



SFI Public Audit Report for the Indiana Division of Forestry

The SFI Program of the Indiana Division of Forestry has achieved conformance with the SFI Standard®, 2005-2009 Edition, according to the NSF-ISR SFIS Certification Audit Process.

The Indiana Division of Forestry is responsible for management of the state forest system.

“The Indiana state forest system consists of about 150,000 acres in 10 administrative units, located in 29 different counties within the state. The administrative units range in size from 300 acres to 50,000 acres and are primarily located in the southern one half of Indiana. Indiana’s Division of Forestry Properties contain about 3% of the total forestland in Indiana; most of the remainder is in private ownership. Each Indiana Division of Forestry Property is managed as a multiple-use facility, providing numerous benefits including timber production, forest management demonstration areas, outdoor recreation, wildlife habitat and watershed protection through an integrated management program. The Indiana State Forest system was established in 1903 and has been actively managed to provide the above benefits continuously since that time.”

Source: The Indiana Division of Forestry and the Indiana Bat 2005 Status (White Paper draft 11-21-05)

The audit was performed by NSF-ISR on October 30 to November 3, 2006 by an audit team headed by Mike Ferrucci, Lead Auditor and including Dr. David Capen, Fred Hadley and Dave Wager. Audit team members fulfill the qualification criteria for conducting SFIS Certification Audits contained in the Sustainable Forestry Initiative® Audit Procedures and Qualifications (SFI APQ) 2005–2009 Edition.

The objective of the audit was to assess conformance of the firm’s SFI Program to the requirements of the Sustainable Forestry Initiative® Standard, 2005-2009 Edition. The scope of the SFIS Audit included the state forest system. Forest practices that were the focus of field inspections included those that have been under active management over the past three years, in order to include planned, ongoing, and completed operations. Practices conducted earlier were also reviewed as appropriate (regeneration and BMP issues, for example). In addition, SFI obligations to promote sustainable forestry practices, to seek legal compliance, and to incorporate continual improvement systems were within the scope of the audit.

Several of the SFI Performance Measures were outside of the scope of the Indiana Division of Forestry’s SFI program and were excluded from the scope of the SFI Certification Audit as follows:

- Indicator 2.1.5: Planting is not done to change forest composition but to maintain it.
- Objective 8: Indiana Division of Forestry is not involved in forest procurement

No indicators were modified; the default indicators in the SFI Standard were utilized.

SFIS Audit Process

NSF-ISR initiated the SFIS audit process with a Readiness Review in July, 2006 to confirm the scope of the audit, review the SFI Indicators and evidence to be used to assess conformance, verify that Indiana Division of Forestry was prepared to proceed to the SFIS Certification Audit, and to prepare a detailed audit plan. NSF then conducted the SFIS Certification Audit of conformance to the SFI Standard. A report was prepared and final approval was done by an independent Certification Board Member assigned by NSF. Follow-up or Surveillance Audits are required by the 2005-2009 Sustainable Forestry Initiative Standard ®. The initial Surveillance Audit is scheduled for November, 2007.

The actual NSF-ISR SFI Certification Audit was governed by a detailed Audit Plan designed to enable the audit team to determine conformance with the applicable SFI requirements. The plan included detailed provisions for the assembly and review of audit evidence consisting of documents, interviews, and on-site inspections of ongoing or completed forest practices.

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

The possible findings of the audit include Full Conformance, Major Non-conformance, Minor Non-conformance, Opportunities for Improvement, and Practices that Exceeded the Basic Requirements of the SFIS.

Overview of Audit Findings

Indiana Division of Forestry's SFI Program was found to be in full conformance with the SFIS Standard. The NSF-ISR SFI Certification Audit Process determined that there were 4 minor non-conformances that are described herein:

1. SFI-2006-1: SFIS Indicators 2.3.4, 2.3.6, 3.1.3 require protections for soils during logging. These protections are generally superb. However, one BMP-nonconformance site was observed that illustrated the lack of clear criteria for protection of site productivity and lack of implementation of protocol for weather events.
2. SFI-2006-2: SFIS Indicator 4.1.4 requires criteria for stand-level diversity retention. Although snags and mast trees are protected there are no criteria for retention of green-trees or cavity trees, which should be considered in all harvests including openings.
3. SFI-2006-3: SFIS Indicator 4.2.2 requires a methodology to incorporate research results and field applications of biodiversity and ecosystem research into forest management decisions. Although Indiana Division of Forestry resource managers and staff have excellent educational backgrounds and impressive experience levels there is no process to

ensure they are kept current, and knowledge gaps do exist in this area.

4. SFI-2006-4: SFI Indicator 10.1.4 requires contractor education and training sufficient to their roles and responsibilities. Indiana Division of Forestry currently has no such training or education requirements for logging contractors.

Indiana Division of Forestry has developed plans to address these issues. Progress in implementing these corrective action plans will be reviewed in subsequent surveillance audits.

Eight opportunities for improvement were also identified:

- 4.1.2: There is an opportunity to improve in follow-up regarding management practices when rare species or community locations are detected in a database query
- 4.1.8: There is an opportunity to improve in the use of prescribed fire to help reach ecological and regeneration objectives.
- 10.1.3: There is an opportunity to improve training in forest ecology including understanding of disturbance regimes and successional pathways and training for field staff in identification of sensitive, animals plants, and rare communities
- 12.1.5: There is an opportunity to improve field foresters understanding of regional biodiversity issues to tie their tract level planning to larger spatial scales.
- 12.4.1: There is an opportunity to improve in communicating with affected indigenous peoples.
- 12.1.1, 12.2.1, 12.5.1: There is an opportunity to improve by helping to reactivate the Indiana SFI Implementation Committee. Note: These three indicators all involve the Indiana SFI Implementation Committee, which is currently inactive.
- 13.1.1 Management Review: There is an opportunity to improve SFI management review to provide a structured process for review of SFI-related issues appropriate to the need after initial certification review.
- 13.1.3: There is an opportunity to improve ongoing methods for SFI-specific management review.

Opportunities for improvement do not indicate a current deficiency, but served to alert Indiana Division of Forestry to areas that could be strengthened or which could merit future attention.

Exceptional Practices:

NSF-ISR identified the following areas where forestry practices and operations on Indiana Division of Forestry's lands were found to exceed the basic requirements of the SFI Standard:

- Indicator 2.3.1: Soils maps and use of information from them exceed requirements.
- Indicator 2.3.5: Silvicultural practices throughout the forests are superb.
- Indicator 2.3.7: Roads are exceptionally well designed, constructed, and maintained.
- Indicator 3.1.4: The program for monitoring of BMP use and effectiveness is the strongest the team has seen.

- Performance Measure 12.1 & Indicator 12.2.2: Efforts to educate the public on forestry and conservation exceed the standard.
- Indicator 12.2.3: Recreation opportunities afforded the public are varied and of high quality.

Relevance of Forestry Certification

Third-party certification provides assurance that forests are being managed under the principles of sustainable forestry, which are described in the Sustainable Forestry Initiative Standard as:

1. Sustainable Forestry

To practice sustainable forestry to meet the needs of the present without compromising the ability of future generations to meet their own needs by practicing a land stewardship ethic that integrates reforestation and the managing, growing, nurturing, and harvesting of trees for useful products with the conservation of soil, air and water quality, biological diversity, wildlife and aquatic habitat, recreation, and aesthetics.

2. Responsible Practices

To use and to promote among other forest landowners sustainable forestry practices that are both scientifically credible and economically, environmentally, and socially responsible.

3. Reforestation and Productive Capacity

To provide for regeneration after harvest and maintain the productive capacity of the forestland base.

4. Forest Health and Productivity

To protect forests from uncharacteristic and economically or environmentally undesirable wildfire, pests, diseases, and other damaging agents and thus maintain and improve long-term forest health and productivity.

5. Long-Term Forest and Soil Productivity

To protect and maintain long-term forest and soil productivity.

6. Protection of Water Resources

To protect water bodies and riparian zones.

7. Protection of Special Sites and Biological Diversity

To manage forests and lands of special significance (biologically, geologically, historically or culturally important) in a manner that takes into account their unique qualities and to promote a diversity of wildlife habitats, forest types, and ecological or natural community types.

8. Legal Compliance

To comply with applicable federal, provincial, state, and local forestry and related environmental laws, statutes, and regulations.

9. Continual Improvement

To continually improve the practice of forest management and also to monitor, measure and report performance in achieving the commitment to sustainable forestry.

Source: Sustainable Forestry Initiative® (SFI) Standard, 2005–2009 Edition

END OF PUBLIC REPORT