first.</b>	C	ICF managers sent SCS the updated group roster in July 2011 just prior to the annual audit. It is expected that ICF will send SCS an updated list around the time of any assessment.
<b>P2 Long-term tenure and use rights to the land and forest resources shall be clearly defined, documented and legally established.</b>		
<b>C2.1. Clear evidence of long-term forest use rights to the land (e.g., land title, customary rights, or lease agreements) shall be demonstrated.</b>	C	
2.1.a. The forest owner or manager provides clear evidence of <b>long-term</b> rights to use and manage the FMU for the purposes described in the management plan.	C	ICF's procedures provide a review of a group member's ownership of the FMU and to the forest resources thereof. The group member application that addresses this information is maintained in each group member's file at his or her assigned District office.

<p>2.1.b. The forest owner or manager identifies and documents legally established use and access rights associated with the FMU that are held by other parties.</p>	<p>C</p>	<p>Some group members have easements and rights-of-way (e.g., gas or power line easements). These are on file at county offices and also noted in the new ICF group member database. Some of these areas are under the scope of the ICF wildlands program as early seral habitat (i.e, grass or shrub land), but not classified as forests. Most of these areas are not classified as forest and it is clear that they are out of the scope of the FSC certificate.</p>
<p>2.1.c. Boundaries of land ownership and use rights are clearly identified on the ground and on maps prior to commencing management activities in the vicinity of the boundaries.</p>	<p>C</p>	<p>In the northern Districts of ICF, most boundaries are easily identifiable by fencing or by the fact that the adjacent lot is agriculture. There was one property in District 1 that was subdivided into three forest tracts that had only one internal boundary marker to identify a conservation easement. The two landowners who conducted a harvest together were likely aware of each other's boundaries and sorted out ownership of harvested timber in the field. Property boundaries are clearly identified on maps in the SMP.</p>
<p><b>C2.2. Local communities with legal or customary tenure or use rights shall maintain control, to the extent necessary to protect their rights or resources, over forest operations unless they delegate control with free and informed consent to other agencies.</b></p> <p><i>Applicability Note: For the planning and management of publicly owned forests, the local community is defined as all residents and property owners of the relevant jurisdiction.</i></p>	<p>C</p>	
<p>2.2.a. The forest owner or manager allows the exercise of <b>tenure</b> and <b>use rights</b> allowable by law or regulation.</p>	<p>C</p>	<p>A gas pipeline right of way encountered in District 1 was allowed to be cleared of woody vegetation as required in the easement. Another group member in District 19 respected an easement established so</p>

		that an adjacent landowner could access his property.
2.2.b. In FMUs where tenure or use rights held by others exist, the forest owner or manager consults with groups that hold such rights so that management activities do not significantly impact the uses or benefits of such rights.	C	Generally, group members visited are respectful of established easements. For rights-of-way such as gas pipelines, the gas company typically informs the group member of upcoming site maintenance. In drainage ditches in agricultural districts, the Drainage District typically informs the group member of upcoming site maintenance. However, there have been some cases where the Drainage District has not informed landowners.
<b>C2.3. Appropriate mechanisms shall be employed to resolve disputes over tenure claims and use rights. The circumstances and status of any outstanding disputes will be explicitly considered in the certification evaluation. Disputes of substantial magnitude involving a significant number of interests will normally disqualify an operation from being certified.</b>	C	
2.3.a. If <i>disputes</i> arise regarding tenure claims or use rights then the forest owner or manager initially attempts to resolve them through open communication, negotiation, and/or mediation. If these good-faith efforts fail, then federal, state, and/or local laws are employed to resolve such disputes.	NA	There are no Non-SLIMF members in ICF.
<b>FF Indicator 2.3.a Low risk of negative social or environmental impact.</b>	C	A common complaint in one district was that Drainage Districts sometimes do not call landowners prior to clearing areas adjacent to ditches. The District forester in cooperation with the group member was able to attempt to work with the group member's contracted forester to make a harvest prescription that included the trees in the right-of-way.
2.3.b. The forest owner or manager documents any significant disputes over tenure and use	NA	There are no Non-SLIMF members in ICF.

rights.		
FF Indicator 2.3.b Low risk of negative social or environmental impact.	C	In general, ICF is at low risk of negative social or environmental impact over tenure or use rights as most such rights and tenure have been well-established for some time.
<b>P3 The legal and customary rights of indigenous peoples to own, use and manage their lands, territories, and resources shall be recognized and respected.</b>		
<b>C3.1. Indigenous peoples shall control forest management on their lands and territories unless they delegate control with free and informed consent to other agencies.</b>	NE	
<b>C3.2. Forest management shall not threaten or diminish, either directly or indirectly, the resources or tenure rights of indigenous peoples.</b>	NE	
<b>C3.3. Sites of special cultural, ecological, economic or religious significance to indigenous peoples shall be clearly identified in cooperation with such peoples, and recognized and protected by forest managers.</b>	NA	
3.3.a. The forest owner or manager invites consultation with tribal representatives in identifying sites of current or traditional cultural, archeological, ecological, economic or religious significance.	NA	There are no Non-SLIMF members in ICF.
FF Indicator 3.3.a: The forest owner or manager maintains a list of sites of current or traditional cultural, archeological, ecological, economic or religious significance that have been identified by state conservation agencies and tribal governments on the FMU or that could be impacted by management activities.	NA	ICF, state agencies, and group members have not discovered any traditional cultural, archeological, ecological, economic or religious significance. ICF is coming up with BMPs for the identification and protection of archeological sites. When a Native American site is discovered on a group member property, this criterion would become applicable.
3.3.b. In consultation with tribal representatives, the forest owner or manager develops measures to protect or enhance areas of special significance (see also Criterion 9.1).	NA	See above.
<b>C3.4. Indigenous peoples shall be compensated for the application of their traditional</b>	NA	No uses of traditional knowledge for commercial or management purposes were

<b>knowledge regarding the use of forest species or management systems in forest operations. This compensation shall be formally agreed upon with their free and informed consent before forest operations commence.</b>		uncovered during the 2011 annual audit of ICF. No uses of traditional knowledge have been uncovered by ICF during its reviews of group members.
3.4.a. The forest owner or manager identifies whether <b>traditional knowledge</b> in forest management is being used.	NA	
3.4.b When traditional knowledge is used, written protocols are jointly developed prior to such use and signed by local tribes or tribal members to protect and fairly compensate them for such use.	NA	
3.4.c. The forest owner or manager respects the confidentiality of tribal traditional knowledge and assists in the protection of such knowledge.	NA	
<b>P4 Forest management operations shall maintain or enhance the long-term social and economic well-being of forest workers and local communities.</b>		
<b>C4.1. The communities within, or adjacent to, the forest management area should be given opportunities for employment, training, and other services.</b>	C	
4.1.a. Employee compensation and hiring practices meet or exceed the prevailing <b>local</b> norms within the forestry industry.	NA	There are no Non-SLIMF members in ICF.
<b>FF Indicator 4.1.a Low risk of negative social or environmental impact.</b>	C	Group member typically contact foresters or work directly with loggers or mills. ICF group members are thus at low risk of negative social or environmental impact.
4.1.b. Forest work is offered in ways that create high quality job opportunities for employees.	NA	There are no Non-SLIMF members in ICF.
<b>FF Indicator 4.1.b Low risk of negative social or environmental impact.</b>	C	Group member typically contact foresters or work directly with loggers or mills. ICF group members are thus at low risk of negative social or environmental impact.
4.1.c. Forest workers are provided with fair wages.	NA	There are no Non-SLIMF members in ICF.
<b>FF Indicator 4.1.c: Low risk of negative social or environmental impact.</b>		Group member typically contact foresters or work directly with loggers or mills. ICF group

		members are thus at low risk of negative social or environmental impact.
4.1.d. Hiring practices and conditions of employment are non-discriminatory and follow applicable federal, state and local regulations.	NA	There are no Non-SLIMF members in ICF.
<b>FF Indicator 4.1.d: Low risk of negative social or environmental impact.</b>		Group member typically contact foresters or work directly with loggers or mills. ICF group members are thus at low risk of negative social or environmental impact.
4.1.e. The forest owner or manager provides work opportunities to qualified local applicants and seeks opportunities for purchasing local goods and services of equal price and quality.	NA	There are no Non-SLIMF members in ICF.
<b>FF Indicator 4.1.e: The forest owner or manager, as feasible, contributes to the local community.</b>	C	Some group members allow third parties to hunt or pass through their FMUs with permission. ICF runs many group member training sessions.
4.1.f. Commensurate with the size and scale of operation, the forest owner or manager provides and/or supports learning opportunities to improve public understanding of forests and forest management.	NA	There are no Non-SLIMF members in ICF.
<b>FF Indicator 4.1.f: Inapplicable (pertinent requirements incorporated into Indicator 4.1.e)</b>	NA	
4.1.g. The forest owner or manager participates in local economic development and/or civic activities, based on scale of operation and where such opportunities are available.	NA	There are no Non-SLIMF members in ICF.
<b>FF Indicator 4.1.g: Inapplicable (pertinent requirements incorporated into Indicator 4.1.e)</b>	NA	
<b>C4.2. Forest management should meet or exceed all applicable laws and/or regulations covering health and safety of employees and their families.</b>	C	
4.2.a. The forest owner or manager meets or exceeds all applicable laws and/or regulations covering health and safety of employees and their families (also see Criterion 1.1).	NA	There are no Non-SLIMF members in ICF.
<b>FF Indicator 4.2.a Low risk of negative social or environmental impact.</b>	C	Most group members do not hire any employees for forest management work and

		are thus at low risk for this indicator.
4.2.b. The forest owner or manager and their employees and contractors demonstrate a safe work environment. Contracts or other written agreements include safety requirements.	C	Some residual stand damage on a few sites and some uneven hinges observed on stumps are indicative of some potential safety concerns. However, no reportable safety incidents were reported to ICF.  ICF provides sample language in contracts that addresses safety requirements indirectly. ICF's guidance could be more robust. See <b>OBS 2011.2.</b>
4.2.c. The forest owner or manager hires well-qualified service providers to safely implement the management plan.	NA	There are no Non-SLIMF members in ICF.
<b>FF Indicator 4.2.c Low risk of negative social or environmental impact.</b>	C	Overall, most harvests had minimal residual damage to the stand. There was one property that had a significant amount of residual damage. However, this was not typical of most group members. A general challenge for group members is when they sell standing timber to a mill that uses its own foresters and loggers as a fully integrated operation may not have many incentives to take care of a property not belonging to them.
<b>C4.3 The rights of workers to organize and voluntarily negotiate with their employers shall be guaranteed as outlined in Conventions 87 and 98 of the International Labor Organization (ILO).</b>	C	
4.3.a. Forest workers are free to associate with other workers for the purpose of advocating for their own employment interests.	NA	There are no Non-SLIMF members in ICF.
<b>FF Indicator 4.3.a Low risk of negative social or environmental impact.</b>	C	The right for workers to freely associate and unionize is clearly protected by U.S. and Indiana law. ILO Convention 87 and 98, however, do not apply to public sector workers. Under U.S. Federal Law and consistent with ILO 98, public sector employee rights are established by the U.S.

		Congress for federal employees and by state legislatures for state, county and local public sector employees. The right to organize is outlined in IC 22-7 ( <a href="http://www.in.gov/legislative/ic/code/title22/ar7/">http://www.in.gov/legislative/ic/code/title22/ar7/</a> ; accessed October 12, 2011).
4.3.b. The forest owner or manager has effective and culturally sensitive mechanisms to resolve disputes between workers and management.	NA	There are no Non-SLIMF members in ICF.
<b>FF Indicator 4.3.b Low risk of negative social or environmental impact.</b>	C	Group members do not hire workers, but rather contract forest management and harvesting to third parties. Disputes of this nature are therefore unlikely.
<b>C4.4. Management planning and operations shall incorporate the results of evaluations of social impact. Consultations shall be maintained with people and groups (both men and women) directly affected by management operations.</b>	NE	
<b>C4.5. Appropriate mechanisms shall be employed for resolving grievances and for providing fair compensation in the case of loss or damage affecting the legal or customary rights, property, resources, or livelihoods of local peoples. Measures shall be taken to avoid such loss or damage.</b>	C	
4.5.a. The forest owner or manager does not engage in negligent activities that cause damage to other people.	C	Group members demonstrate a general conservancy when dealing with management activities near property boundaries. During group member interviews, no disputes or acts of negligence were uncovered. Stakeholders contacted did not indicate any acts of negligence.
4.5.b. The forest owner or manager provides a known and accessible means for interested stakeholders to voice grievances and have them resolved. If significant disputes arise related to resolving grievances and/or providing fair compensation, the forest owner or manager	C	All group members interviewed generally reported good working relationships with ICF staff and neighbors. One group member who experienced a timber theft filed a legal claim against the infracting organization that was settled out of court.

follows appropriate dispute resolution procedures. At a minimum, the forest owner or manager maintains open communications, responds to grievances in a timely manner, demonstrates ongoing good faith efforts to resolve the grievances, and maintains records of legal suites and claims.		ICF maintains documentation related to any grievances and disputes in District and Central offices. State of Indiana procedures and processes for addressing grievances/ disputes provide a known and accessible means for interested stakeholders to voice grievances and have them resolved. However, FSC certification may require more direct means of interacting with interested stakeholders.
4.5.c. Fair compensation or reasonable mitigation is provided to local people, communities or adjacent landowners for substantiated damage or loss of income caused by the landowner or manager.	NA	There are no Non-SLIMF members in ICF.
<b>FF Indicator 4.5.c Low risk of negative social or environmental impact</b>	C	The group member who experienced a timber theft was compensated for his loss.
<b>P5 Forest management operations shall encourage the efficient use of the forest's multiple products and services to ensure economic viability and a wide range of environmental and social benefits.</b>		
<b>P6 Forest management shall conserve biological diversity and its associated values, water resources, soils, and unique and fragile ecosystems and landscapes, and, by so doing, maintain the ecological functions and the integrity of the forest.</b>		
<b>C6.1. Assessments of environmental impacts shall be completed -- appropriate to the scale, intensity of forest management and the uniqueness of the affected resources -- and adequately integrated into management systems. Assessments shall include landscape level considerations as well as the impacts of on-site processing facilities. Environmental impacts shall be assessed prior to commencement of site-disturbing operations.</b>	NE	
<b>C 6.2. Safeguards shall exist which protect rare, threatened and endangered species and their habitats (e.g., nesting and feeding areas). Conservation zones and protection areas shall be established, appropriate to the scale and intensity of forest management and the uniqueness of the affected resources.</b>	NE	

Inappropriate hunting, fishing, trapping, and collecting shall be controlled.		
<b>C6.3. Ecological functions and values shall be maintained intact, enhanced, or restored, including: a) Forest regeneration and succession. b) Genetic, species, and ecosystem diversity. c) Natural cycles that affect the productivity of the forest ecosystem.</b>		
6.3.f. Management maintains, enhances, or restores habitat components and associated stand structures, in abundance and distribution that could be expected from naturally occurring processes. These components include: a) large live trees, live trees with decay or declining health, <i>snags</i> , and well-distributed coarse down and dead woody material. <b>Legacy trees</b> where present are not harvested; and b) vertical and horizontal complexity. Trees selected for <b>retention</b> are generally representative of the dominant species found on the site.	C	See <b>OBS 2011.3.</b>
<b>C6.4. Representative samples of existing ecosystems within the landscape shall be protected in their natural state and recorded on maps, appropriate to the scale and intensity of operations and the uniqueness of the affected resources.</b>	NE	
<b>C6.5. Written guidelines shall be prepared and implemented to control erosion; minimize forest damage during harvesting, road construction, and all other mechanical disturbances; and to protect water resources.</b>	C	
6.5.a. The forest owner or manager has written guidelines outlining conformance with the Indicators of this Criterion.	NC	See <b>CAR 2011.4</b>
6.5.b. Forest operations meet or exceed Best Management Practices (BMPs) that address components of the Criterion where the operation takes place.	NE	
6.5.c. Management activities including site	NC	See <b>CAR 2011.4</b>

<p>preparation, harvest prescriptions, techniques, timing, and equipment are selected and used to protect soil and water resources and to avoid erosion, landslides, and significant soil disturbance. Logging and other activities that significantly increase the risk of landslides are excluded in areas where risk of landslides is high. The following actions are addressed:</p> <ul style="list-style-type: none"> <li>• Slash is concentrated only as much as necessary to achieve the goals of site preparation and the reduction of fuels to moderate or low levels of fire hazard.</li> <li>• Disturbance of topsoil is limited to the minimum necessary to achieve successful regeneration of species native to the site.</li> <li>• Rutting and compaction is minimized.</li> <li>• Soil erosion is not accelerated.</li> <li>• Burning is only done when consistent with natural disturbance regimes.</li> <li>• Natural ground cover disturbance is minimized to the extent necessary to achieve regeneration objectives.</li> <li>• Whole tree harvesting on any site over multiple rotations is only done when research indicates soil productivity will not be harmed.</li> <li>• Low impact equipment and technologies is used where appropriate.</li> </ul>		
<p><b>C6.6. Management systems shall promote the development and adoption of environmentally friendly non-chemical methods of pest management and strive to avoid the use of chemical pesticides. World Health Organization Type 1A and 1B and chlorinated hydrocarbon pesticides; pesticides that are persistent, toxic or whose derivatives remain biologically active and accumulate in the food chain beyond their intended use; as well as any pesticides banned by international agreement, shall be prohibited. If chemicals are used, proper equipment and training shall be provided to minimize health and environmental risks.</b></p>	C	

<p>6.6.a. No products on the FSC list of Highly Hazardous Pesticides are used (see FSC-POL-30-001 EN FSC Pesticides policy 2005 and associated documents).</p>	<p>C</p>	<p>ICF maintains a list of common herbicides and pesticides used on group member FMUs, none of which are on the FSC list of Highly Hazardous pesticides.</p>
<p>6.6.b. All toxicants used to control pests and competing vegetation, including rodenticides, insecticides, herbicides, and fungicides are used only when and where non-chemical management practices are: a) not available; b) prohibitively expensive, taking into account overall environmental and social costs, risks and benefits; c) the only effective means for controlling invasive and exotic species; or d) result in less environmental damage than non-chemical alternatives (e.g., top soil disturbance, loss of soil litter and down wood debris). If chemicals are used, the forest owner or manager uses the least environmentally damaging formulation and application method practical.</p> <p>Written strategies are developed and implemented that justify the use of chemical pesticides. Whenever feasible, an eventual phase-out of chemical use is included in the strategy. The written strategy shall include an analysis of options for, and the effects of, various chemical and non-chemical pest control strategies, with the goal of reducing or eliminating chemical use.</p>	<p>NA</p>	<p>There are no Non-SLIMF group members in ICF.</p>
<p>FF Indicator 6.6.b All toxicants used to control pests and competing vegetation, including rodenticides, insecticides, herbicides, and fungicides are used only when and where non-chemical management practices are: a) not available; b) prohibitively expensive, taking into account overall environmental and social costs, risks and benefits; c) the only effective means for controlling invasive and exotic species; or d) result in less environmental damage than non-chemical alternatives (e.g., top soil disturbance,</p>	<p>C</p>	<p>Chemicals are used to control exotic invasive species and frequently in TSI work (girdling of undesirable trees and cutting of grape vines). In many cases, chemical control is the most effective method of controlling invasive exotic species as RMUs in central-northern Indiana have experienced much fragmentation and are thus exposed to multiple seed sources. Many invasive species respond to soil disturbance as well. ICF includes a chemical strategy in the UMP.</p>

<p>loss of soil litter and down wood debris). If chemicals are used, the forest owner or manager uses the least environmentally damaging formulation and application method practical.</p> <p>Written strategies are developed and implemented that justify the use of chemical pesticides. Family forest owners/managers may use brief and less technical written procedures for applying common over-the-counter products. Any observed misuse of these chemicals may be considered as violation of requirements in this Indicator. Whenever feasible, an eventual phase-out of chemical use is included in the strategy.</p>		<p>Group members are expected to follow the label requirements when applying chemicals.</p>
<p>6.6.c. Chemicals and application methods are selected to minimize risk to non-target species and sites. When considering the choice between aerial and ground application, the forest owner or manager evaluates the comparative risk to non-target species and sites, the comparative risk of worker exposure, and the overall amount and type of chemicals required.</p>	C	<p>Chemicals are applied directly to target species, either to wounds cut during TSI or to foliage of invasive species. No aerial application is conducted.</p>
<p>6.6.d. Whenever chemicals are used, a written prescription is prepared that describes the site-specific hazards and environmental risks, and the precautions that workers will employ to avoid or minimize those hazards and risks, and includes a map of the treatment area.</p> <p>Chemicals are applied only by workers who have received proper training in application methods and safety. They are made aware of the risks, wear proper safety equipment, and are trained to minimize environmental impacts on non-target species and sites.</p>	C	<p>Any contracted chemical application would occur under a written contract and likely under a cost-share program with NRCS. NRCS has its own specifications for invasive species control, including documenting the reasons for chemical control and a description of the application site (<a href="http://www.in.nrcs.usda.gov/">http://www.in.nrcs.usda.gov/</a>). See also label restrictions on chemical and MSDS.</p> <p>Application of chemicals in Indiana must be done in accordance to State and Federal laws. The state defaults to OSHA decrees regarding application and safety. Spills must be report to IDEM (<a href="http://www.idem.IN.gov/greensteps">www.idem.IN.gov/greensteps</a>).</p>
<p>6.6.e. If chemicals are used, the effects are</p>	C	<p>Chemical applications and the reason for</p>

monitored and the results are used for adaptive management. Records are kept of pest occurrences, control measures, and incidences of worker exposure to chemicals.		applications are recorded in each group member's annual report. The presence of invasive species is also described in each group member's SMP. If chemical application is contracted out, contractors must follow state regulations on reporting, including pesticide exposure incidents.
<b>C6.7. Chemicals, containers, liquid and solid non-organic wastes including fuel and oil shall be disposed of in an environmentally appropriate manner at off-site locations.</b>	C	
6.7.a. The forest owner or manager, and employees and contractors, have the equipment and training necessary to respond to hazardous spills	C	No evidence of spills was observed on group member FMUs. District foresters demonstrated knowledge of spill incident procedures and clean-up practices.
6.7.b. In the event of a hazardous material spill, the forest owner or manager immediately contains the material and engages qualified personnel to perform the appropriate removal and remediation, as required by applicable law and regulations.	C	Group members did not report any spills. IDEM has guidelines on chemical handling, storage, and disposal ( <a href="http://www.idem.IN.gov/greensteps">www.idem.IN.gov/greensteps</a> ). Contractors must perform removal and remediation as described in OSHA decrees.
6.7.c. Hazardous materials and fuels are stored in leak-proof containers in designated storage areas, that are outside of riparian management zones and away from other ecological sensitive features, until they are used or transported to an approved off-site location for disposal. There is no evidence of persistent fluid leaks from equipment or of recent groundwater or surface water contamination.	C	Contractors are in FMUs for short periods due to the small size of most FMUs. Fuels and chemicals are typically stored in or near vehicles away from sensitive features. No evidence of recent spills was observed on group member FMUs and no group members interviewed reported spills.
<b>C6.8. Use of biological control agents shall be documented, minimized, monitored, and strictly controlled in accordance with national laws and internationally accepted scientific protocols. Use of genetically modified organisms shall be prohibited.</b>	NE	
6.8.d. Genetically Modified Organisms (GMOs) are not used for any purpose		
<b>C6.9. The use of exotic species shall be carefully controlled and actively monitored to</b>	C	

<b>avoid adverse ecological impacts.</b>		
6.9.a. The use of <i>exotic species</i> is contingent on the availability of credible scientific data indicating that any such species is non-invasive and its application does not pose a risk to native biodiversity.	C	<p>Exotic species planted several decades ago, such as Red and White pines and black locusts, are generally on the decline on group member FMUs. These rarely regenerate, if at all, and are mostly dependent on future plantings. ICF group members tend to favor hardwood and a general guideline for members is to phase out exotic species.</p> <p>Exotic species for erosion control are described in the UMP and have been reviewed by DNR botany and ecology staff for invasive qualities. Most are shade intolerant and will die back once an overstory becomes established.</p>
6.9.b. If exotic species are used, their provenance and the location of their use are documented, and their ecological effects are actively monitored.	C	White pine, red pine, and black locust likely come from adjacent states or the few sites in the state where these species naturally occur.
6.9.c. The forest owner or manager shall take timely action to curtail or significantly reduce any adverse impacts resulting from their use of exotic species	C	Exotic species currently in use for commercial and management purposes pose few risks for adverse impacts. Invasive exotic species that fall under C6.3 have more potential for adverse impacts and would be dealt with under that criterion.
<b>C6.10. Forest conversion to plantations or non-forest land uses shall not occur, except in circumstances where conversion:</b> <b>a) Entails a very limited portion of the forest management unit; and b) Does not occur on High Conservation Value Forest areas; and c) Will enable clear, substantial, additional, secure, long-term conservation benefits across the forest management unit.</b>	C	
6.10.a Forest <i>conversion</i> to non-forest land uses does not occur, except in circumstances where conversion entails a very limited portion of the forest management unit (note that Indicators	NC	See <b>CAR 2011.5.</b>

6.10.a, b, and c are related and all need to be conformed with for conversion to be allowed).		
6.10.b Forest <i>conversion</i> to non-forest land uses does not occur on high conservation value forest areas (note that Indicators 6.10.a, b, and c are related and all need to be conformed with for conversion to be allowed).	NE	Not evaluated. However, refer <b>CAR 2011.5.</b>
6.10.c Forest <i>conversion</i> to non-forest land uses does not occur, except in circumstances where conversion will enable clear, substantial, additional, secure, long term conservation benefits across the forest management unit (note that Indicators 6.10.a, b, and c are related and all need to be conformed with for conversion to be allowed).	NE	Not evaluated. However, refer <b>CAR 2011.5.</b>
6.10.d Natural or semi-natural stands are not converted to plantations. Degraded, semi-natural stands may be converted to restoration plantations.	NE	
6.10.e Justification for land-use and stand-type conversions is fully described in the long-term management plan, and meets the biodiversity conservation requirements of Criterion 6.3 (see also Criterion 7.1.l)	NE	
6.10.f Areas converted to <i>non-forest use</i> for facilities associated with subsurface mineral and gas rights transferred by prior owners, or other conversion outside the control of the certificate holder, are identified on maps. The forest owner or manager consults with the CB to determine if removal of these areas from the scope of the certificate is warranted. To the extent allowed by these transferred rights, the forest owner or manager exercises control over the location of surface disturbances in a manner that minimizes adverse environmental and social impacts. If the certificate holder at one point held these rights, and then sold them, then subsequent conversion of forest to non-forest use would be subject to Indicator 6.10.a-	NE	

d.		
<p><b>P7 A management plan -- appropriate to the scale and intensity of the operations -- shall be written, implemented, and kept up to date. The long-term objectives of management, and the means of achieving them, shall be clearly stated.</b></p>		
<p><b>C7.1. The management plan and supporting documents shall provide:</b>  <b>a) Management objectives. b) description of the forest resources to be managed, environmental limitations, land use and ownership status, socio-economic conditions, and a profile of adjacent lands.</b>  <b>c) Description of silvicultural and/or other management system, based on the ecology of the forest in question and information gathered through resource inventories. d) Rationale for rate of annual harvest and species selection. e) Provisions for monitoring of forest growth and dynamics. f) Environmental safeguards based on environmental assessments. g) Plans for the identification and protection of rare, threatened and endangered species.</b>  <b>h) Maps describing the forest resource base including protected areas, planned management activities and land ownership.</b>  <b>i) Description and justification of harvesting techniques and equipment to be used.</b></p>	C	<p>There are no Non-SLIMF group members of ICF. Therefore, only the FF indicators are applicable. Non-SLIMF indicators have been left for ICF's reference in case a Non-SLIMF group member ever joins.</p>
<p><b>FF Indicator 7.1.a A written management plan exists for the property or properties for which certification is being sought. The management plan includes the following components:</b>  <b>i. Management objectives (ecological, silvicultural, social, and economic) and duration of the plan.</b>  <b>Guidance: Objectives relate to the goals expressed by the landowner within the constraints of site capability and the best available data on ecological, silvicultural, social and economic conditions.</b></p>	C	<p>ICF has three main documents that make up the FMP, however, there are several supporting documents to the FMP available to group members in Indiana Department of Forestry publication and websites, such as the Indiana Forestry Exchange (<a href="http://www.in.gov/dnr/forestryexchange/default.aspx">http://www.in.gov/dnr/forestryexchange/default.aspx</a>).</p> <p>The three main FMP documents are:</p> <ul style="list-style-type: none"> <li>Classified Forest &amp; Wildlands Procedures Manual, dated October 1, 2007 (CFWPM), which is a</li> </ul>

<p>ii. Quantitative and qualitative description of the forest resources to be managed, including at minimum stand-level descriptions of the land cover, including species and size/age class and referencing inventory information.</p> <p>Guidance: In addition to stand-level descriptions of the land cover, information in site-level plans may include: landscape within which the forest is located; landscape-level considerations; past land uses of the forest; legal history and current status; socio-economic conditions; cultural, tribal and customary use issues and other relevant details that explain or justify management prescriptions.</p> <p>iii. Description of silvicultural and/or other management system, prescriptions, rationale, and typical harvest systems (if applicable) that will be used.</p> <p>iv. Description of harvest limits (consistent with Criterion 5.6) and species selection. Also, description of the documentation considered from the options listed in Criterion 5.6 if the FMU does not have a calculated annual harvest rate.</p> <p>v. Description of environmental assessment and safeguards based on the assessment, including approaches to: (1) pest and weed management, (2) fire management, and (3) protection of riparian management zones; (4) protection of representative samples of existing ecosystems (see Criterion 6.4) and management of High Conservation Value Forests (see Principle 9).</p> <p>Guidance: Regional environmental assessments and safeguards or strategies to address pest and weed management, fire management,</p>		<p>procedural manual for management of group members;</p> <ul style="list-style-type: none"> <li>• Indiana Classified Forest Certified Group: UMBRELLA MANAGEMENT PLAN, dated November 2010 (UMP), which includes several items that demonstrate conformance to FSC requirements at the group level, and group member eligibility and division of responsibilities; and</li> <li>• Stewardship Management Plan (SMP), which serves as the FMU-specific FMP for individual group members.</li> </ul> <p>i. Management objectives for the group level and group member level are contained in the introduction and Management Objectives section of the UMP (p. 11). This includes ecological, silvicultural (referred to as Desired Future Conditions), social, and economic objectives. Specific group member level objectives are included on the first page of each group member’s SMP, as well as the <i>Area Description &amp; Management Recommendations</i> section.</p> <p>ii. The UMP contains a description of the State of Indiana’s forest resources (p.p. 8-10), including historical and present day forest cover as a percentage of land cover type. Inventory data references the US Forest Service’s Forest Inventory and Analysis (FIA) data. Forest types classified by dominant species were determined through use of the FIA EVALIDATOR 4.0 tool and FIA data. The <i>Property Overview</i> and <i>Area Description &amp; Management Recommendations</i> sections of the SMP contain specific information on species and</p>
---	--	---

<p>protection of rare, threatened, and endangered species and plant community types, protection of riparian management zones, and protecting representative samples of ecosystems and High Conservation Value Forests may be developed by state conservation agencies. Site specific plans for family forests should be consistent with such guidance and may reference those works for clarity.</p> <p>vi. Description of location and protection of rare, threatened, and endangered species and plant community types.</p> <p>vii. Description of procedures to monitor the forest, including forest growth and dynamics, and other components as outlined in Principle 8.</p> <p>viii. Maps represent property boundaries, use rights, land cover types, significant hydrologic features, roads, adjoining land use, and protected areas in a manner that clearly relates to the forest description and management prescriptions.</p> <p>Guidance: Property level maps for family forests may be simple and efficient to produce, and may cover only the necessary information needed for management to the FSC-US Family Forest Standard. At the group level, if GIS is used coverage should include protected areas, planned management activities, land ownership, property boundaries, roads, timber production areas, forest types by age class, topography, soils, cultural and customary use areas, locations of natural communities, habitats of species referred to in Criterion 6.2, riparian zones and analysis capabilities</p>	<p>size/ age class at the stand level for each group member FMU.</p> <p>iii. Typical silvicultural systems and their rationale are described in the UMP (p.p. 12-15). Special management considerations and other management considerations are also in the UMP (p.p. 14-16). Harvest systems are described in the Harvest Equipment section of the UMP (p.16).</p> <p>iv and vii. Species selection based on ecological guild (e.g., shade tolerance, conifer vs. hardwood) is covered in the UMP in both the Forest Types (p. 9) Forest Growth &amp; Dynamics Monitoring (p.p. 16-18) sections. ICF relies on FIA data to establish sustainable harvest rates and to monitor forest growth and dynamics. The volumes and growth rates are included on p. 9 for ICF as a whole. The Resource Description section of the SMP is where FMU-specific inventory information would be documented for individual group members.</p> <p>ICF supplements the FIA program with Continuous Forest Inventory (CFI). Five regions to sample on ICF group member FMUs have been selected. At the group member level, the establishment of an inventory system depends on the size of the tract and the intensity of management (p.p. 17-18 of UMP). Monitoring of growth on small tracts will be based on qualitative factors due to the light intensity of management.</p> <p>Other monitoring protocols are described in the UMP, including: Monitoring of BMPs (p.21), Game Species (p. 24), nongame species (p. 24), cultural resources (p.27),</p>
---	---

<p>to help identify High Conservation Value Forests. Group managers may rely on state conservation agencies for complex GIS services.</p>		<p>pests and invasive species (p.p. 27-29), IPM (p. 29), and use of non-native species (p.30).</p> <p>The CFWPM contains monitoring protocols for monitoring of group member FMUs.</p> <p>vi. At the group level, ICF uses the Indiana DNR, Division of Nature Preserves' Natural Heritage Data Center to assess for the presence of RTE species on group member FMUs (see p. 25 of UMP). In the SMP, RTE species and sensitive habitats would be described in the <i>Sensitive Area/ Species Protection and Management</i> section.</p> <p>viii. A map of the FMU is included as part of the SMP. Group members may also access mapping resources (e.g., NRCS soil mapper) via the Indiana Forestry Exchange Website. ICF also maintains several maps at the state, district, and FMU level that show water courses, land cover, roads, property boundaries, protected areas, etc.</p>
<p>FF Indicator 7.1.b Actions undertaken on the FMU are consistent with the management plan and help to achieve the stated goals and objectives of the plan.</p>	<p>C</p>	<p>Overall, group members in central-northern Indiana prefer to harvest mature and over-mature trees. This may amount to a highgrade on some FMUs, but is in line with members who prefer shade tolerant species for other reasons. For example, on some FMUs maple sugar is an important product that is compatible with objectives of species diversity and occasional harvesting. Most group members still have seed sources on site of species that are favored commercially and have opportunities to regenerate these in future harvests.</p> <p>A group member who deviated significantly from his plan was expelled and may soon be able to reenter.</p>

<p>All other indicators of C7.1 are inapplicable to ICF at this time. Any group member with over 2,471 acres must conform to the full version of the FSC-US standard. That is, FF indicators are not applicable in that case.</p>		
<p><b>C7.2. The management plan shall be periodically revised to incorporate the results of monitoring or new scientific and technical information, as well as to respond to changing environmental, social and economic circumstances.</b></p>	C	
<p>7.2.a The management plan is kept up to date. It is reviewed on an ongoing basis and is updated whenever necessary to incorporate the results of monitoring or new scientific and technical information, as well as to respond to changing environmental, social and economic circumstances. At a minimum, a full revision occurs every 10 years.</p>	C	<p>The most recent versions of the UMP and SMP were modified during the past two years. ICF's management planning documents are considerably up to date with the requirements of the new FSC US standard.</p>
<p><b>C7.3. Forest workers shall receive adequate training and supervision to ensure proper implementation of the management plans.</b></p>	NE	
<p>7.3.a. Workers are qualified to properly implement the management plan; All forest workers are provided with sufficient guidance and supervision to adequately implement their respective components of the plan.</p>		
<p><b>C7.4. While respecting the confidentiality of information, forest managers shall make publicly available a summary of the primary elements of the management plan, including those listed in Criterion 7.1.</b></p>	C	
<p>7.4.a. While respecting landowner confidentiality, the management plan or a management plan summary that outlines the elements of the plan described in Criterion 7.1 is available to the public either at no charge or a nominal fee.</p>	C	<p>The UMP is available on the Indiana Department of Forestry website. The SMP template is available upon request from DNR staff. Other management planning documents are available upon request. These contain the primary elements of C7.1.</p>
<p>7.4.b. Managers of public forests make draft management plans, revisions and supporting documentation easily accessible for public review and comment prior to their</p>	NA	<p>ICF does not have any group members with public FMUs.</p>

implementation. Managers address public comments and modify the plans to ensure compliance with this Standard.		
<p><b>P8 Monitoring shall be conducted -- appropriate to the scale and intensity of forest management -- to assess the condition of the forest, yields of forest products, chain of custody, management activities and their social and environmental impacts.</b></p> <p><i>Applicability Note: On small and medium-sized forests (see Glossary), an informal, qualitative assessment may be appropriate. Formal, quantitative monitoring is required on large forests and/or intensively managed forests.</i></p>		
<b>C8.3. Documentation shall be provided by the forest manager to enable monitoring and certifying organizations to trace each forest product from its origin, a process known as the "chain of custody."</b>	C	
8.3.a. When forest products are being sold as FSC-certified, the forest owner or manager has a system that prevents mixing of FSC-certified and non-certified forest products prior to the point of sale, with accompanying documentation to enable the tracing of the harvested material from each harvested product from its origin to the point of sale.	C	See COC indicators for FMEs.
8.3.b The forest owner or manager maintains documentation to enable the tracing of the harvested material from each harvested product from its origin to the point of sale.	C	See COC indicators for FMEs.
<p><b>P9 Management activities in high conservation value forests shall maintain or enhance the attributes which define such forests. Decisions regarding high conservation value forests shall always be considered in the context of a precautionary approach.</b></p>		

### Group Management Conformance Table

#### Group management documents reviewed:

- Classified Forest & Wildlands Procedures Manual, dated October 1, 2007 (CFWPM);
- Indiana Classified Forest Certified Group: UMBRELLA MANAGEMENT PLAN, dated November 2010 (UMP);
- Legal documents from the State of Indiana: 312 IAC 15 and IC 6-1.1-6; and
- Stewardship plan or Stewardship Management Plan (SMP)

Requirement	C/NC	Comment/CAR
<b>Group Management</b>		
<b>PART 1 QUALITY SYSTEM REQUIREMENTS</b>		
<b>C1 General Requirements</b>	C	
1.1 The Group entity shall be an independent legal entity or an individual acting as a legal entity.	C	The independent legal entity is the State of Indiana. See p.p. 1-3 of CFWPM for the full history of state laws that establish the State of Indiana's Division of Forestry as the manager of the group program with technical assistance provided by the Division of Fish & Wildlife.
1.2 The Group entity shall comply with relevant legal obligations, as registration and payment of applicable fees and taxes.	C	The group entity, Indiana Division of Forestry Classified Forestlands & Wildlands Program (ICF), is responsible for paying fees to the certification body (CB) and AAF to FSC through the CB. ICF is up-to-date on payments to the CB.
1.3 The Group entity shall have a written public policy of commitment to the FSC Principles and Criteria.	NC	ICF does not have a have a written public policy of commitment to the FSC standards and policies. Refer to <b>CAR 2011.1</b> .
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.	C	<p>According to the UMP (p. 33): "It is an expectation of group member, group management, and persons recommending/conducting management activities will educate themselves on certification related topics appropriate for their role in the group."</p> <p>ICF provides a list of training opportunities for ICF staff, group members, and private forestry professionals (see p. 33 of UMP).</p> <p>District newsletters are developed by District Foresters. CFWPM includes suggestions for content (see p. 41; note that pagination is slightly off).</p> <p>In general, the Division's training system relies on: 1) preparing and disseminating print and web-based information for group members and resource professionals; 2) providing or supporting</p>

		<p>training sessions for group members and resource professionals; 3) conducting in-house training sessions; and 4) requiring that group members adhere to safety standards.</p> <p>From 2008 certification, ICF developed responses for training needs in Major CARs 2008.5, 2008.7, 2008.10, 2008.12, 2008.13, and 2008.18; Minor CARs 2009.2, 2009.5, 2009.6, 2009.9, 2009.11, and 2009.12; and REC 2009.1.</p> <p>For COC related training, see analysis of conformance to COC 1.2 for COC indicators for FMEs.</p>
<b>C2 Responsibilities</b>	C	
<p>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).</p> <p><i>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.</i></p>		<p><b>Group Entity responsibilities:</b> As the group entity, ICF divides its responsibilities between the State Forester/ Director of DoF, Assistant State Forester, Forest Stewardship Coordinator/ Group Manager, District Foresters, and District Wildlife Biologists (see UMP, p.p. 3-5). In the CFWPM, the responsibilities of District Foresters, District Wildlife Biologists, and Program Managers are further divided and procedures for internal group management are defined (see p. 34 of CFWPM; note that pagination is off for this document).</p> <p><b>Non-SLIMF Group member responsibilities:</b> According the ICF's group member spreadsheet for 2011, there currently are no members in the group with FMUs over 1,000 ha (2,471 acres) in size. N/A</p> <p><b>SLIMF Group member responsibilities:</b> Group members voluntarily join ICF and must conform to ATFS and FSC standards. Responsibilities are described in p. 4 of the UMP.</p> <p><b>Other:</b> Private foresters and other forestry professionals in the State of Indiana also have</p>

		responsibilities described in the UMP (p. 4-5). These professionals prepare and implement management plans in cooperation with the group member to ensure compliance to ICF requirements. Assignment of membership records and reporting to group entity staff, group members, and supporting private contractor (private foresters and other forestry professionals) is described in the UMP (p. 7).
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.		The Forest Stewardship Coordinator/ Group Manager holds this responsibility (p.3 of UMP).  The UMP covers many elements that are to be complied with at the group entity level. For example, there is a sales protocol, common types of HCVs to be found on or around group member FMUs, and an Integrated Pest Management policy.
2.3 Group entity staff and Group members shall demonstrate knowledge of the Group's procedures and the applicable Forest Stewardship Standard.	NC	See <b>CAR 2011.7</b> .
<b>C3 Group entity's procedures</b>	C	
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:	C	See sub-indicators below.
I. Organizational structure;	C	This is defined on p. 2 of UMP.
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);	C	For the group entity, detailed internal procedures are defined in CFWPM. These include how to handle information requests, field inspections, file maintenance, newsletters, annual reports, ownership changes, and others.
III. Rules regarding eligibility for membership to the Group;	C	During the certification evaluation (2008) members were automatically enrolled in the certified group if they are enrolled in the Indiana

		<p>Classified Forest &amp; Wildlands Program (see p. 43 of CFWPM; p. 5 of UMP), which only operates within the State of Indiana. Group members may opt out of the FSC group and still be a part of ICF, however, if they file the appropriate paperwork.</p> <p>For all enrollments after the initial group development, the district forester will determine if the parcel would be eligible for certification during the initial field inspection. At the time of classification, the landowner will decide if they would like to join the certified group (opt-in). All of a landowner's eligible parcels will be included in the group certification.</p> <p>According to UMP:  Enrollment in the Indiana Classified Forest Certified Group is voluntary; however, landowners must meet the following criteria:</p> <ol style="list-style-type: none"> <li>1. Be enrolled in the Classified Forest &amp; Wildlands Program</li> <li>2. Own 10 (ten) acres or more of forest in one enrolled parcel</li> <li>3. Meet the American Tree Farm System Standards*</li> <li>4. Meet the Forest Stewardship Council Principles</li> </ol> <p>* Publicly traded companies are not currently eligible for American Tree Farm System certification; therefore only Forest Stewardship Council Principles apply to publicly traded company group members.</p>
<p>IV. Rules regarding withdrawal/suspension of members from the Group;</p>	<p>C</p>	<p>This is covered in the <i>Enforcement &amp; Withdrawal from the Group</i> section of the UMP (p.5). Internal procedures for staff are included in the CFWPM.</p>
<p>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</p>	<p>C</p>	<p>The process for addressing any internal CARs is included in the <i>Enforcement &amp; Mandatory Withdrawal</i> section of the UMP (p. 6). It includes a clear description of timelines and implications for any CARs that are not complied with, whether</p>

complied with;		these be from the certification body (CB) or ICF. ICF maintains that since it will be communicating all CARs to individual group members that it need not differentiate between CARs issued by ICF or the CB in the UMP.
VI. Documented procedures for the inclusion of new Group members;	C	This is included in the <i>Group Enrollment</i> section of the UMP (p. 5).
VII. Complaints procedure for Group members.	NC	A complaints procedure for group members could not be found in ICF group management documents. See <b>CAR 2011.8.</b>
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.	C	ICF's group management planning documents and procedures and the underlying State of Indiana laws that establish the ICF program provide a framework for an efficient internal control system ensuring that all members are fulfilling applicable requirements.
3.3 The Group entity shall define the personnel responsible for each procedure together with the qualifications or training measures required for its implementation.	NC	The UMP and the CFWPM assign responsibility for group management procedures to ICF staff positions located at the state and district levels.  ICF has not defined the qualifications or training measures required for the implementation of group management procedures. See <b>CAR 2011.9.</b>
3.4 The Group entity or the certification body shall evaluate every applicant for membership of the Group and ensure that there are no major nonconformities 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. <i>NOTE: for applicants complying with SLIMF eligibility criteria for size, the initial evaluation may be done through a desk audit.</i>	C	ICF has established a robust internal evaluation system for the group program. In the CFWPM, ICF describes procedures for initial inspection and re-inspection of group member forestlands. In the UMP (p. 3-4), it is the District Forester's responsibility to inspect all certified group members at 5 year intervals and may conduct site visits during environmental impact assessments or active timber sales. Eligibility to join the Classified Forest Program and the FSC group certificate is determined during initial field visits.
<b>C4 Informed consent of Group members</b>	C	
4.1 The Group entity shall provide each Group member with documentation, or	C	See sub-indicators below.

access to documentation, specifying the relevant terms and conditions of Group membership. The documentation shall include:		
i. Access to a copy of the applicable Forest Stewardship Standard;	C	One of ICF's mechanisms to provide access to the applicable Forest Stewardship Standard is the Classified Forest Program webpage ( <a href="http://www.in.gov/dnr/forestry/5264.htm">http://www.in.gov/dnr/forestry/5264.htm</a> ; viewed on 8/8/11). The currently applicable standard is the FSC US Forest Management Standard (V1-0) as approved on July 8, 2010 (with Family Forest indicators) and is listed on the website.
ii. Explanation of the certification body's process;	NC	See <b>CAR 2011.10</b>
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;	NC	See <b>CAR 2011.10</b>
iv. Explanation of the certification body's, and FSC's requirements with respect to publication of information;	NC	See <b>CAR 2011.10</b>
v. Explanation of any obligations with respect to Group membership, such as:  <i>NOTE: In some groups, it may be sufficient to provide individual members with a summary of these items, provided that full documentation is readily available on request at the Group entity's offices. The information should be presented in a way adapted to the language and knowledge of the Group members.</i>	C	
a. maintenance of information for monitoring purposes;	C	Assignment of membership records and reporting to group entity staff, group members, and supporting private contractor (private foresters and other forestry professionals) is described in the UMP (p. 7).

b. use of systems for tracking and tracing of forest products;	C	This is described in the <i>Marketing of Forest Products</i> section of the UMP (p. 18). Group members must contact their District Forester prior to making a certified sale to be informed of tracking and tracing requirements.
c. requirement to conform with conditions or corrective action requests issued by the certification body and the group entity	C	The process for addressing any internal CARs is included in the <i>Enforcement &amp; Mandatory Withdrawal</i> section of the UMP (p. 6). It includes a clear description of timelines and implications for any CARs that are not complied with, including that failure to conform may result in expulsion from the group. It includes a clear description of timelines and implications for any CARs that are not complied with, whether these be from the certification body (CB) or ICF. ICF maintains that since it will be communicating all CARs to individual group members that it need not differentiate between CARs issued by ICF or the CB in the UMP.
d. any special requirements for Group members related to marketing or sales of products within and outside of the certificate;	C	This is described in the <i>Marketing of Forest Products</i> section of the UMP (p. 18-20). All sales of FSC-certified products by group members are direct to COC-certified loggers or mills. COC requirements for the sale of certified logs or firewood are also in this section. See <b>OBS 2011.11.</b>
e. other obligations of Group membership; and	C	ICF group members must be enrolled in the State of Indiana's Classified Forestland & Wildlands Program.
f. explanation of any costs associated with Group membership.	C	This is described in the <i>Group Fees</i> section of the UMP (p. 7).
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:  <i>NOTE: A consent declaration does not have to be an</i>	NC	The signature page on the Stewardship Management Plan (SMP) serves as the consent declaration for inclusion into the ICF group. However, the signature only binds the group member to the SMP and not any other group membership requirements. See <b>Major CAR 2011.12.</b>

<i>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.</i>		
i. include a commitment to comply with all applicable certification requirements;	NC	See p. 1 of the UMP, “Landowners are the group members and are responsible for implementing the ATFS and FSC certification standards on their classified forests.” However, the SMP signature page does not refer to any other related binding documents on the group management program. See <b>Major CAR 2011.12.</b>
ii. acknowledge and agree to the obligations and responsibilities of the Group entity;	NC	The signature page of the SMP demonstrates partial conformance to this indicator as group members must contact ICF for any changes or deviations from the SMP. However, the signature page does not reference or seem to bind group members to responsibilities detailed in the UMP or other group membership documents. See <b>Major CAR 2011.12.</b>
iii. acknowledge and agree to the obligations and responsibilities of Group membership;	NC	The signature page of the SMP does not bind group members to this requirement. See <b>Major CAR 2011.12.</b>
iv. agree to membership of the scheme, and	C	See signature page of SMP in which group member agrees to be a part of the Group Certification.
v. authorize the Group entity to be the primary contact for certification and to apply for certification on the member's behalf.	NC	Although in the division of responsibilities section of the UMP it is explained that group member’s must voluntarily join ICF, there is not a statement that effectively authorizes the group entity to be the primary contact for certification on the member’s behalf. See <b>Major CAR 2011.12.</b>
<b>C5 Group Records</b>	C	
5.1 The group entity shall maintain complete and up-to-date records covering all applicable requirements of this standard. These shall include:  <i>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.</i>		

<p>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;</p>	<p>C</p>	<p>ICF maintains an Access database of all group members that includes their names, contact details, date of entrance, and the date of withdrawal (6-30-2011 ICFCG Roster, provided as an Excel file). The type of forest ownership per member is not relevant to the group program as all members are private Family Forests and thus all eligible under the SLIMF requirements.</p> <p>ICF is in the process of moving its Access Database to an online version with more features. The transition is expected to be complete by November 1, 2011. The new version of the online database has the type of ownership documented and the reason for leaving/ withdrawal.</p>
<p>ii. Any records of training provided to staff or Group members, relevant to the implementation of this standard or the applicable Forest Stewardship Standard;</p>	<p>NC</p>	<p>ICF staff typically receive on the job training. For example, the administrator in the District office for 2, 3 &amp; 12 received on the job training on the database. Records of staff training may be recorded in meeting minutes and reports. Training of group members is not recorded in group member records at ICF offices, but may be tracked via sign-in sheets. These sign-in sheets may be the property of partner organizations. See <b>CAR 2011.13</b></p> <p>See also analysis of conformance to COC 1.2 of COC indicators for FMEs.</p>
<p>iii. A map or supporting documentation describing or showing the location of the member's forest properties;</p>	<p>C</p>	<p>The location of group member properties is included on maps on p.p. 8 &amp; 10 of the UMP. Group members must have land surveyed in order to join the group, thus ensuring that coordinates and area of each FMU are known (see "Application" on p. 36 of CFWPM; note that pagination is slightly off). Maps of group member properties are also stored in physical files at each District Office.</p>
<p>iv. Evidence of consent of all Group members;</p>	<p>C</p>	<p>The signature page of the SMP is stored in each group member's file at district offices (see</p>

		Procedures 4, 5, and 6 in the CFWPM).
v. Documentation and records regarding recommended practices for forest management (i.e. silvicultural systems);	C	Typical silvicultural systems are described in the UMP (p.p. 12-16), as well as in individual group member stewardship plans. Harvest records are included in Annual Reports (see Procedure 6 of CFWPM). Harvest history is also documented in updates to each group member's SMP.
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;	C	As per Procedure 6 of the CFWPM, Annual Reports, correspondence, Inspection and Re-inspection reports, Withdrawal forms, and certification departure requests are stored in District offices for each group member. Inspection and re-inspection reports list identified non-compliances and actions taken to correct non-compliances.
viii. Records of the estimated annual overall FSC production and annual FSC sales of the Group.	NC	See <b>CAR 2011.13</b>
5.2 Group records shall be retained for at least five (5) years.	C	The 5 year requirement is stipulated for COC procedures in the UMP (p. 18) for group members conducting certified sales. Procedure 6 in the CFWPM stipulates that the group entity shall maintain records of Annual Reports for a minimum of 10 years. Some documents (e.g., original application) are kept for 15 years of indefinitely in hard files at each District office.
5.3 Group entities shall not issue any kind of certificates or declarations to their group members that could be confused with FSC certificates. Group member certificates may however be requested from the certification body.	C	ICF does not issue any kind of certificates or declarations to its group members that could be confused with FSC certificates.
<b>PART 2 GROUP FEATURES</b>		
<b>C6 Group Size</b>	C	
6.1 There is no restriction on the maximum size that a group certificate can cover in terms of number of group members, their individual forest property size or total forest area. The Group entity shall have sufficient human and technical resources to manage	C	ICF has sufficient human and technical resource to manage and control the group in line with the requirements of this standard. District foresters regularly communicate with group members and the community at large through field tours and presentations. Despite budget cuts, ICF staff are

and control the Group in line with the requirements of this standard.  <i>NOTE: The number of Group members, their individual size and the total area will however influence the evaluation intensity applied by the certification body in their annual audits.</i>		able to maintain the program using a variety of communication and control measures. For example, a group member was recently withdrawn from the certified group due to a significant deviation from his SMP.
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.	NC	See <b>CAR 2011.14</b> .
<b>C7 Multinational groups</b>	N/A	
7.1 Group schemes shall only be applied to national groups which are covered by the same Forest Stewardship Standard.	N/A	ICF is not an international group program. Only private landowners within the State of Indiana are eligible. The whole state is covered by the FSC US Forest Management Standard (V1-0; July 8, 2010) with regional variation for the Lake States/ Central Hardwoods.
7.2 In cases where homogeneous conditions between countries/ regions may allow an effective and credible cross- border or multi-regional monitoring system, the Group entity shall request formal approval by FSC IC through their accredited Certification Body to allow certification of such a group scheme.	N/A	See above.
<b>PART 3 INTERNAL MONITORING</b>		
<b>C8 Monitoring requirements</b>	C	
8.1 The Group entity shall implement a documented monitoring and control system that includes at least the following:	C	See sub-indicators below.
i. Written description of the monitoring and control system;	C	Monitoring is documented in <i>Monitoring of BMPs</i> in the UMP (p. 21-22). ICF also produces an annual monitoring summary of the BMP results. Monitoring procedures for site visits to group member FMUs is also described in the CFWPM.
ii. Regular (at least annual) monitoring visits to a sample of Group members to confirm continued compliance with all the	C	At the group level, the results of monitoring of implementation of BMPs of the group are recorded in Annual Reports. Each year, 10% of timber sales are monitored for BMP using the

<p>requirements of the applicable Forest Stewardship Standard, and with any additional requirements for membership of the Group.</p>		<p>Indiana Forestry BMP Monitoring Form.</p> <p>At the group member level, District foresters are involved in timber sales and monitor implementation of BMPs at least once during an active harvest. Post-harvest visits are also conducted.</p>
<p>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.</p>	<p>C</p>	<p>ICF has two main types of internal audits. One is the site re-inspection, during which the SMP is updated with input from the group member. The SMP template contains the criteria that must be addressed in the group member's site-specific FMP.</p> <p>BMP monitoring is done on approximately 10% of ICF. ICF uses a form that contains the criteria to be assessed. These are summarized each year in a publically available report.</p> <p>ICF conducts a pre-sale harvest conference and a post harvest visitation &amp; evaluation. These two internal audits are recorded on their respective forms that contain the criteria to be assessed.</p>
<p>8.3. The minimum sample to be visited annually for internal monitoring shall be determined as follows:</p> <p><i>NOTE: for the purpose of sampling, FMUs &lt; 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.</i></p>	<p>C</p>	
<p><b>a) Type I Groups with mixed responsibilities (see section D Terms and definitions)</b></p> <p>Groups or sub-groups with mixed responsibilities shall apply a minimum sampling of <math>X = \sqrt{y}</math> for 'normal' FMUs and <math>X = 0.6 * \sqrt{y}</math> for FMUs &lt; 1,000 ha. Sampling shall be increased if HCVs are threatened or land tenure or use right disputes are pending</p>	<p>C</p>	<p>As of June 2011, ICF contained just over 11,250 members. Minimum sample requirements per this indicator are 64 group members per year. In the UMP, ICF has established that 10% of all group members who report a timber harvest on their annual report will undergo a BMP monitoring visit each year, which means that approximately 50 group members will be visited each year. Furthermore, ICF updates the SMPs of</p>

within the group.		20% of the group membership each year, which includes site-level visits and discussions with the landowner. These sampling regimens are well above the requirements of this indicator.
<b>b) Type II Resource Manager Groups (see section D Terms and definitions)</b> 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).	N/A	Although ICF assists landowners in preparation of management plans and may have some oversight in harvesting, ICF is considered a Type 1 Group due to the responsibilities being divided between group members and ICF staff. ICF is eligible for RMU designation, however, due to its involvement in management planning and oversight of group members. See SCS' write-up in the sampling section of the 2011 annual audit for more information.
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.	C	All group members are under natural/ semi-natural forest management. Most group members have tracts less than 100 ha in size. The fact that ICF updates 20% of SMPs per year provides that ICF reasonably visits members in both the 0-100 ha and 100-1,000 ha range.
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.	C	Since ICF samples more group members than is required under this standard, they visit several group members each year that the CB does not.
8.6 In the selection process of members to be visited, the Group entity should include random selection techniques.	C	ICF uses random sampling techniques to select group members for BMP evaluation. For SMP updates, these are not random. In general, as ICF visits more group members that required by the standard, they are at low risk of failing to uncover nonconformities on group member FMUs.
8.7 The Group entity shall issue corrective action requests to address non-compliances identified during their visits and monitor their implementation.	C	The process for addressing any internal CARs is included in the <i>Enforcement &amp; Mandatory Withdrawal</i> section of the UMP (p. 6). It includes a clear description of timelines and implications for any internal CARs that are not complied with.  Monitoring is documented in <i>Monitoring of BMPs</i> in the UMP (p. 21-22). CARs may be issued to

		<p>ensure compliance with BMPs.</p> <p>During the 2011 evaluations, records indicated that no internal CARs were issued. One group member was asked to leave the group due to a harvest that deviated from the SMP.</p>
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.	C	ICF schedules additional visits for pre-harvest, during harvest, and post-harvest. These are conducted to ensure conformance to certification requirements.
<b>C9 Sales of forest products and use of the FSC trademark</b>	C	
9.1 The Group entity shall document and implement a system for tracking and tracing of forest products produced by the Group members which are supposed to be sold as FSC certified.	C	<p>ICF has documented the system for Marketing of Forest Products in the UMP (p.p. 18-20). COC records were observed at the following sites: District 13. No other Districts evaluated reported FSC sales.</p> <p>Documentation and implementation required to demonstrate conformance to COC 1.1, 1.3, and 1.5 of COC indicators for FMEs fulfills the requirements of indicator 9.1.</p>
9.2 For the purpose of ensuring that non certified material is not being mixed with FSC certified material, FSC products shall only be sold according to a sales protocol agreed by the Group members and the Group entity.	C	<p>The sales protocol described in the UMP requires that certified material remain physically separate from non-certified material. There were no opportunities for SCS to observe implementation of COC procedures this audit.</p> <p>Documentation and implementation required to demonstrate conformance to COC 1.3 and 1.5 (if applicable) fulfills the requirements of indicator 9.2.</p>
9.3 The Group entity shall ensure that all invoices for sales of FSC certified material are issued with the required information (see FSC-STD-40-004 V2-0 Clause 6.1.1) and are filed by the group members.	C	<p>The sales protocol described in the UMP covers the required information in FSC-STD-40-004 V2-0 Clause 6.1.1. Group members must submit a sample invoice to ICF upon request.</p> <p>Documentation and implementation required to demonstrate conformance to part C) of COC 1.3.1</p>

		and COC 1.5 (if applicable) fulfills the requirements of indicator 9.3.
9.4 The Group entity shall ensure that all uses of the FSC Trademark are approved by the responsible certification body in advance.	C	<p>The sales protocol includes a section on using the FSC logo that requires that logo proposals be submitted to the Division of Forestry Group Manager, who will obtain logo approval on group members' behalf. ICF requires that group members maintain records of any and all logo approvals.</p> <p>Documentation and implementation required to demonstrate conformance to COC 1.4 and 1.5 (if applicable) fulfills the requirements of indicator 9.4.</p>

## Appendix 8 – Chain of Custody Indicators for FMEs (CONFIDENTIAL)

### SCS FSC CHAIN OF CUSTODY INDICATORS FOR FOREST MANAGEMENT ENTERPRISES

Any Forest Management Enterprise (FME) that wishes to sell FSC-certified product must develop a comprehensive set of procedures that describes how it will maintain control of FSC-certified material from “the stump to the forest gate,” or, in other words, from the forest of origin to the point at which the certified product changes ownership.

The purpose of this document is to provide COC indicators for FMEs located in regions in which the national or regional standards provide little or no guidance on FSC COC norms. This document is based on FSC Chain of Custody Standard (FSC-STD-40-004 V2-1), Forest Certification Reports (FSC-STD-20-007a V1-0, Box 1, section 6: Tracking, tracing and identification of certified products), Requirements for use of the FSC trademarks by Certificate Holders (FSC-STD-50-001 V1-2), and FSC Directive on Chain of Custody Certification (FSC-DIR-40-004 EN, updated 30 – March – 2011).

*COC procedures that address all of these indicators are required for large-scale operations (>10,000 ha/ >24,710 acres) and Group/ Multiple FMU Certificates. SCS Auditors shall complete the fields labeled, “SCS Auditor Findings,” as well as any necessary check boxes for large-scale operations and Group/ Multiple FMU Certificates. For small-scale operations (<10,000 ha/ <24,710 acres; single-SLIMFs) the SCS auditor shall evaluate the indicators included in Appendix 1 of this document.*

#### 1. QUALITY MANAGEMENT

*What you need to know:* FSC COC systems require that FMEs have a representative with responsibility for its compliance with FSC requirements (a specific person or title). Training must be provided to staff for each procedure with records of training and a written training plan. **Complete records of all FSC-related activities, including sales and training, must be kept for at least five years.**

*The indicators provided in the following sections shall be used to evaluate the FME’s COC Control System (CS) and the implementation of its COC control system.*

**1.1. CHAIN OF CUSTODY SCOPE AND COMPLIANCE INFORMATION:**

<p><b>1.1.1. The FME shall provide the names or titles of its:</b></p> <p><b>A) COC administrator(s);</b></p> <p><b>B) Person/position(s) responsible for maintaining records on harvest volumes, invoices, and shipping documentation; and</b></p> <p><b>C) Person/position(s) responsible for labeling and promotional claims.</b></p>		
<p><b>SCS Auditor Findings:</b></p> <p>A) The District Forester is in charge of overseeing the implementation of COC procedures on group member properties, including what information is necessary to ensure that products can be marketed as FSC-certified.</p> <p>B) Each group member must report the volume sold and buyer of forest products on the annual report. This is maintained in each group member’s file at the District office. Each group member must maintain these records for a minimum of 5 years, as stated in ICF’s control system.</p> <p>C) Personnel responsible for labeling and promotional claims is the Division of Forestry Group Manager.</p>		
<p><b>1.1.2. The FME shall maintain complete records of all FSC-related COC activities, including sales and training, for at least 5 years.</b></p>		
<p><b>SCS Auditor Findings:</b> Each group member must report the volume sold and buyer of forest products on the annual report. This is maintained in each group member’s file at the District office. Each group member must maintain these records for a minimum of 5 years, as stated in ICF’s control system.</p>		
<p><b>1.1.3. The FME shall define its forest gate(s).</b></p>		
<p><b>SCS Auditor Findings:</b></p> <p>The most commonly sold forest product from group member’s property is standing timber (stumpage), which means that the stump is frequently considered the forest gate. Occasionally, forest landowners may choose to process timber into logs, firewood or other raw products.</p>		
<p><b>1.1.4 The FME shall have sufficient control over its forest gate(s) as to ensure that there is no mixing of FSC-certified forest products covered by the scope of its FM/COC certificate with forest products from outside of the scope prior to the transfer of ownership, including the following:</b></p>		
<p><b>1.1.4.1. The FME and its contractors shall not process FSC-certified material prior to transfer of ownership at the forest gate without conforming to applicable chain of custody requirements.</b></p> <p><i>NOTE: This does not apply to log cutting or de-barking units, small portable sawmills or on-site processing of chips/biomass originating from the FMU under evaluation. If any such on-site processing is done by contractors, this must be covered in FME’s outsourcing procedures.</i></p>		
<p><b>1. Does any processing of FSC-certified material occur prior to transfer of ownership at the forest gate?</b></p>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<p><b>1.1.4.2. The FME shall not acquire FSC-certified material from other FSC certificate holders without a valid FSC Chain of Custody certificate and adherence to its COC procedures.</b></p>		
<p><b>2. Does FME acquire FSC-certified material from other FSC certificate holders and plan to sell that material as FSC certified?</b></p>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

<b>1.1.4.3. There shall be no mixing of non-FSC- and FSC-certified materials prior to transfer of ownership at the forest gate.</b>			
<b>3. Does mixing of non-FSC- and FSC-certified materials occur prior to transfer of ownership at the forest gate (i.e., FME has excised forested areas from the scope of the certificate and uses same logging decks for both FMUs)?</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
<b>4. Is there a risk of mixing FSC-certified with non-certified material? If so, what steps are taken to remove this risk?</b> <i>Describe steps taken to remove risk of mixing:</i> The most commonly anticipated occurrence is a timber sale that involves both FSC certified and non-certified forests. In these cases, the sales document or timber sale contract must separate out the FSC material from the non-FSC material in a way that makes it clear the volume of FSC material. Additionally, any cut logs or other products that are moved by the landowner or logger must be stored or marked separately. Each FSC chain of custody certified logger will have a documented procedure to identify and/or separate FSC from non-FSC material.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
<b>SCS Auditor Findings:</b> There is potential that harvested timber may be processed into logs, firewood or other raw products. According to the FME's control system, these landowners must follow procedures outlined in FSC STD 40-004 V2 to market the products as FSC-certified. However, according to FSC COC guidelines on processing prior to transfer of ownership at the forest gate, the following types of pre-transfer processing do not apply to log cutting or de-barking units, small portable sawmills or on-site processing of chips/biomass originating from the FMU under evaluation.  According to the CS, non-timber forest products (maple sugar, mushrooms, plants, etc) or manufactured timber products (lumber, tool handles, wood novelties, etc) are not to be marketed as FSC certified at this time. See <b>OBS 2011.6</b> .  ICF maintains a separate group COC certificate for loggers and primary processors who wish to acquire certified raw materials or products from multiple certified sources.			
<b>FME must be evaluated to FSC-STD-40-004:</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
<b>FME must apply for separate COC certificate:</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No*	
<b>FME was evaluated previously to FSC-STD-40-004:</b>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
<b>FME already has a separate COC certificate:</b>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

*\*FSC-STD-20-011 Annex 1 is required as an attachment to FM report if FME must be evaluated to FSC-STD-40-004 if no separate COC certificate is required. Ask SCS staff for further details.*

## 1.2. TRAINING

<p><b>1.2.1. The FME shall maintain up-to-date records of its training program, including a list of trained employees, completed COC trainings, the intended frequency of COC training (i.e. training plan), and related training program materials (e.g., documents, presentations).</b></p>
<p><b>SCS Auditor Findings:</b> Each group member must contact ICF prior to making a certified sale in order to review COC procedures with the District Forester. It generally is on the logger or purchaser to follow COC procedures as most group members sell standing timber.</p>
<p><b>1.2.2. All relevant personnel, including contractors, shall be trained in the FME's COC control system and demonstrate competence in implementing the FME's COC control system.</b></p>
<p><b>SCS Auditor Findings:</b> Many loggers in the State of Indiana belong the DOF's group COC certificate and thus their training falls under that certificate. ICF staff are required to know group procedures, including those related to COC.</p>

## 1.3. FSC-CERTIFIED PRODUCT CONTROL, SALES AND DELIVERY

<p><b>1.3.1. The FME shall implement documented procedures for the following:</b></p> <p><b>A) Marking and/or segregating FSC-certified material from non-certified material;</b></p> <p><b>B) Tracking quantities of FSC-certified product and;</b></p> <p><b>C) Invoicing and other related documentation for FSC-certified product sales and delivery.</b></p>		
<p><b>A) Is FSC-certified material identifiable and separable from non-certified material at all stages prior to transfer of ownership at the forest gate(s)?</b></p>	<input checked="" type="checkbox"/> <b>Yes</b>	<input type="checkbox"/> <b>No</b> <i>Include CARs/OBSs below.</i>
<p><b>B) Are records of quantities/volumes of FSC-certified product complete, correct and up-to-date?</b></p>	<input checked="" type="checkbox"/> <b>Yes</b>	<input type="checkbox"/> <b>No</b> <i>Include CARs/OBSs below.</i>
<p><b>C) Is FSC-certified material for sale correctly classified on invoices and shipping documentation?</b></p> <p><i>For FM/COC certificates, the only acceptable claim on invoices and shipping documentation is "FSC 100%."</i></p> <p><i>For CW/FM certificates, the only acceptable claim on invoices and shipping documentation is "FSC Controlled Wood."</i></p> <p><i>Invoices/ shipping documentation must include the FME's certificate code when making an FSC sale. See <b>Appendix 2</b> for more detailed information on required information on invoices and exceptions.</i></p>	<input checked="" type="checkbox"/> <b>Yes</b>	<input type="checkbox"/> <b>No</b> <i>Include CARs/OBSs below.</i>
<p><b>SCS Auditor Findings:</b></p> <p>A, B, and C) FME allows individual group members to determine the marking and/or segregation system, record system, and invoice requirements as stated in the CS:</p> <ul style="list-style-type: none"> <li>- Maintain a system to assure that FSC material is physically separated from or otherwise identifiable from non-FSC material.</li> </ul>		

- Maintain sufficient records of FSC material harvested from FSC certified land and sold to assure that volume of FSC material sold during the calendar year does not exceed the volume on inventory.
- Sales invoices for products sold with FSC claims must include name and contact information for buyer and seller, date, product description, quantity and unit of measure, the member's FSC certificate number and the claim of "FSC Pure". Conversion factors must be provided for sales of products if units are other than board feet, Doyle scale. The member must provide a sample invoice stating the above information to the Division of Forestry upon request.
- Records of any approval for use of the FSC logo.

FME also maintains the following guidance in its CS: "To maintain a FSC chain of custody, these members need to state the following information on the timber sale contract or other document that transfers ownership of the forest products from the landowner to the buyer. Each document must state:

"The timber or other forest products specified in this document is/are certified by the Forest Stewardship Council (FSC). The seller's FSC Certificate number is SCS-FM/COC-000123N. The FSC claim is FSC Pure." See **OBS 2011.6**.

#### 1.4. LABELING AND PROMOTION

<p><b>Does the FME use or plan to use FSC or SCS trademarks?</b></p> <p><i>All FSC logo and trademark rules are included in FSC-STD-50-001 V1-2. See <a href="http://www.fsc.org">www.fsc.org</a> or contact SCS for access to the standard. Contact SCS for rules regarding the use of SCS trademarks.</i></p> <p><i>CW/FM certificates supplying FSC Controlled Wood shall not make claims regarding FSC Controlled Wood or use the statement 'FSC Controlled Wood' or the FSC Trademarks on-product or on point of sale materials or in any other promotional material. Any violation of this policy may be subject to corrective actions and/or immediate suspension. See Annex 3 of FSC Controlled Wood standard for forest management enterprises (FSC-STD-30-010 V2-1) for more information.</i></p>	<p><input checked="" type="checkbox"/> <b>Yes</b> <i>Complete this section</i></p>	<p><input type="checkbox"/> <b>No</b> <i>Move on to next question.</i></p>
<p><b>Did the evaluation reveal any unauthorized or improper use of FSC or SCS trademarks by the FME not addressed in A)-C) below?</b></p>	<p><input checked="" type="checkbox"/> <b>Yes</b> <i>Include CAR(s) in findings.</i></p>	<p><input type="checkbox"/> <b>No</b> <i>Skip this section.</i></p>
<p><b>1.4.1. The FME shall describe its on-product and promotional uses or intended uses of the FSC and/or SCS trademarks.</b></p>		
<p><b>SCS Auditor Findings:</b> ICF does not use any on-product use of the FSC logo/trademarks. ICF uses the FSC logo/ trademark on timber sale prospectus and group member newsletter documents.</p>		

<i>Include any general findings, CARs, and OBSs related to COC indicator 1.4.1.</i>			
<b>1.4.2. The FME shall implement documented procedures for the following:</b>			
A) On-product labeling with FSC logos and trademarks;			
B) Off-product/ promotional use of FSC or SCS trademarks and;			
C) Use of SCS trademarks.			
A) Does the FME have records to prove that use of the FSC trademarks in on-product labels was submitted to, reviewed, and approved by SCS prior to use?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A
B) Does the FME have records to prove that off-product/ promotional use of the FSC trademarks is submitted to, reviewed, and approved by SCS prior to use?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
C) Did the FME correctly implement procedures for joint-use of SCS and FSC trademarks?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A
<b>SCS Auditor Findings:</b>			
A) and B) Any use of the FSC logo must be approved by the FSC Certification Body. Any member that intends to use the FSC logo must submit the proposed use to the Division of Forestry Group Manager. The Division of Forestry will obtain logo approval and notify the member when approved. The member must keep a record of the logo approval in its file for future audit purposes. See <b>CAR 2011.15</b> .			
C) NA			

## 1.5. OUTSOURCING

*What you need to know: If the FME outsources any of its chain of custody procedures (e.g., control, tracking, invoicing, labeling, etc.), processing or **handling** of FSC-certified material, the FME must retain ownership of that material, have procedures in place for working with the outsourcing organization(s), have an outsourcing agreement signed by the contractor(s), and provide the name and contact information of the contractor(s) to SCS. This applies to logging contractors and product transport services contracted by the FME to deliver the certified product to a designated FSC COC certificate holder. If the FME conducts stumpage sales (i.e., a certain FSC COC certificate holder purchases standing timber), then it is the responsibility of the certificate holder (either the FME or the purchaser) WHO ARRANGES for outsourced services to ensure that outsourcing procedures and agreements are in place.*

<b>1. Does FME outsource any processes involved in the control, tracking, invoicing or handling of FSC-certified material?</b>	<input type="checkbox"/> <b>Yes</b> <i>Complete section</i>	<input checked="" type="checkbox"/> <b>No</b> <i>Move on to question 2.</i>
<b>2. Did the audit reveal any use of outsourcing by the FME that was unaccounted for?</b>	<input type="checkbox"/> <b>Yes</b> <i>Complete section</i>	<input checked="" type="checkbox"/> <b>No</b> <i>If 'no' to both questions 1 and 2, skip this section.</i>
<b>1.5.1. The FME shall provide the names and contact details of all outsourced services associated with</b>		

<b>the control, tracking, invoicing, and handling of FSC-certified material prior to transfer of ownership at the forest gate(s).</b>
<b>SCS Auditor Findings:</b> Most group members sell standing timber, which means that ownership changes to the logger or purchaser upon severance from the stump. Thus, outsourcing procedures are not applicable at this level.
<b>1.5.2. The FME shall prepare documented outsourcing agreements (e.g., contracts) for all outsourced services related to the FME's COC control system that occurs prior to the transfer of ownership at the forest gate(s).</b>
<b>SCS Auditor Findings:</b> NA
<b>1.5.3. The FME and/or its contractors shall implement all outsourced COC control system processes, including those from sections 1.1-1.4, consistently.</b>
<b>SCS Auditor Findings:</b> NA

## APPENDIX 1 – CHAIN OF CUSTODY PROCEDURES FOR SMALL-SCALE OPERATIONS: NA

Small-scale joint FM/COC operations' (<10,000 ha/ <24,710 acres; single-SLIMFs) COC procedures, at a minimum, shall include the following:

<b>Tracking, tracing and identification of certified products</b>		
<i>SCS auditors shall address each indicator in the findings section. Some sections for large-scale FMEs may be required.</i>		
<b>1.1.</b> An evaluation of the risk of products from non-certified sources (including any areas specifically excluded from the scope of the certificate) being mixed with products from the forest area evaluated.		
<b>SCS Auditor Findings:</b>		
<b>1.2.</b> A description of the control (tracking and tracing) systems in place that address the risk identified in 1.1 above. <i>If the evaluation does not include all the FMUs in which the FME is involved, the FME shall describe the special controls in place to ensure that there is no risk of confusion as to which products are certified, and which are not.</i>		
<b>SCS Auditor Findings:</b>		
<b>1.3. Forest gate (check all that apply):</b> <i>The forest gate is defined as the point where the change in ownership of the certified-forest product occurs.</i>		
<input type="checkbox"/> <b>Stump</b> <i>Stumpage sale or sales of standing timber; transfer of ownership of certified-forest product occurs upon harvest.</i>	<input type="checkbox"/> <b>Log landing</b> <i>Transfer of ownership of certified-product occurs at landing/yarding areas.</i>	<input type="checkbox"/> <b>On-site concentration yard</b> <i>Transfer of ownership of certified-product occurs at concentration yard under control of FME.</i>
<input type="checkbox"/> <b>Off-site Mill/Log Yard</b> <i>Transfer of ownership occurs when certified-product is unloaded at purchaser's facility.</i>	<input type="checkbox"/> <b>Auction house</b> <i>Transfer of ownership occurs at a government-run or private auction house/ brokerage.</i>	<input type="checkbox"/> <b>Other:</b> <i>Please describe</i>
<b>SCS Auditor Findings:</b>		
<b>1.4.</b> A description of the documentation or marking system that allows products from the certified forest area to be reliably identified as such at the forest gate(s) identified in 1.3, including the FSC-claim		

and FSC certificate code on invoices.

**SCS Auditor Findings:**

<b>1.5.</b> Does FME have any primary or secondary processing facilities (e.g., fully-integrated production)? <i>NOTE: This does not apply to log cutting or de-barking units, small portable sawmills or on-site processing of chips/biomass originating from the FMU under evaluation. They can be evaluated as part of the 'normal' forest evaluation procedures. If any such on-site processing is done by contractors, this must be covered in section 1.5 on outsourcing for large-scale operations.</i>	<input type="checkbox"/> Yes <i>Such sites shall be inspected for conformance to the applicable chain of custody standard(s) (e.g., FSC-STD-40-004). See 1.1.4 for large-scale FMEs.</i>	<input type="checkbox"/> No
--	---	-----------------------------

**SCS Auditor Findings:**

**1.6.** All uses of FSC and SCS trademarks shall be done in accordance to section “1.4 Labeling and Promotion” for large-scale FMEs.

**SCS Auditor Findings:**

[APPENDIX 2 – REQUIRED INFORMATION ON INVOICES](#)

**The following is based on see FSC-STD-40-004 V2-1 Clause 6.1.1 and 6.1.2:**

6.1.1. The organization shall ensure that all invoices issued for outputs sold with FSC claims include the following information:

- a) name and contact details of the organization;
- b) name and address of the customer;
- c) date when the document was issued;
- d) description of the product;
- e) quantity of the products sold;
- f) the organization’s FSC Forest Management (FM/COC) or FSC Controlled Wood (CW/FM) code;
- g) clear indication of the FSC claim for each product item or the total products as follows:
  - i. the claim “FSC 100%” for products from FSC Pure product groups;
  - ii. the claim “FSC Controlled Wood” for products from FSC Controlled Wood product groups.
- h) if separate transport documents are issued, information sufficient to link the invoice and related transport documentation to each other.

6.1.2. The organization shall include the same information as required in clause 6.1.1 in the related transport documentation, if the invoice (or copy of it) is not included with the shipment of the product.

**The following is based on ADVICE-40-004-05 within FSC-DIR-40-004 as updated on 30 – March – 2011:**

When the FME has demonstrated it is not able to include the required FSC claim as specified above in 6.1.1 and 6.1.2 in sales and delivery documents due to space constraints, through an exception, SCS can approve the required information to be provided through supplementary evidence (e.g. supplementary letters, a link to the own company’s webpage with verifiable product information). This practice is only acceptable when SCS is satisfied that the supplementary method proposed by the FME complies with the following criteria:

- a) There is no risk that the customer will misinterpret which products are or are not FSC certified in the document;
- b) The sales and delivery documents contain visible and understandable information so that the customer is aware that the full FSC claim is provided through supplementary evidence;
- c) In cases where the sales and delivery documents contain multiple products with different FSC Claims, a clear identification for each product shall be included to cross-reference it with the associated FSC claim provided in the supplementary evidence.