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**Rainforest  
Alliance**

*SmartWood Program*

Forest Management  
**2010 Annual audit**  
Report for:

Commonwealth of  
Pennsylvania, DCNR  
Bureau of Forestry  
In  
Harrisburg, PA USA

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### Standard Conversions

1 mbf = 5.1 m<sup>3</sup>  
 1 cord = 2.55 m<sup>3</sup>  
 1 gallon (US) = 3.78541 liters  
  
 1 inch = 2.54 cm  
 1 foot = 0.3048 m  
 1 yard = 0.9144 m  
 1 mile = 1.60934 km  
 1 acre = 0.404687 hectares  
  
 1 pound = 0.4536 kg  
 1 US ton = 907.185 kg  
 1 UK ton = 1016.047 kg

# 1. INTRODUCTION

The purpose of this report is to document annual audit conformance of Commonwealth of Pennsylvania, DCNR Bureau of Forestry (BOF), hereafter referred to as Forest Management Enterprise (FME). The report presents the findings of SmartWood auditors who have evaluated company systems and performance against FSC forest management standards and policies. Section 2 of this report provides the audit conclusions and any necessary follow-up actions by the company through corrective action requests.

SmartWood audit reports include information which will become public information. Sections 1-3 will be posted on SmartWood's website according to FSC requirements. All appendices will remain confidential.

Dispute resolution: If SmartWood clients encounter organizations or individuals having concerns or comments about Rainforest Alliance / SmartWood and our services, these parties are strongly encouraged to contact SmartWood regional or Headquarters offices directly (see contact information on report cover). Formal complaints or concerns should be sent in writing.

## 2. AUDIT FINDINGS AND RESULTS

### 2.1. Audit conclusion

<b>Based on Company's conformance with FSC and SmartWood requirements, the audit team makes the following recommendation:</b>	
<input checked="" type="checkbox"/>	<b>Certification requirements <u>met</u>, certificate maintenance recommended</b> Upon acceptance of CAR(s) issued below
<input type="checkbox"/>	<b>Certification requirements <u>not met</u>:</b>
Additional comments:	None
Issues identified as controversial or hard to evaluate.	None

### 2.2. Changes in the forest management of the FME and the associated effects on conformance with the standard.

BOF has instituted minor changes in its management systems to address Corrective Action Requests (CARs) that were issued during the 2008 reassessment. These include improved notification of stakeholders who will be affected by management activities, procedures to ensure that logging crews meet applicable safety requirements, improved consistency in searching the Pennsylvania Natural Diversity Index (PNDI) for small timber sales, more consistent evaluation of deer browsing studies and associated actions to control deer impacts, new policies on chemical use, monitoring of non-native species used for management purposes, assessment of lands for High Conservation Value Forest (HCVF) attributes, and monitoring of HCVF areas. These changes are discussed in Section 2.4 of this report.

There have been minor changes in staffing levels due to the state budget situation. Some open positions are not being filled, and there has been a reduction in seasonal staffing. While operating at a reduced staff level, BOF is still able to address its management priorities at this time. However, further reductions or permanent reductions in staffing could potentially affect performance relative to the FSC Standard.

The area under the certificate has remained steady at 2.14 million acres.

### **2.3. Stakeholder issues**

At the time of the audit, numerous stakeholders noted that the Commonwealth had not passed a budget for the 2010 budget period (which began July 1, 2009). The State Forest Operations budget could potentially be subject to \$7 million in budget cuts, which would have significantly adverse impacts on the ability of BOF to perform necessary functions, according to stakeholders. There is the potential for BOF to become more reliant on proceeds from timber and oil/gas leases as the General Fund monies it previously received are reduced or eliminated. Currently, BOF wage staff has been put on leave-without-pay status until sometime in 2010, forest pest management programs such as gypsy moth control have not been funded, and the potential for furloughing salaried staff exists. The auditors have determined that BOF is still able to address its management priorities at this time. However, further reductions or permanent reductions in staffing could potentially affect performance relative to the FSC Standard. This will be evaluated again during the next audit.

BOF reported two other general issues that constituted much of the stakeholder input over the past nine months since their assessment. These were deer herd management and potential oil/gas development. Certain segments of the public are dissatisfied with the lower deer densities that Pennsylvania has achieved over the past 10 years in order to promote more balance and diversity in ecological systems. Reductions in deer herd density in certain areas within BOF's landholdings is one of the tools BOF is using to ensure adequate forest regeneration and BOF is to be commended for achieving this often politically unpopular objective.

Commonwealth budget deficits have caused legislators to potentially require a greater promotion of oil/gas development on BOF lands in order to generate revenue. While the decision to increase leases for oil/gas development has not been formalized as of the audit, stakeholders expressed concern that if increased oil/gas development were to occur, it would have adverse effects on BOF's forest resource, since the speed of this legislative process is limiting the ability to plan and to ensure accountability for such a large-scale leasing process. Potential adverse impacts noted by stakeholders include loss of habitat connectivity and degradation of sensitive/HCVF areas due to the magnitude and speed of the proposed leasing process. SmartWood will review the gas leasing program during the next annual audit as a result of **CAR 04/10**. Any changes due to legislative mandates will be reviewed at that time.

For both of these issues, BOF is subject to decisions made externally to BOF.

An issue identified from unsolicited stakeholder input after the field audit regarded the natural conversion of certain black cherry stands to black birch in north-central Pennsylvania due to failures in the cherry seed crop and potentially inappropriate silvicultural prescriptions. This issue will be addressed during future audits in that region of the state.

No other specific issues were identified from stakeholder input.

## 2.4. Conformance with applicable corrective action requests

The section below describes the activities of the certificate holder to address each applicable corrective action issued during previous evaluations. For each CAR a finding is presented along with a description of its current status using the following categories. Failure to meet CARs will result in nonconformances being upgraded from minor to major status with conformance required within 3 months with risk of suspension or termination of the SmartWood certificate if Major CARs are not met. The following classification is used to indicate the status of the CAR:

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

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

<b>CAR 01/08</b>		<b>Reference Standard &amp; Criteria: 2.2.b, 4.4.c</b>
<b>Nonconformance</b>		Interviews with the Districts revealed an inconsistent approach –some, but not all Districts notify gas lessees when development activity is planned around lease interests (pad sites, pipelines) or when activities impact the lessee’s rights. Notification is not always being provided to private land holders adjacent to the state forest when activity (e.g. timber sale, road building) is planned on the boundary.
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	
<b>Corrective Action Request:</b> BOF shall ensure that there is a District process in place to ensure that all users with legal and customary rights within the state forest, and all private land owners adjacent to the state forest are consistently notified of management activities that may affect their interests. For users with legal and customary rights within the state forest, notification must be made to a level where free and informed consent could be sought.		
<b>Timeline for conformance:</b>		Prior to next annual audit
<b>Evidence to close CAR:</b>		BOF previously had formal notification procedures in place for: municipal watersheds, state parks, camp lessees, trail clubs, and pipelines/electrical lines. Additionally, timber sale maps are available on BOF’s public website.  BOF has modified the procedures in Chapter 5 of its Silviculture Manual to address notification of oil/gas lessees and adjacent landowners of BOF management activities. BOF must send a timber sale prospectus to the oil/gas lessee for all timber sales prepared on the oil-gas lease. Whenever a timber sale boundary is the State Forest boundary, BOF will make a “good faith” effort to notify adjacent landowners of pending timber sales. BOF describes good faith efforts as: 1) face-to-face communication, 2) a letter describing the sale and providing contact information, 3) for unknown landowners, signage along property boundaries defining the timber sale and providing contact information. While BOF has not stated when in the planning process these communications would occur, the BOF planning process typically begins six months

	in advance of the actual harvest operation. BOF stated that at least 30 days notification would be provided. At the time of the audit, due to the recent development of the procedures, examples of implementation were not yet available.
<b>CAR Status:</b>	Closed
<b>Follow-up Actions (if app.):</b>	None

<b>CAR 02/08</b>	<b>Reference Standard &amp; Criteria: 3.2.a</b>	
<b>Nonconformance</b>		SmartWood found evidence of an Indian group (The Eastern Lenape Nation of Pennsylvania) that is not recognized by the Bureau of Indian Affairs. While this group does not have "current legal rights", customary rights likely apply given their historical connections. This group has not been contacted by BOF.
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	
<b>Corrective Action Request:</b> BOF shall contact the Eastern Lenape Nation of Pennsylvania and invite their participation in forest management input processes.		
<b>Timeline for conformance:</b>		Prior to next annual audit
<b>Evidence to close CAR:</b>		<p>In July 2009, BOF contacted a representative of the Eastern Delaware Nations, to request their review of BOF's landbase for customary use rights and significant sites. As of the audit, BOF had not yet received a response from the Eastern Delaware Nations, although the Nation representative stated they were slowly working on a response. This person has also been invited to participate as a provisional member of BOF's Ecosystem Management Committee.</p> <p>Additionally, in August 2009, BOF re-sent its written invitation to all federally-recognized Native American groups identified as having interests in Pennsylvania. This invitation was originally sent in December 2004.</p> <p>During the audit, BOF sent written invitations, which were reviewed by the auditors, to the United Eastern Lenape Nation and the Eastern Lenape Nation of Pennsylvania to request their review of BOF's landbase for customary use rights and significant sites. As of the audit, BOF had not yet received a response from the Eastern Lenape.</p>
<b>CAR Status:</b>		Closed
<b>Follow-up Actions (if app.):</b>		None

<b>CAR 03/08</b>	<b>Reference Standard &amp; Criteria: 4.1.i, 4.2.a</b>	
<b>Nonconformance</b>		Timber sale contracts require buyers to meet state and federal laws, but SmartWood found examples of buyers' crews not in compliance with OSHA requirements (e.g., not all people had required personal protective equipment such as chaps, and not all crewmembers had up to date First Aid training). BOF requires the submission of training records but this is not being consistently implemented.
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	
<b>Corrective Action Request:</b> BOF shall implement a procedure to ensure they can verify that all third parties working in the state forest meet the safety requirements required by law and in		

Criterion 4.2.	
<b>Timeline for conformance:</b>	Prior to next annual audit
<b>Evidence to close CAR:</b>	BOF has amended Chapter 8 of their Silviculture Manual to require more rigorous BOF inspection of logger SFI training documentation. Central Office staff utilized written and verbal communications to District staff on the need for more rigor in ensuring that properly trained and equipped loggers were on site. The auditors reviewed this material. Copies of logging crew leader training cards were presented by BOF in site-level audit documentation for all sites. Based on field observations, BOF's inspection of logger SFI training status, and stakeholder discussions, BOF staff verify that third parties working on the forest are in compliance with safety laws and the FSC Standard, although there remains room for improvement during implementation (see <b>OBS 01/10</b> ).
<b>CAR Status:</b>	Closed
<b>Follow-up Actions (if app.):</b>	<b>OBS 01/10</b>

<b>CAR 04/08</b>	<b>Reference Standard &amp; Criteria: 6.1.a</b>	
<b>Nonconformance</b>		BOF generally conducts a Pennsylvania Natural Diversity Index (PNDI) search for known locations of any RTE species that occur on a site prior to any management activities. However, there was inconsistency among districts regarding whether PNDI searches are to be done for some small salvage sales sold as District Forester Contracts.
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	
<b>Corrective Action Request:</b> BOF shall ensure that all field staff conduct a PNDI search for known locations of RTE species prior to the start of all management activities.		
<b>Timeline for conformance:</b>	Prior to next annual audit	
<b>Evidence to close CAR:</b>	The BOF has made changes to its Silviculture Manual to address CAR 04/08. Chapter 5, Section III of the manual specifies that a PNDI search must be done prior to all harvest-related activities. The manual also describes the consultation process that must be followed if a PNDI conflict is found within the project area. PADCNr's Project Review procedures address all management activities, including any that might not be addressed in the silviculture manual. Approval letters from the responsible agencies that are associated with the PNDI element must be obtained before the project can begin. All activities reviewed during the audit had completed the PNDI review process. The audit team's sample of District Forester contracts found that the required search had been conducted.	
<b>CAR Status:</b>	CLOSED	
<b>Follow-up Actions (if app.):</b>	None	

<b>CAR 05/08</b>	<b>Reference Standard &amp; Criteria: 6.1.d</b>
<b>Nonconformance</b>	BOF staff works hard to maintain the long-term ecological functions of

<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	the forests and to efficiently and effective utilize the DMAP as a land management tool. However, some BOF staff indicated that the DMAP was being under utilized in non-commercially managed areas (particularly the Wild Plant Sanctuaries and the Old Growth areas) that are particularly vulnerable to over browsing by deer.
<b>Corrective Action Request:</b> BOF shall evaluate deer browse impacts in Wild Plant Sanctuaries, designated Old Growth areas, and other Natural Areas that may be particularly vulnerable to browsing, and if necessary, institute appropriate deer control measures (e.g., enrollment in DMAP Program) to mitigate impacts.		
<b>Timeline for conformance:</b>		Prior to next annual audit
<b>Evidence to close CAR:</b>		<p>Prior to the 2009 DMAP enrollment District Managers were instructed to ensure that Wild Areas, Natural Areas, and landscapes including Wild Plant Sanctuaries and Old Growth Areas that had not yet been inspected through the DMAP monitoring protocol, be prioritized for inspection, and that any areas showing unacceptable browsing levels be enrolled in DMAP. As a result of this process a number of districts enrolled new DMAP treatment units as a direct result of the CAR. Enrollment reports for these and other 2009 DMAP Enrollments are found at <a href="http://www.dcnr.state.pa.us/forestry/dmap/dmap_areas.aspx">http://www.dcnr.state.pa.us/forestry/dmap/dmap_areas.aspx</a></p> <p>Examples include:</p> <ul style="list-style-type: none"> <li>• Bald Eagle State Forest: DMAP Areas enrolled for White Mountain Wild Area and Hook Natural Area DMAP units.</li> <li>• Tioga State Forest: DMAP unit 1618 enrolled which includes the inaccessible portion of the Pine Creek Gorge Natural Area.</li> <li>• Tiadaghton State Forest: Slate Run North DMAP unit which contains Algerine Wild Area.</li> <li>• Tuscarora State Forest: Hemlock's and Frank E. Masland Jr. Natural Areas.</li> </ul> <p>While new DMAP areas were added, a number of districts which were already having trouble selling tags in existing DMAP areas due to inaccessible hunting conditions felt it would be poor timing to dilute an already scarce hunter resource over additional adjacent Wild or Natural Areas (example: Moshannon State Forest District DMAP Units # 1319 and 1323). Therefore, BOF has not sought additional DMAP permits in areas adjacent to areas where not all DMAP permits have been sold in recent years. See <b>OBS 03/10</b>.</p> <p>Due to a new Pennsylvania Game Commission (PCG) requirement to submit DMAP requests earlier and State budget constraints (fewer staff available for deer browse surveys), not all Wild Plant Sanctuaries, designated Old Growth areas, and other Natural Areas were specifically inventoried. These areas are generally small, however, and</p>

	<p>included within larger areas surveyed for deer browse impacts and included within DMAP permit areas. District foresters interviewed felt that local knowledge of deer populations helped them to target areas across the forest (in managed and unmanaged areas) that may be at risk of overbrowsing high deer populations.</p> <p>The Ecological Services section partners with PNDI to monitor Wild Plant Sanctuaries and is developing a system-wide monitoring protocol for these areas.</p> <p>In the three Districts reviewed during the 2009 audit, all had covered the entire forest with the DMAP grids. All DMAP survey lines in these districts are being surveyed on a 2-3 year cycle.</p> <p>Since the last audit BOF also received a peer review studies to monitor the effects of deer browsing on State Forest Lands. The review recognized BOF for the significant investment it has made in monitoring deer impacts and provides recommendations for the next iteration of it program to place increased emphasis on ecosystem restoration. The Pennsylvania Game Commission recently granted permission for the release of DMAP participation and harvest data. BOF believes these data are necessary to construct a credible allocation and DMAP area delineation model for its landscapes and management goals, especially for determining the level of “treatment” needed for the special management zones specified in this CAR. Access to these data will increase the BOF’s ability to address critical questions on the part of internal and external stakeholders about the use of DMAP as a land management tool.</p> <p>In sum, the audit team has found that BOF has taken a number of steps to address this CAR and impartially address deer browsing impacts across the State Forest Lands. Following up on the Peer Review recommendations, using new data sources, and allocating resources to address unsurveyed areas will ensure that the long-term integrity of these areas is assessed.</p>
<b>CAR Status:</b>	CLOSED
<b>Follow-up Actions (if app.):</b>	See <b>OBS 03/10</b>

<b>CAR 06/08</b>	<b>Reference Standard &amp; Criteria: 6.6.a</b>
<b>Nonconformance</b>	FSC standards recognize the responsible use of chemicals can be an

<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	<p>important tool in forest management. With the goal of protecting the aesthetic, wildlife and timber values associated with oak forest, BOF used two pesticides that are classed as prohibited under the FSC rules of voluntary forest certification. In 2008, BOF's chemical records indicated that 3 gallons of Carbaryl were used. In 2008, pesticide Confirm (tebufenozide) was aerially sprayed on 800 acres as part of a study examining the suppression of gypsy moths. BOF indicated that an emergency derogation for Confirm was applied for, but FSC did not respond, and Scientific Certification Systems (SCS; BOF's certification body at the time) approved its use for the field trials. BOF indicated that they did not realize the Carbaryl was a FSC highly hazardous chemical. Directly after the field audit, BOF documented their commitment in a letter not to use any chemicals classed as highly hazardous by the FSC unless an approved derogation from FSC is obtained. In addition to the letter, BOF's Director, Dan Devlin, issued written directives to field staff and program managers on procedures for ensuring chemicals on FSC's highly hazardous list will not be used without an approved derogation. However, BOF does not currently have a formal written policy incorporated into its management planning documents regarding the use of pesticides classed as highly hazardous by FSC.</p>
<p><b>Corrective Action Request:</b> BOF shall develop and incorporate into management planning documents a written policy indicating that pesticides classed as highly hazardous by FSC will not be used under any circumstance unless an approved derogation is obtained from FSC.</p>		
<p><b>Timeline for conformance:</b></p>	<p>Prior to next annual audit</p>	
<p><b>Evidence to close CAR:</b></p>	<p>In addition to the written directives described above, BOF has distributed the list of FSC-prohibited pesticides and the web link to the FSC Pesticide Policy to staff and monitors the list for changes. BOF's chemical application database (which is required to be completed for all pesticide applications) has been refined to foster consistency and accuracy by providing a list of valid formulation names and corresponding active ingredients.</p> <p>Chapter 10 of the Silviculture Manual now states that for herbicides other than triclopyr, glyphosate, and sulfometuron methyl, the "...use of other herbicides or mixes requires special justification and approval." This statement restricts the use of pesticides prohibited by FSC unless a derogation is in place. All proposed herbicide applications are reviewed by the Silviculture Section, which closely scrutinizes them for consistency with BOF and FSC policy. All proposed insecticide applications are reviewed by the BOF Forest Pest Management section, which closely scrutinizes these projects for consistency with BOF and FSC policy.</p> <p>Application records were reviewed by the auditors and no highly hazardous chemicals have been used by BOF since the last audit.</p>	
<p><b>CAR Status:</b></p>	<p>Closed</p>	

<b>Follow-up Actions (if app.):</b>	None
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<b>CAR 07/08</b>	<b>Reference Standard &amp; Criteria: 6.9.a</b>
<b>Nonconformance</b>	Ecological effects of non-native species used for management purposes are not formally monitored.
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>
<b>Corrective Action Request:</b> BOF shall develop and implement formal monitoring protocols to evaluate the ecological effects of non-native species when they are used in management activities.	
<b>Timeline for conformance:</b>	Prior to next annual audit
<b>Evidence to close CAR:</b>	<p>BOF has identified gaps in the procedures used to document the use of non-native species and is currently developing a database to record District use of and monitoring of non-natives. Working with the Ecological Services section, non-natives have been assigned to one of three general categories: invasive (not to be planted – removed where they have been planted), relatively safe (may be used with only informal monitoring) and need monitoring (should be subjected to a systematic monitoring protocol until their nature can be determined).</p> <p>Monitoring of non-native plantings on permanent herbaceous openings and timber sale landings will be conducted by Ecological Services until District staff can be trained to take over. Plans are still in flux, but at a minimum, Ecological Services aims to evaluate approximately 5% of the recorded non-native planting sites per year. Permanent herbaceous openings will be formally evaluated no less frequently than every two years. Timber sale landings selected annually for monitoring by Ecological Services will be a combination of sites which are visited every year and a random selection from the database.</p> <p>Plantings of BOF traditional, non-native tree species (e.g., Norway spruce) are evaluated whenever regenerating the stand is considered and formally reported when timber sale is proposed.</p> <p>The audit team has found that BOF has developed a monitoring protocol that, when completed and implemented, will address CAR 07/08 and the requirements of Criterion 6.9.a. Implementation will begin in 2010 and will be evaluated during the next annual audit.</p>
<b>CAR Status:</b>	CLOSED
<b>Follow-up Actions (if app.):</b>	The audit team recommends that implementation of the monitoring procedures be included in the 2010 annual audit in addition to the Criteria that are scheduled for auditing in 2010.

<b>CAR 08/08</b>		<b>Reference Standard &amp; Criteria: 9.1.a</b>
<b>Nonconformance</b>		During the course of the audit, there was confusion among staff regarding HCVFs. At the exit meeting, the Director of the BOF clarified this issue and stated that lands under the SBS served as HCV areas as defined by FSC. Therefore, the auditors have determined that they have informally designated the SBS lands as HCVFs. However, there has been no formal designation in any documentation and since they have not been using FSC's term of HCVF, there are discrepancies among staff as to what a HCVF is and what the management requirements are. Additionally, BOF staff also indicated that others areas not currently in the SBS could be considered HCV areas (e.g., short leave pine stands in the southern portion of the state).
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	
<b>Corrective Action Request:</b> BOF shall formally designate lands in the State Bioreserve System (SBS) as HCV areas as defined under Criterion 9.1. In addition, BOF shall conduct an assessment, consistent with the requirements under 9.1.a and 9.2.a, of lands not currently in the SBS which may meet the definition of HCV areas under Criterion 9.1. This assessment shall be documented and any lands determined to contain HCV attributes should be formally designated.		
<b>Timeline for conformance:</b>		Prior to next annual audit
<b>Evidence to close CR: A</b>		<p>BOF has conducted the required analysis for all State Forest Lands (SFL) and documented the findings. Documentation reviewed by the audit team included:</p> <ul style="list-style-type: none"> <li>• "High Conservation Value Identification, Management, and Monitoring Processes within the State Forest System: A Corrective Action Request Response" (HCVF EMS1.doc), which is the primary response to the CAR.</li> <li>• HCV Maps.pdf</li> <li>• Screen shot of HCV4 assessment tool</li> </ul> <p>At this time BOF considers the State Bioreserve System (SBS) to be an adaptive management scheme and monitoring tool. After reviewing the definitions of HCVF, PADCNr has concluded that the entire SBS system includes more areas than meet the definition HCVF. As a result of this analysis, BOF has elected for more specificity in designating HCVF than would have been possible by merely utilizing the entire SBS. This approach included a review of the entire SFL, not simply the lands within the SBS network.</p> <p>Based on the nature of the lands in the SBS, the audit team concurred with BOF's decision not to include the entire SBS and instead target areas that specifically meet the definition of HCVF. The team found that the assessment process and consultation described in the documents referenced above address all six HCV elements, designates and maps areas with the identified HCVs, and meets the requirements of Criteria 9.1 and 9.2.</p>

	<p>Data reviewed included presence of rare, threatened and endangered species and ecosystems, the extent species composition of the forest at the landscape scale, importance to regional (i.e., statewide and multi-state) biodiversity, presence of and importance to municipal watersheds, and cultural importance derived from high economic and recreational value of the forest. As a result of this analysis the following HCVs were identified:</p> <p>HCV1: 2.14 million acres due (the entire forest) to significant concentrations of biodiversity values.  HCV2: 168,000 acres of landscape-scale forests with natural biodiversity  HCV3: 1.2 million acres in natural areas and current or future old growth areas.  HCV4: 957,000 acres in municipal watersheds, erosion prone slopes, and riparian areas.  HCV5: 1.1 million acres in multiple resource zones used to support rural economies.  HCV6: 2.14 million acres due to the value to the citizens of the Commonwealth.</p> <p>Rather than identify areas with one to several different HCVs, BOF has designated HCVFs based on mapped, individual HCVs, similar to a zoning approach. In some cases multiple HCVs may overlay each other, and in other cases only a single HCV may apply. These areas are identified in the GIS and shown on maps presented to the audit team.</p> <p>Because BOF has designated the entire forest as HCVF, a conflict has arisen with Criterion 6.10, which prohibits conversion of HCVF to non-forest use. See CAR associated with Criterion 6.10.</p>
<b>CAR Status:</b>	CLOSED
<b>Follow-up Actions (if app.):</b>	None

<b>CAR 09/08</b>	<b>Reference Standard &amp; Criteria: 9.3.d</b>				
<table border="1"> <tr> <td data-bbox="178 1417 324 1627"><b>Nonconformance</b></td> <td data-bbox="324 1417 470 1627"></td> </tr> <tr> <td data-bbox="178 1459 324 1627"><b>Major</b> <input type="checkbox"/></td> <td data-bbox="324 1459 470 1627"><b>Minor</b> <input checked="" type="checkbox"/></td> </tr> </table>	<b>Nonconformance</b>		<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	BOF's public summary of management is the "SFRMP Executive Summary and Overview". This document has been updated in 2007 and contains general management guidelines and policies regarding the various management zones in the SBS. However, the Executive Summary lacks information regarding lands designated as HCV areas as specified in CAR 08/08.
<b>Nonconformance</b>					
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>				
<b>Corrective Action Request:</b> BOF shall update the Executive Summary to reflect the formal designation of HCV areas as specified in CAR 08/08. The updates shall include management and protection policies that indicate defining conservation values will be maintained or enhanced.					
<b>Timeline for conformance:</b>	Prior to next annual audit				
<b>Evidence to close CAR:</b>	The Executive Summary has been amended to include a summary of the HCVF assessment process The revisions				

	reference the response to CAR 08-08 (“High Conservation Value Identification, Management, and Monitoring Processes within the State Forest System: A Corrective Action Request Response”) which details how the BOF will implement steps to maintain or enhance HCVs identified.
<b>CAR Status:</b>	CLOSED
<b>Follow-up Actions (if app.):</b>	None

<b>CAR 10/08</b>	<b>Reference Standard &amp; Criteria: 9.4</b>			
<b>Nonconformance</b>	BOF does not annually monitor HCV areas to evaluate the management strategies used for maintaining and enhancing the applicable conservation attributes of each designated area.			
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<b>Major</b>	<b>Minor</b>			
<input type="checkbox"/>	<input checked="" type="checkbox"/>			
<b>Corrective Action Request:</b> BOF shall develop an annual monitoring protocol for designated HCV areas which evaluates the management strategies and the maintenance of applicable conservation attributes of each area. As part of the monitoring protocol, BOF shall define the specific HCV attributes of each designated area and the management strategies that are employed to maintain or enhance those attributes.				
<b>Timeline for conformance:</b>	Prior to next annual audit			
<b>Evidence to close CAR:</b>	<p>Prior to formal designation of HCVs, BOF had a number of procedures in place that serve to monitor HCVs. To address this CAR BOF found that it was not necessary to develop new monitoring procedures; rather, the Bureau reviewed all of its monitoring procedures and identified those associated with each HCV. These have been summarized in the document “PA BOF HCVF Monitoring Matrix.doc” (10-1-09). This process enabled BOF to clearly describe its annual monitoring procedures. These include: :</p> <p><b>HCV1-6.</b> BOF foresters and rangers routinely monitor the forest as part of ongoing management activities. More detailed monitoring occurs when landscape evaluations are completed, which is an annual process that is completed on a 15 year cycle across the forest. Specific monitoring for each value is described in more detail below.</p> <p><b>HCV 1, 2, and 3: Concentrations of biodiversity, landscape-scale forests, and threatened/endangered species habitats</b></p> <p>Projects requiring mitigation measures to listed species or potential habitat for listed species are routinely visited by district and ecological services staff to monitor impacts to the population and/or habitat. Ecological Services staff members are also annually involved in several monitoring studies of keystone species such as rattlesnakes, bats, and saw-whet owls, and woodrats on state forestland through partnerships with PA Fish and Boat and PA Game Commission. Wild and Natural areas are monitored annually through forest pest surveillance flights, forest fire detection flights, and on the ground reconnaissance by foresters, maintenance staff,</p>			

rangers, and state forest users going about their day to day activities. Natural Areas defined by unique community types that create seasonal use patterns such as Bear Meadows (Blueberry/Huckleberry flat) receive increased monitoring by rangers and District managers during high use season to monitor and potentially mitigate use impacts to the biological communities in these areas. Other natural areas defined by communities under threat (such as the Hemlocks Natural Area) receive monitoring from both District staff, forest pest management staff, and Ecological Services staff to monitor treatment effects and community changes. Rangers monitor gated roads in Wild Areas to detect evidence of illegal ATV or OHV intrusion into these areas. Wild Plant sanctuaries are informally monitored by botanists from the partners making up the PNHP and/or the Ecological Services section.

***HCV4: Watersheds and erosion-prone areas***

All SMF Watersheds. Rangers prioritize addressing illegal motorized use resulting in damage to riparian areas. Inspection of stream crossings, log landings, and equipment leakage is a routine part of forester's inspection process during timber sale administration. Maintenance supervisors continually monitor road and trail conditions in planning annual road maintenance investments. Primary monitoring inputs include maintenance crew observations and inspections done while conducting annual maintenance tasks on the road system (i.e. cleaning and repairing culverts) but are also informed by user feedback and trail maintenance volunteer groups. Annual budgeting for road materials, grading work, and trail improvements to mitigate watershed impacts provides a key analysis point in assessing high priority investments to minimize water quality impacts of the forest road and trail system based on informal annual monitoring processes. PA DEP monitors water quality and produces an annual report: Pennsylvania Public Water System Annual Compliance Report. This report provides the basis for directing efforts of the Non-Point Source Pollution Committee on which the BOF maintains membership within the Forestry subcommittee.

Municipal Watersheds

Timber sale guidelines require notification of municipalities impacted by harvesting activities and solicits their input on water quality mitigation measures and provides opportunities for additional feedback flows from municipality based on their data flows on water quality intake levels.

***HCV 5: Areas fundamental to basic needs of local communities***

Annual monitoring includes tracking of District implementation of the Harvest Allocation. BOF monitors silvicultural

accomplishments as a proxy indicator of the balance between long term forest health and short-term economic use of the timber resource by local economies.

**HCV 6: Forest areas critical to local communities' traditional cultural identity**

This value is monitored through input and feedback by local communities either directly through input channels (open door policy to public at District offices) or through organized user/special interest groups or elected officials engaging with BOF decision makers at both district and Central Office levels.

Major reporting structures whereby information regarding HCVs is collected and analyzed include:

- Continuous Forest Inventory (CFI) reports
- Compartment Exams
- Stakeholder comments
- Pennsylvania Natural Diversity Inventory data
- County Diversity inventories
- DEP water quality reports
- Wild and Natural area inventories, reports and plans
- Wild plant sanctuary delineations and management plans
- Forest products statistical reports
- PA Game Commission harvest statistics and Deer Management Assistance Program inventory data
- Cultural Resources Geographic Information System (CRGIS) reports
- Recreation Opportunity Spectrum (ROS) analyses
- Regeneration treatment proposals
- Timber sale proposals
- Regeneration assessments
- PSU regeneration assessment project reports
- US Forest Service FIA reports
- Special reports (Current project is the NAASF State Self Assessment of forest conditions)

Rather than identify areas with one to several different HCVs, BOF has designated HCVFs based on mapped, individual HCVs, similar to a zoning approach. In some cases multiple HCVs may overlay each other, and in other cases only a single HCV may apply. These areas are identified in the GIS and shown on maps presented to the audit team.

Note that Criterion 9.4 does not specify that each HCVF area be monitored annually as written in the CAR; rather it requires annual monitoring to ensure that HCVF attributes rare maintained. Based on discussion of these monitoring processes with BOF, the audit team finds that they serve to monitor each HCV across the system on an annual basis.

	<p>Because the HCVs are extensive in area and include actively managed and unmanaged forests, management strategies for each identified HCV are addressed in the full range of planning and policy documents used to manage the forest. These documents provide site-specific management and guidance.</p> <p>The audit team found that the monitoring procedures described above met the intent of the CAR and demonstrate conformance with Criterion 9.4.</p>
<b>CAR Status:</b>	CLOSED
<b>Follow-up Actions (if app.):</b>	None

## 2.5. New corrective actions issued as a result of this audit

<b>CAR 01/10</b>	<b>Reference to Standard: 6.3.b.1, 6.3.c.1, 6.3.c.2</b>			
<b>Non-conformance</b>	<p>Whole tree harvesting was being used in District 18 and very low levels of woody debris were observed by the audit team. PA has guidelines for retaining woody biomass in harvest operations, but field staff were not aware of or using guidelines for retaining woody debris on harvest sites. The information was verbally discussed by Harrisburg staff with the District but not included in the project proposal or harvest contract.</p>			
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<input type="checkbox"/>	<input checked="" type="checkbox"/>			
<p><b>Corrective Action Request:</b> BOF shall develop and implement procedures to ensure that adequate amounts of coarse woody debris are retained in all harvest operations consistent with the guidelines for retaining woody biomass.</p>				
<b>Timeline for conformance:</b>	Prior to next annual audit			
<b>Evidence to close CAR:</b>	Pending			
<b>CAR Status:</b>	OPEN			
<b>Follow-up Actions (if app.):</b>				

<b>CAR 02/10</b>	<b>Reference to Standard: 6.7.a</b>			
<b>Non-conformance</b>	<p>Consistent with the findings in BOF's assessment, loggers contacted during the audit do not have on-site spill kits. On one active harvest area, machinery was observed leaking fluids from an axle and several older spills were observed. No attempt had been made by the logger to contain the active spill.</p>			
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<b>Major</b>	<b>Minor</b>			
<input type="checkbox"/>	<input checked="" type="checkbox"/>			
<p><b>Corrective Action Request:</b> BOF shall develop and implement a system to ensure contractors and other service providers adhere to state regulations regarding the containment and remediation of hazardous material spills on BOF lands.</p>				
<b>Timeline for conformance:</b>	Prior to next annual audit			
<b>Evidence to close CAR:</b>	Pending			
<b>CAR Status:</b>	OPEN			
<b>Follow-up Actions (if app.):</b>				

<b>CAR 03/10</b>		<b>Reference to Standard: 6.9.a</b>
<b>Non-conformance</b>		BOF reported that last year it planted 50 European black alder, a species on the DCNR list of invasive plants, in a gravel pit. While the likelihood of the alder spreading is low on this type of site, the planting of recognized invasive species is against BOF and FSC policies. To clarify, exotic species which have not been categorized as invasive or safe may be planted only within a program where they are monitored to determine their eventual classification.
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	
<b>Corrective Action Request:</b> BOF shall provide peer-reviewed scientific evidence that the black alder is non-invasive on this site or destroy the black alder identified above.		
<b>Timeline for conformance:</b>		Prior to next annual audit
<b>Evidence to close CAR:</b>		Pending
<b>CAR Status:</b>		OPEN
<b>Follow-up Actions (if app.):</b>		

<b>CAR 04/10</b>		<b>Reference to Standard: 6.10.b</b>
<b>Non-conformance</b>		BOF converts some areas to non-forest use by developing gas wells where it owns the mineral and gas rights. Approximate 324 acres has been converted by PADCNR over the past 5 ½ years. This constitutes a “very limited portion” of the 2.14 million-acre FMU. However, as of 2009 BOF has designated the entire forest as HCVF. Thus, technically the gas well conversions are occurring in HCVF. PADCNR has taken a conservative approach to designating HCVF and likely has placed more acres in HCVF than the minimum that would be required by the standard and under emerging guidance (the draft FSC-US HCVF Assessment Framework). Because conversions are only occurring in multiple use areas and do not appear to be threatening the HCVs of these areas at current rates of conversion, the risk of adverse impacts is considered to be low and thus a Minor, not a Major, CAR is warranted.
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	
<b>Corrective Action Request:</b> BOF shall stop converting any HCVF to non-forest use, either by stopping forest conversion altogether or revising its HCVF designation, while still meeting the requirements of Criteria 9.1-9.4, to ensure that no conversion occurs within HCVF.		
<b>Timeline for conformance:</b>		Prior to next annual audit
<b>Evidence to close CAR:</b>		Pending
<b>CAR Status:</b>		OPEN
<b>Follow-up Actions (if app.):</b>		

<b>CAR 05/10</b>		<b>Reference to Standard: COC 3.1</b>
<b>Non-conformance</b>		One District Forester (non-bid) contract was reviewed (03-2009DO5). The contract was issued 8/13/09 but had the old SCS Certificate number. Another contract was identified with the correct certificate number but it indicated “Certified by SCS”.
<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>	
<b>Corrective Action Request:</b> BOF shall ensure that all contract forms have the current FSC certificate code and certification body and the words “FSC Pure.”		
<b>Timeline for conformance:</b>		Within 3 months of the finalization of this report (4/19/10)
<b>Evidence to close CAR:</b>		Pending

<b>CAR Status:</b>	OPEN
<b>Follow-up Actions (if app.):</b>	

<b>CAR 06/10</b>	<b>Reference to Standard: COC 5.1; COC 5.2</b>			
<b>Non-conformance</b>	BOF makes claims regarding its FSC and SmartWood certification on its Web site (see <a href="http://www.dcnr.state.pa.us/forestry/certification.aspx">http://www.dcnr.state.pa.us/forestry/certification.aspx</a> ) but did not get the use reviewed by SmartWood. At least one page on the BOF Web site ( <a href="http://www.dcnr.state.pa.us/forestry/timbersales/index.aspx">http://www.dcnr.state.pa.us/forestry/timbersales/index.aspx</a> ) still contains reference to SCS certification and code in various places and links.			
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<b>Major</b>	<b>Minor</b>			
<input type="checkbox"/>	<input checked="" type="checkbox"/>			
<b>Corrective Action Request:</b> BOF shall immediately remove any obsolete certification claims from its Web site (i.e., SCS certification references) and obtain permission for use of the FSC and certification claims or remove the information from its Web site. BOF shall develop and implement procedures to ensure all FSC and Rainforest Alliance trademark use is reviewed and approved prior to use.				
<b>Timeline for conformance:</b>	Within 3 months of the finalization of this report (4/19/10)			
<b>Evidence to close CAR:</b>	Pending			
<b>CAR Status:</b>	OPEN			
<b>Follow-up Actions (if app.):</b>				

## 2.6. Audit observations

**Observations** are very minor problems or the early stages of a problem which does not of itself constitute a non-conformance, but which the auditor considers may lead to a future non-conformance if not addressed by the client. An observation may be a warning signal on a particular issue that, if not addressed, could turn into a CAR in the future (or a pre-condition or condition during a 5 year re-assessment).

<b>OBS 01/10</b>	<b>Reference Standard &amp; Requirement: 4.2.b</b>
One failure in the use of proper safety equipment was observed with one logger during the audit. BOF's Timber Sale Inspection Report does not explicitly document the use of safety equipment.	
<b>Observation:</b> BOF should explicitly include documenting the use of safety equipment on the BOF Timber Sale Inspection Report to ensure that BOF safety requirements are being met.	

<b>OBS 02/10</b>	<b>Reference Standard &amp; Requirement: 5.1.a</b>
BOF is facing potentially significant budget cutbacks (see Section 2.3 of this report), as well as being potentially forced to a greater reliance on timber and oil-gas lease proceeds from the forest to fund their management. While these budget issues have not yet been resolved, significant cutbacks could adversely affect BOF's ability to conform to the FSC Standard.	
<b>Observation:</b> BOF should work to ensure that the BOF budget is sufficient to meet management objectives and conform to the FSC Standard.	

<b>OBS 03/10</b>	<b>Reference Standard &amp; Requirement: 6.1.d</b>
BOF has not sought additional DMAP permits in areas adjacent to areas where not all DMAP permits have been sold in recent years.	
<b>Observation:</b> BOF should evaluate if any areas not assessed for deer browsing impacts and/or not issued permits due to low DMAP permit sales in adjacent zones are at risk due to excessive browsing, and consider if alternative approaches might be used to encourage hunter participation.	

<b>OBS 04/10</b>	<b>Reference Standard &amp; Requirement: 6.3.a.8</b>
Retention of live trees and other vegetation in even-aged harvests was below DCNR targets on some harvests reviewed.	
<b>Observation:</b> BOF should take the necessary steps to ensure that the minimum targets for retention in even-aged harvests are met.	

<b>OBS 05/10</b>	<b>Reference Standard &amp; Requirement: 6.5.c, 6.5.d</b>
Excessive rutting and tree damage was observed on one site.	
<b>Observation:</b> BOF should take the necessary steps to ensure that damage to soils and residual stands are minimized in all operations.	

<b>OBS 06/10</b>	<b>Reference Standard &amp; Requirement: 6.10.c</b>
At current rate of conversion, the lease income gained from gas well development is beneficial to the BOF budget and thus is securing long-term benefits across the FMU, especially considering the overall state budget crisis. However, there is political pressure to significantly increase the number of wells which at some point could result in adverse impacts of gas development. These adverse impacts could outweigh benefits such that long-term benefits could not be demonstrated.	
<b>Observation:</b> BOF should ensure that proposed increases in oil/gas development still allow them to provide clear, substantial, additional, secure, long term conservation benefits across the SFL and ensure continued conformance with Criterion 6.10 and other elements of the FSC Standard.	

### 3. AUDIT PROCESS

#### 3.1. Auditors and qualifications:

Auditor Name	Robert R. Bryan	Auditor role	Lead auditor, forest ecologist
Qualifications:	M.S. Forestry, University of Vermont (1984); B.S. Botany and Environmental Studies, University of Vermont (1976). Currently president of Forest Synthesis LLC. Previously employed as Forest and Wetlands Habitat Ecologist/Forester, Maine Audubon (1995 - 2008) Licensed Maine Forester #907. Member SAF and Forest Guild. Certification Experience: FSC auditor since 2003. Lead auditor (SmartWood), including over 30 FSC Forest Management certification audits and assessments in the Northeast, Lake States, and Appalachia, including family forests, investment and industrial forests, managed conservation forests, and public lands. Member of FSC Northeast Standards Committee 1997-2003 and FSC-US national standards advisory committee (2007-2008), peer review of SFI industrial forest certification in Northern Maine, member of state-level forest certification policy committees.		

<b>Auditor Name</b>	Dan M. Pubanz	<b>Auditor role</b>	Forester
<b>Qualifications:</b>	M.S. (1988) and B.S. (1985) in Forestry, University of Wisconsin-Madison. Sixteen years of experience in public land management with responsibility for all pre-harvest activity on a 250,000-acre landbase in Wisconsin, which was FSC-certified for 10 years. Currently, practicing small-scale private land resource management throughout Wisconsin since 2003. Experienced in silviculture, private and public land management issues, FMP development, and forest management planning. Since 1999, extensive experience in FSC auditing of businesses, forest management organizations, and public lands in the Midwest, Appalachians, and Northeast US, having performed over 40 FSC FM audits or assessments, 15 as Team Leader.		

### 3.2. Audit schedule

<b>Date</b>	<b>Location /Main sites</b>	<b>Principal Activities</b>
August 25, 2009	BOF offices	Opening meeting: introductions; review agenda; review changes to FME management systems, structure, personnel, operating environment, and the disposition of properties; stakeholder issues or concerns; review work addressing outstanding CARs.
August 25, 2009	District 1	Review BOF field performance.
August 26, 2009	District 3	Review BOF field performance.
August 27, 2009	District 18	Review BOF field performance.
August 27, 2009	BOF offices	Closing meeting to discuss initial audit findings, information needs, & next steps with FME staff.

Total number of person days used for the audit:7  
= number of auditors participating 3.5 X number of days spent in preparation, on site and post site visit follow-up including stakeholder consultation 2

### 3.3. Sampling methodology:

This is the first annual audit for BOF under their December 2008 assessment. As such, only nine months have elapsed since the current certification began. The office visit included discussion and a review of documents as to how BOF addressed the assessment CARs that were due for completion at this audit. The field objective for this annual audit was to verify that BOF forest management practices continue to meet the FSC Principles and Criteria (P&C) and other requirements. To accomplish these objectives, the SmartWood audit involved interviews with BOF staff, a review of documents, and a field performance review of their forest management practices.

BOF supplied the audit team with shapefile locations of ongoing and recently closed management sites, including timber harvests, herbicide applications, deer fencing, and road work. The audit team selected a pool of over 25 sites for field review that were relevant to outstanding CARs, had potential for risk (e.g., riparian zones were present), and/or were representative the range of activities and foresters within each district. The auditors chose harvest sites within travel distance that could be visited within the timeframe of the audit, which resulted in 24 field sites located in BOF Districts 1, 3, and 18.

The auditors were accompanied in the field by District and Central Office staff representing a wide range of duties and responsibilities. BOF staff were asked to discuss the management objectives for each site visited, the means used to accomplish them, and how BOF policies and procedures guided actions in the field. The auditors walked a portion of each site to view site conditions and management effects.

### 3.4. Stakeholder consultation process

Stakeholder consultation for the audit was focused on persons who could verify conformance with FSC standards. Unsolicited stakeholder information was received from one person.

<b>Stakeholder type</b> (i.e. NGO, government, local inhabitant etc.)	<b>Stakeholders notified</b> (#)	<b>Stakeholders consulted or providing input</b> (#)
Indigenous group	1	1
Environmental NGO	1	1
Stumpage purchaser	2	2
Logging subcontractor	1	1

### 3.5. Changes to Certification Standards

Forest stewardship standard used in audit:	APPALACHIA (USA) Regional Forest Stewardship Standard, Version 4.2
Revisions to the standard since the last audit:	<input checked="" type="checkbox"/> No changes to standard. <input type="checkbox"/> Standard was changed (detail changes below)
Changes in standard:	N/A
Implications for FME:	Not applicable - no new requirements

## APPENDIX I: List of visited sites (confidential)

FMU or other Location	Compartment/ Area	Site description / Audit Focus and Rationale for selection
District 1	01-2006BC08	"Cold Springs Road". 64-acre harvest area containing overstory removal and thinning areas. Overstory removal triggered by mortality due to gypsy moth. Harvested 2006 using chainsaw, feller-buncher, and grapple skidder. Deer fenced in 2007. Good advance oak regeneration. Retained uncut area around wetland seep embedded in harvest area.
District 1	01-2004BC02	"Hammonds Rocks Trail". 78-acre harvest area containing 59 acres of overstory removal. Harvest was closed out in 2007. Site was subject to arson fire after the harvest. Good regeneration of oak and pitch pine. Minimal browsing damage. Access road seeded and water-barred with no erosion. Access road crosses intermittent stream with 3 small diameter culverts. Some obstruction of culverts on upstream side.
District 1	01-2006BC09	"Buck Ridge Trail Fire". 81-acre harvest area containing 69 acres of overstory removal. Overstory removal triggered by arson fire in 2006. Salvaged in summer 2006. Marked retention where possible. Access to site gated, but unauthorized mountain bike trail observed on site.
District 1	010815	"Fern Flat". Proposed 58-acre herbicide application to control fern competition in advance of shelterwood harvest. This will be the first broadcast application on District 1. Overstory oak believed to be about 110 years old. BOF bases timber maturity on tree diameter, not on actual age.
District 1	010814	"Camp Michaux". 13-acre area where invasive Ailanthus was killed with a native fungus pathogen. Area heavily infested with a wide variety of non-native invasive plant species. Mile-a-minute plant also controlled with herbicide. Appalachian Trail traverses site and treatment to control invasives is restricted. White pine was planted throughout the area to attempt to provide desirable tree regeneration. Given the magnitude of invasive species populations across the District, discussed prioritization schemes focusing on new colonizations and disturbed areas for primary treatment.
District 1	010719	"Woodrow Road Crop Tree". 50-acre non-commercial oak crop tree release project in 15-20-year-old stands. Project goal of maintaining oak component within a stand of black birch, blackgum, and red maple. Crop trees selected by BOF staff and marked with paint. Contractor hired to clear four-feet of crown area around each crop tree in 2008. Average of 28 crop trees released per acre. Very worthy project, but has been suspended due to state budget deficits.
District 1	Big Pine Flats Ecological Biodiversity Area	Dwarf-tree forest of shrub oak, pitch pine, and mountain laurel. Some barrens areas will be maintained with prescribed fire.
District 1	Big Flats ATV Parking Lot	Area recently upgraded to benefit both horse and ATV recreational users. Discussed impacts and control of various

		recreational users of the forest.
District 1	Birch Run Road	Area part of a cooperative study with BOF examining timber rattlesnake habitat.
District 1	Birch Run Reservoir	Old water supply impoundment that was drained and re-vegetated with alder and aspen to enhance woodcock habitat.
District 1	01-2006BC10	"Turkey Trap". 123-acre harvest area containing 94 acres of overstory removal and 29 acres of two-aged management and thinning. Harvest area partially cut. Numerous vernal pools within or adjacent to harvest area. Vernal pools buffered with 100-feet of no-cut and an additional 100-feet of thinning to be conducted in winter and retaining 50-60 ft <sup>2</sup> of basal area per acre. Larger diameter trees retained in thinning areas. Old roads adjacent to vernal pools were re-used rather than constructing new roads.
District 1	01-2006BC02	"Eagle Feather Trail". 118-acre harvest area containing overstory removal, shelterwood, and thinning. Harvest area active. Overstory removal area has good oak regeneration. Shelterwood is being used to establish advance regeneration, although BOF stated they likely will need to plant oak and pine, as well. Vernal pool embedded within harvest area was well buffered. Wildlife opening maintained as part of wild turkey habitat management area. Opening is mowed every year. Sawtooth oak and non-native, invasive olive planted in opening. Olive is to be killed, while BOF states that sawtooth oak is non-invasive. Several oil leaks, including one active leak, observed around harvesting equipment. No attempt had been made to contain the active leak, which was draining on the ground ( <b>CAR 02/10</b> ).
District 3	03-2005BC04	"Magic Carpet." Mature red oak, scarlet oak, and chestnut oak with gypsy moth salvage. Two-aged management adjacent to natural area, shelterwood, overstory removal on steep slope, and logger interview.
District 3	Bower Mountain	Limited reserve area (HCV 4) with steep slopes and heavy gypsy moth mortality in mature oak.
District 3	Frank Masland Natural Area	High Conservation Value Forest (HCV 3). Drive-by discussion of monitoring procedures for HCVF and deer browse surveys.
District 3	03-2008BC05	"Old Ranger Cabin." Overstory removal of gypsy moth mortality within deer fence and shelterwood/gypsy moth salvage cut in adjacent stand. Prescribed fire used in one block to control competing vegetation in shelterwood. Discussion of high cost of fire as a management tool and possible increase in herbicide as a lower-cost option and related research with Penn State on effectiveness. Reviewed basal spray of competing understory vegetation in shelterwood cut, vernal pool buffer, and restoration of skid trails rutted during wet weather.
District 3	03-2008BC04	"Amberson Sale." Salvage cut of gypsy-moth killed chestnut oak in 2005 shelterwood cut. Herbicide treatment of competing understory vegetation (basal spray of Garlon) in shelterwood area. Some confusion among staff on new spill kit policy. Review of new road construction and road BMPs. Discussion of additional waterbars needed at job closeout.
District 3	Horse camping area	New primitive camping site for horse trail riders, spot treatment of invasive plants.

District 3	03-2003BCO7	"Ridge Runner." Older overstory removal in mixed oak/pine; thinning in mesic hardwoods, herbaceous seeding on skid trail.
District 3	Hemlock Natural Area	Reviewed efforts to control Hemlock wooly adelgid in HCVF, HCVF monitoring, and consistency with FSC pesticide policy.
District 3	03-2005C01	"Elby Ridge Sale." Shelterwood in mature mixed oak/pine. Notable mix of Eastern white pine, Table Mountain pine, and Virginia pine. Discussion of delay of overstory removal due to AAC annual cut limitations (most regeneration acres are due to gypsy moth salvage at this time) and potential damage to regeneration as it becomes larger. Available equipment mix in area not conducive to OSR when regeneration is large.
District 3	03-2002BC6	"House Cat." Clearcut in old CCC Norway spruce and larch planting, broadcast treatment of invasive species, subsequent planting of Norway spruce prior to new BOF policy against planting non-native species. Discussion of potential conifer habitat benefits of Norway spruce in the age of Hemlock Wooly adelgid mortality and in areas where white spruce is not expected to grow well and discussion of monitoring non-native species.
District 18	18-2006BC02	"Deer Hollow Sale". 191-acre harvest area containing 163-acres of clearcut in two blocks. Previous stand consisted of 75-year-old chestnut oak that had regenerated from clearcuts for mine timbers and charcoal. New regeneration to be obtained from stump sprouts. Clearcut areas are being whole-tree chipped. There is very minimal woody material retained on forest floor and standing tree retention appeared to be less than prescribed ( <b>OBS 04/10</b> ). BOF stated that they have had three whole-tree chipping harvests in two years. Harvest active. While no spills of hazardous materials were observed on site, logging operator disclosed that no spill kits were kept on site. Access road was widened and stabilized prior to harvesting. Intermittent stream well buffered by no-harvest area.
District 18	18-2006BC01	"Ridge Line". 128-acre harvest area containing 97 acres of clearcut and 18 acres of thinning. Within thinning area, crop trees were given crown release on all sides to develop a two-aged stand. Clearcut harvest began in 2008 and was active at the time using whole-tree chipping. Overstory consisted primarily of 60-year-old poor quality oak on a poor site. New regeneration will be from stump sprouts and scattered advance regeneration. Drainage within hollow was excluded from harvest area. Two-acre landing area will be restored to turkey habitat after harvest. Even outside of this landing area, soil rutting in heavily traveled areas and areas leading into the landing was observed ( <b>OBS 05/10</b> ). Given the low amount of retention, there was noticeable damage (much in excess of 50 inches <sup>2</sup> ) to reserved trees in certain areas ( <b>OBS 05/10</b> ).

## APPENDIX III: Forest management standard conformance (confidential)

The table below demonstrates conformance or non-conformance with the Forest Stewardship Standard used for evaluation as required by FSC. The SmartWood Task Manager should provide guidance on which sections of the standard should be evaluated in a particular audit. SmartWood may evaluate only a subset of the criteria or principles of the standard in any one particular audit provided that the FME is evaluated against the entire standard by the end of the certificate duration. Findings of conformance or non conformance at the criterion level will be documented in the following table with a reference to an applicable CAR or OBS. The nonconformance and CAR is also summarized in a CAR table in Section 2.4. All non-conformances identified are described on the level on criterion though reference to the specific indicator shall be noted. Criteria not evaluated are identified with a NE.

P & C	Conform ance: Yes/No/ NE	Findings	CAR OBS (#)
Principle 1: COMPLIANCE WITH LAWS AND FSC PRINCIPLES			
1.1	NE		
1.2	NE		
1.3	NE		
1.4	NE		
1.5	NE		
1.6	NE		
Principle 2. TENURE AND USE RIGHTS AND RESPONSIBILITIES			
2.1	NE		
2.2	Yes	BOF clearly supports and promotes a wide variety of customary and lawful uses of the forest. BOF has requested the input of federally-recognized and other indigenous groups in identifying cultural sites on BOF lands.	
2.3	NE		
Principle 3. INDIGENOUS PEOPLES' RIGHTS			
3.1	NE		
3.2	Yes	BOF has invited federally-recognized and other indigenous groups with a history in the area to participate in BOF's planning processes and to identify culturally important sites. The Eastern Delaware Nation has agreed to participate in BOF's Ecosystem Management Committee. There are no state forest lands adjacent to tribal lands or falling within watersheds that affect tribal lands.	
3.3	NE		
3.4	NE		
Principle 4. COMMUNITY RELATIONS AND WORKERS' RIGHTS			
4.1	Yes	BOF continues to offer a quality work environment for its staff and external entities working with BOF, as described by stakeholders. The current budget impasse and the potential results of that process are having an understandably negative effect on employee morale. BOF staff and its contractors are fully qualified to implement BOF's management plan. Given the state-wide distribution of BOF's lands, workers and goods are procured from within that area. BOF continues to support local economic development, including enhanced recreational opportunities. BOF clearly provides opportunities for staff and makes land available for forestry	

		education. BOF complies with legal requirements and expects its contractors to be in compliance. BOF staff continues to receive training in a variety of areas.	
4.2	Yes	BOF has a safety program for its employees. There is a written requirement in contracts for health and safety standards to be met. See also CAR 03/08 findings.  On the three active sites visited during the audit, two were mechanized operations where operators were in cabs. Operators described the appropriate safety equipment they utilized when required. The third operation was utilizing chainsaw operators where all safety equipment was in use, with the exception of eye protection ( <b>OBS 01/10</b> ). The operator understood the need for eye protection, but claimed they interfered with his vision. BOF's Timber Sale Inspection Report does not explicitly address the use of safety equipment ( <b>OBS 01/10</b> ).	<b>OBS 01/10</b>
4.3	NE		
4.4	Yes	BOF is involved in a variety of local and regional planning initiatives. The Citizens Natural Resource Advisory Committee (CNRAC), Recreation Advisory Committee (RAC) and Ecosystem Management Committee (EMAC) all have representation from across the Commonwealth, and include people with varied backgrounds. BOF has actively sought additional committee members and has offered membership to several indigenous groups. BOF notifies a wide array of stakeholders regarding its management activities, and has recently revised its procedures to include adjacent landowners and oil/gas lease holders (see CAR 01/08 findings). Stakeholder concerns are addressed during management planning. BOF has conducted consultation for the identification of cultural resources (see CAR 02/08 findings).	
4.5	NE		
<b>Principle 5. BENEFITS FROM THE FOREST</b>			
5.1	Indicator 5.1.a only.	BOF is facing potentially significant budget cutbacks (see Section 2.3 of this report), as well as potentially being forced to a greater reliance on timber and oil-gas lease proceeds from the forest to fund their management. While these budget issues have not yet been resolved, significant cutbacks could adversely affect BOF's ability to conform to the FSC Standard.	<b>OBS 02/10</b>
5.2	NE		
5.3	NE		
5.4	NE		
5.5	NE		
5.6	NE		
<b>Principle 6. ENVIRONMENTAL IMPACT</b>			
6.1	Indicator 6.1.d only.	While new DMAP areas were added, a number of districts which were already having trouble selling tags in existing DMAP areas due to inaccessible hunting conditions felt it would be poor timing to dilute an already scarce hunter resource over additional adjacent Wild or Natural Areas (example: Moshannon State Forest District DMAP Units # 1319 and 1323). Therefore, BOF has not sought additional DMAP permits in areas adjacent to areas where not all DMAP permits have been sold in recent years. See <b>OBS 03/10</b> .	<b>OBS 03/10</b>
6.2	NE		
6.3	No	Whole tree harvesting was being used in District 18 and very low levels of woody debris were observed by the audit team. PA has	<b>CAR 01/10</b>

		<p>guidelines for retaining woody biomass in harvest operations, but field staff were not aware of or using guidelines for retaining woody debris on harvest sites. The information was verbally discussed by Harrisburg staff with the District but not included in the project proposal or harvest contract. See <b>CAR 01/10</b>.</p> <p>Retention of live trees and other vegetation in even-aged harvests was below DCNR targets on some harvests reviewed (notably District 18). See <b>OBS 04/10</b>.</p> <p>Field evidence indicated conformance with other elements of Criterion 6.3 (regeneration and succession, maintenance of native species and age class diversity, and ecosystem processes).</p>	<b>OBS 04/10</b>
6.4	NE		
6.5	Yes	Excessive rutting and tree damage was observed on one site in District 18. See <b>OBS 05/10</b> . Protection of soils, water quality, and residual stands was otherwise in conformance with the Criterion.	<b>OBS 05/10</b>
6.6	Yes	BOF has procedures in place to exclude FSC-prohibited pesticides from use on BOF lands. Application records for 2009 were reviewed by the auditors and confirmed that prohibited pesticides were not used. See also CAR 06/08 findings. In addition to targeted pesticide use for the control of invasive species and undesirable vegetation, BOF utilizes prescribed fire, biological control agents, and diverse stand structures across the forest to reduce pest issues. Chemical vegetation control is often more cost-effective than prescribed fire. Prescriptions and strategies are written for pertinent pests and control activities. Hard copy and digital records are kept for chemical applications. Applicators are trained and meet state requirements for applicators. Chemicals are applied according to label directions. Prescriptions and contracts require the use of appropriate personal protective equipment. Applications are targeted to achieve their desired effect while minimizing off-target impacts. BOF only aerially sprays for gypsy moth.	
6.7	Indicator 6.7.a only.	Consistent with the findings in BOF's assessment, loggers contacted during the audit do not have on-site spill kits. Several were only vaguely aware of the requirements for containing and remediating spills. BOF's stumpage sale contract requires: "Oil leaking or dripping from engines must be corrected as soon as possible." This omits a variety of other leaks possible during harvest operations (e.g., hydraulic oil leaks). On one active harvest area, machinery was observed leaking fluids from an axle and several older spills were observed. No attempt had been made by the logger to contain the active spill ( <b>CAR 02/10</b> ). BOF's Timber Sale Inspection form does not explicitly address hazardous materials leaks.	<b>CAR 02/10</b>
6.8	NE		
6.9	No	6.9.a. BOF has used several non-native plant species in their management. A complete list of recently-used non-natives was provided to the audit team. Examples include Norway spruce, pitch-loblolly pine hybrids, sawtooth oak in wildlife openings in cooperation with the National Wild Turkey Federation and the PA Game Commission (PGC), and seed mixes used for erosion control. BOF has reviewed the characteristics of these species and concluded that they are not invasive. BOF is developing a database to more effectively track the locations of non-native species that are used. In the past monitoring of planted areas has been informal, but a monitoring protocol has been developed as described in the	<b>CAR 03/10</b>

		<p>response to CAR 07/08.</p> <p>BOF reported that last year it planted 50 European black alder, as species on the DCNR list of invasive plants, in a gravel pit. While BOF reports that the likelihood of the alder spreading is low on this type of site, the Standard only allows the use of non-native species that are known to be non-invasive. See <b>CAR 03/10</b>.</p> <p>6.9.b. BOF has an active program and guidelines for controlling invasive plants. Infestations are prioritized according to threat level, with new infestations of aggressive species are given the highest priority. A variety of techniques including broadcast spraying of herbicides, spot spraying, burning, and experimental biological controls are being used. Field staff were aware of and involved in invasive species management.</p>	
6.10	No	<p><b>6.10.a.</b> BOF converts some areas to non-forest use by developing gas wells where it owns the mineral and gas rights. Approximately 324 acres has been converted by PADCNR over the past 5 ½ years. This constitutes a “very limited portion” of the 2.14 million-acre FMU.</p> <p><b>6.10.b.</b> As of 2009 BOF has designated the entire forest as HCVF (see Principle 9). Thus the gas well conversions are occurring in HCVF. PADCNR has taken a conservative approach to designating HCVF and likely has placed more acres in HCVF than the minimum that would be required by the standard and under emerging guidance (the draft FSC-US HCVF Assessment Framework). Because conversions are only occurring in multiple use areas and do not appear to be threatening the HCVs of these areas at current rates of conversion, the risk of adverse impacts is considered to be low and thus a Minor, not a Major, CAR is warranted. See <b>CAR 04/10</b>.</p> <p><b>6.10.c.</b> At current rated of conversion the lease income gained from the gas well is beneficial to the BOF budget and thus is securing long-term benefits across the FMU, especially considering the overall state budget crisis. However, there is political pressure to significantly increase the number of wells which at some point could result in adverse impacts of gas development outweighing benefits. See <b>OBS 06/10</b>.</p>	<p><b>CAR 04/10</b></p> <p><b>OBS 06/10</b></p>
<b>Principle 7. MANAGEMENT PLAN</b>			
7.1	NE		
7.2	NE		
7.3	NE		
7.4	NE		
<b>Principle 8. MONITORING AND ASSESSMENT</b>			
8.1	NE		
8.2	NE		
8.3	NE		
8.4	NE		
8.5	NE		
<b>Principle 9. MAINTENANCE OF HIGH CONSERVATION VALUE FORESTS</b>			
9.1	Yes	BOF has conducted the required analysis for all SFL and documented the findings. Documentation reviewed by the audit team included:	

		<ul style="list-style-type: none"> <li>• “High Conservation Value Identification, Management, and Monitoring Processes within the State Forest System: A Corrective Action Request Response” (HCVF EMS1.doc), which is the primary response to CAR 08/08.</li> <li>• HCV Maps.pdf</li> <li>• Screen shot of HCV4 assessment tool</li> </ul> <p>The HCVF EMS1.doc analysis addresses each of the six High Conservation Values (HCV) potentially present and found that all are present on the forest (see Appendix V). The assessment process included appropriate data sources and range of stakeholders.</p>	
9.2	NE		
9.3	Yes	<ul style="list-style-type: none"> <li>• HCVF EMS1.doc describes management strategies to maintain the identified HCVs. These strategies were reviewed by the audit team and found to be appropriate to the identified HCVs. Field evidence from several HCVF sites indicated that the identified values were being maintained or enhanced.</li> <li>• BOF cooperates and participates with various state and federal agencies that own and manage other HCV areas (e.g., state parks, Allegheny National Forest). BOF is active on advisory committees regarding the planning and management of lands throughout Pennsylvania (e.g., Ecosystem Management Advisory Committee).</li> <li>• The State Forest Resource Management Plan Executive Summary has been amended to include a summary of the HCVF assessment process. The revisions reference HCVF EMS1.doc (“High Conservation Value Identification, Management, and Monitoring Processes within the State Forest System: A Corrective Action Request Response”) which details how the BOF will implement steps to maintain or enhance HCVs identified.</li> </ul>	
9.4	Yes	<p>Prior to formal designation of HCVs, BOF had a number of procedures in place that serve to monitor HCVs. The Bureau reviewed all of its monitoring procedures and identified those associated with each of the six HCVs. The procedures have been summarized in the document “PA BOF HCVF Monitoring Matrix.doc” (10-1-09). This process enabled BOF to clearly describe its annual monitoring procedures. The findings for CAR 10/08 describe in greater detail how each of the HCVs are monitored on an annual basis. The audit team found that the monitoring procedures demonstrate conformance with Criterion 9.4.</p>	
Principle 10. PLANTATIONS			
10.1	NE		
10.2	NE		
10.3	NE		
10.4	NE		
10.5	NE		
10.6	NE		
10.7	NE		
10.8	NE		
10.9	NE		

## APPENDIX IV: Chain-of-Custody Conformance (confidential)

**Note:** This CoC Appendix is used for FMEs only selling standing timber, stumpage, logs and/or chips produced within a FMU covered by the scope of the certificate. FME certificate scopes that include primary or secondary processing facilities shall include an evaluation against the full FSC CoC standard: FSC-STD-40-004 V2. Refer to that separate report Appendix.

### Definition of Forest Gate: (check all that apply)

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

Comments: The vast majority of timber is sold as stumpage during bid sales. BOF may also sell small quantities of dead timber commercially inoperable timber under firewood permits – in these cases the forest gate is the stump. Occasionally BOF cuts a small amount of timber during maintenance projects – in these cases the landing is the forest gate.

### Scope Definition of CoC Certificate:

Does the FME further process material before transfer at forest gate? <i>(If yes then processing must be evaluated to full CoC checklist for CoC standard FSC-STD-40-004 v2.)</i> <b>Note: This does not apply to on-site production of chips/biomass from wood harvested from the evaluated forest area.</b>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Comments:	
Is the FME a large scale operation (>10,000 hectares) or a Group Certificate? <i>(If yes then CoC procedures for all relevant CoC criteria shall be documented.)</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comments: See COC 1.3.	
Does non-FSC certified material enter the scope of this certificate prior to the forest gate, resulting in a risk of contamination with wood from the evaluated forest area (e.g. FME owns/manages both FSC certified and non-FSC certified FMUs)?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comments: See CoC 2.1 for findings.	
Does FME outsource handling or processing of FSC certified material to subcontractors (i.e. milling or concentration yards) prior to transfer of ownership at the forest gate? <i>(If yes a finding is required for criterion CoC 7 below.)</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Comments:	
Does FME purchase certified wood from other FSC certificate holders and plan to sell that material as FSC certified? <i>(If yes then a separate CoC certificate is required that includes a full evaluation of the operation against FSC-STD-40-004 v2.)</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Comments:	
Does FME use FSC and/or Rainforest Alliance trademarks for promotion or product labeling? <i>(If FME does not nor has no plans to use FSC/RA trademarks delete trademark criteria checklist below.)</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comments: FSC and Rainforest Alliance are used on the BOF website: <a href="http://www.dcnr.state.pa.us/Forestry/certification.aspx">http://www.dcnr.state.pa.us/Forestry/certification.aspx</a>	

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

<b>1. Quality Management</b>	
COC 1.1: FME shall define the personnel/position(s) responsible for implementing the CoC	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

control system.	
<b>Findings:</b> The primary person responsible for the COC system (Chief of Silviculture) has been identified in the written procedures.	
CO C 1.2: All relevant staff shall demonstrate awareness of the FME's procedures and competence in implementing the FME's CoC control system.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> Staff interviewed indicated awareness of the COC system and their responsibilities.	
CoC 1.3: FME procedures/work instructions shall provide effective control of FSC certified forest products from standing timber until ownership is transferred at the forest gate. <i>Note: For large scale operations (&gt;10,000ha) and Group Managers, CoC procedures covering all relevant CoC criteria shall be documented.</i> Including: a) Procedures for physical segregation and identification of FSC certified from non-FSC certified material. <b>(If applicable)</b> b) Procedures to ensure that non-FSC certified material is not represented as FSC certified on sales and shipping documentation. <b>(If applicable)</b> c) Procedures to include FME FSC certificate registration code and FSC claim (FSC Pure) on all sales and shipping documentation for sales of FSC certified products. d) Recordkeeping procedures to ensure that all applicable records related to the production and sales of FSC certified products (e.g. harvest summaries, sales summaries, invoices, bills of lading) are maintained for a minimum of 5 years. e) Procedures to ensure compliance with all applicable FSC/Rainforest Alliance/SmartWood trademark use requirements.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> All procedures listed above are found in the document "Chain-of-Custody Guidelines.doc."	

<b>2. Certified Material Handling and Segregation</b>	
CO C 2.1: FME shall have a CoC control system in place to prevent the mixing of non-FSC certified materials with FSC certified forest products from the evaluated forest area, including: a) Physical segregation and identification of FSC certified from non-FSC certified material. b) A system to ensure that non-FSC certified material is not represented as FSC certified on sales and shipping documentation.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
<b>Note: If no outside wood is handled by FME within scope of certificate, mark as N/A.</b>	
<b>Findings:</b> a) There is little to no risk of mixing at the landing; however, procedures specify that certified and non-certified wood must be separated. b) BOF occasionally arranges harvests for other state agencies that are not certified (e.g. Bureau of State Parks). Procedures require that contracts specify "Not FSC Certified" for such sales.	
CoC 2.2: FME shall identify the sales system(s) or "Forest Gate", for each FSC certified product covered by the Chain of Custody system: i.e. standing stock; sale from log yard in the forest; sale at the buyer's gate; sale from a log concentration yard, etc.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> The Chain of Custody Guidelines identify the Forest Gates used by the BOF, as described above.	
CoC 2.3: FME shall have a system that ensures that FME products are reliably identified as FSC certified (e.g. through documentation or marking system) at the forest gate.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Findings:</b> Sales contracts are used to identify FSC-certified wood. Timber sale contracts have included the certificate number; and the procedures specify that the words "FSC Pure" will be added to any new contracts. As this was a new procedure, at the time of the audit there were no contracts in force with this language.	
CoC 2.4: FME shall ensure that certified material is not mixed with non-FSC certified material at any stage, up to and including the sale of the material.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
<b>Note: If no outside wood is handled by FME within scope of certificate, mark as N/A.</b>	
<b>Findings:</b> See findings for CoC 2.1	

<b>3. Certified Sales and Recordkeeping</b>
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<p>COC 3.1: For material sold with FSC claim the FME shall include the following information on sales and shipping documentation:</p> <p>a) FME FSC certificate registration code, and</p> <p>b) FSC certified claim: FSC Pure</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>
<p><b>Findings:</b> See findings for CoC 2.3.</p>	
<p>One District Forester (non-bid) contract was reviewed (03-2009DO5). The contract was issued 8/13/09 but had the old SCS Certificate number. See <b>CAR 05/10</b>.</p>	
<p>CoC 3.2: FME shall maintain certification production and sales related documents (e.g. harvest summaries, invoices, bills of lading) for a minimum of 5 years. Documents shall be kept in a central location and/or are easily available for inspection during audits.</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>
<p><b>Findings:</b> BOF procedures require that records be kept for 7 years.</p>	
<p>CoC 3.3: FME shall compile an annual report on FSC certified sales for SmartWood containing monthly sales in terms of volume of each FSC certified product sold to each customer.</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>
<p><b>Findings:</b> Records of sales are maintained in digital form on BOF computers. Records of sales can be summarized and printed for any period or product desired.</p>	

<p><b>4. Outsourcing</b></p>	
<p>CoC 4.1: FME control system shall ensure that CoC procedures are followed at subcontracted facilities for outsourcing and FME shall collect signed outsourcing agreements covering all applicable FSC outsourcing requirements per FSC--40-004 v-2.0 <i>FSC Standard for Chain of Custody</i> November 2007.</p> <p><b>Note 1: If FME outsources processing or handling of FSC certified material the outsourcing report appendix is required.</b></p> <p><b>Note 2: Check N/A If FME does not outsource processing or handling of FSC material.</b></p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>
<p><b>Findings:</b> There is no outsourcing.</p>	

<p><b>5. FSC/Rainforest Alliance Trademark (TMK) Use Criteria</b></p>	
<p><b>Standard Requirement:</b></p> <p>The following section summarizes the FME's compliance with FSC and Rainforest Alliance trademark requirements. Trademarks include the Forest Stewardship Council and Rainforest Alliance/SmartWood names, acronyms (FSC), logos, labels, and seals. This checklist is directly based on the FSC labeling standard (FSC-STD-40-201 <i>FSC on-product labeling requirements</i> (version 2.0) and FSC-TMK-50-201 V1-0 <i>FSC Requirements for the Promotional Use of the FSC Trademarks by FSC Certificate Holders</i>. References to the specific FSC document and requirement numbers are included in parenthesis at the end of each requirement. (Rainforest Alliance Certified Seal = RAC seal).</p>	
<p><b>General</b></p>	
<p>COC 5.1: FME shall have procedures in place that ensure all on-product and off product FSC/Rainforest Alliance trademark use follows the applicable policies:</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>
<p><b>Findings:</b> BOF CoC procedures specify that any promotional claims be submitted to SmartWood for review. However, there are uses of the trademarks that have not received SW approval. See <b>CAR 06/10</b> and findings for COC 5.2 below.</p>	
<p>COC 5.2: FME shall have procedures in place and demonstrate submission of all FSC/Rainforest Alliance/SmartWood claims to SmartWood for review and approval prior to use, including"</p> <p>a) On-product use of the FSC label/RAC seal;</p> <p>b) Promotional (off-product) claims that include the FSC trademarks ("Forest Stewardship Council", "FSC", checkmark tree logo) and/or the Rainforest Alliance/SmartWood trademarks (names and seal)(50-201,2.3).</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>
<p><b>Findings:</b> BOF describes FSC certification on its Web site (see <a href="http://www.dcnr.state.pa.us/forestry/certification.aspx">http://www.dcnr.state.pa.us/forestry/certification.aspx</a> ) but did not get the use reviewed by SmartWood. See <b>CAR 06/10</b>.</p>	

At least one page on the BOF website (<http://www.dcnr.state.pa.us/forestry/timbersales/index.aspx>) still contains reference to SCS certification and code in various places and links. See **CAR 06/10**.

BOF does not use on-product labeling.

COC 5.3: FME shall have procedures in place and demonstrates that all trademark review and approval correspondence with SmartWood is kept on file for a minimum of 5 years (40-201, 1.10; 50-201, 2.4):

Yes  No

**Findings:** BOF COC procedures specify that approval correspondence with SmartWood is kept on file for a minimum of 5 years.

### **Off-product / Promotional**

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

Note: promotional use items include advertisements, brochures, web pages, catalogues, press releases, tradeshow booths, stationary templates, corporate promotional items (e.g., t-shirts, cups, hats, gifts).

When applicable to the FME's promotional/off-product use of the trademarks, the criteria below shall be met:

Yes  No

**Findings:** See COC 5.2. While the BOF's current use of the FSC trademark has not been approved by SW and is not in conformance with FSC trademark rules, BOF is in conformance with all items below (5.4-5.9).

COC 5.4: If the FSC trademarks are used for promotion of FMUs, FME shall limit promotion to FMUs covered by the scope of the certificate.

COC 5.5: In cases that the Rainforest Alliance trademarks are used (50-201, 13.1, 13.2):

- a) The FSC trademarks shall not be at a disadvantage (e.g., smaller size);
- b) The FSC checkmark tree logo shall be included when the RAC seal is in place.

COC 5.6: In cases that the FSC trademarks are used with the trademarks (logos, names, identifying marks) of other forestry verification schemes (SFI, PEFC, etc.), SmartWood approval shall be in place (50-201, 3.0).

COC 5.7: Use of the FSC trademarks in promotion of the FME's FSC certification shall not imply certain aspects are included which are outside the scope of the certificate (50-201, 1.6).

COC 5.8: Use of the FSC trademarks on stationery templates (including letterhead, business cards, envelopes, invoices, paper pads) shall be approved by SmartWood to ensure correct usage (50-201, 12.0).

COC 5.9: In cases that the FSC trademarks are used as part of a product name, domain name, and/or FME name, SmartWood approval shall be in place (50-201, 9.0, 10.0).

### **On-product**

**Check if section not applicable (FME does not, and does not plan to apply FSC labels on product)**

## APPENDIX V: FSC Annual Audit Reporting Form: (confidential)

<b>Forest management enterprise information:</b>			
<b>FME legal name:</b>	Pennsylvania Department of Conservation and Natural Resources, Bureau of Forestry		
<b>FME Certificate Code:</b>	SW-FM/CoC – 003821		
<b>Reporting period</b>	Previous 12 month period	<b>Dates</b>	1/1/2008 to 12/31/2008

<b>1. Scope Of Certificate</b>	
Type of certificate: single FMU	SLIMF Certificate: not applicable
<b>Annual Sales Information</b>	
Total Sales/ Turnover	\$31,060,914 US\$
Volume of certified product sold as FSC certified (i.e. FSC claim on sales documentation) (previous calendar year)	339,130 m3
Value of certified product sold as FSC certified (i.e. FSC claim on sales documentation) (previous calendar year)	\$28,946,349.00 US\$

<b>2. FME Information</b>	
<input type="checkbox"/> No changes since previous report (if no changes since previous report leave section blank)	
Forest zone	Temperate
Certified Area under Forest Type	Natural
- Natural	867,521 hectares
- Plantation	hectares
- Semi-natural, mix of plantation and natural forest	9483 hectares
Stream sides and water bodies	8105 Linear Kilometers

<b>3. Workers</b>	
Number of workers including employees, part-time and seasonal workers:	
Total number of workers	825 workers
- Of total workers listed above	725 Male      100 Female
Number of serious accidents	(102 required medical attention – largely tick bites)
Number of fatalities	0

<b>4. Forest Area Classification</b>	
<input type="checkbox"/> No changes since previous report (if no changes since previous report leave section blank)	
Total certified area	867,521 hectares
Total forest area in scope of certificate	867,521 hectares
Ownership Tenure	<b>State/Public ownership</b>
Management tenure:	<b>private management</b>
Forest area that is:	
Privately managed	hectares
State/Public managed	867,521 hectares
Community managed	hectares
Area of production forests (areas where timber may be harvested)	404,468 hectares
Area without <u>any</u> harvesting or management activities: strict forest reserves	463,053 hectares

<b>5. High Conservation Values identified via formal HCV assessment by the FME and respective areas</b>			
<input type="checkbox"/> No changes since previous report (if no changes since previous report leave section blank)			
Code	HCV TYPES <sup>1</sup>	Description: Location on FMU	Area
HCV1	Forest areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia).	Entire forest (except anthropogenic zones with facilities) is managed for this value	867,521 ha (2.14 million ac)
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.	Wild areas	68,103 ha (168,285 ac)
HCV3	Forest areas that are in or contain rare, threatened or endangered ecosystems.	Natural Areas and Old Growth Areas	4701,181 ha (1,161,282 ac)
HCV4	Forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).	Municipal Watersheds, Limited zone and riparian areas	387,224 ha (956,849 ac)
HCV5	Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).	Multiple resource Zone	447,487 (1,106,997 ac)
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).	All protected areas and all MC areas, PA Wilds, Pocono CLI, Allegheny Highlands, Wild and Scenic rivers (sums to all SFL)	867,521 ha (2.14 million ac)
<b>TOTAL HCVF AREA</b>			867,521 ha (2.14 million ac)
Number of sites significant to indigenous people and communities			0

<b>6. Highly Hazardous Pesticide Use</b>	
FME has a valid FSC derogation for use of a highly hazardous pesticide	<input type="checkbox"/> YES (if yes, fill in below) <input checked="" type="checkbox"/> NO
Number of FSC highly hazardous pesticides used in last calendar year	0
Liters of FSC highly hazardous pesticides	0 liters
Number of hectares treated with FSC highly hazardous pesticides	0 hectares

<sup>1</sup> The HCV classification and numbering follows the ProForest HCVF toolkit. The toolkit also provides additional explanation regarding the categories. Toolkit is available at <http://hcvnetwork.org/library/global-hcv-toolkits>.

## APPENDIX VI: SmartWood Database Update Form

**Instructions:** For each FSC certificate, SmartWood is required to upload important summary information about each certificate to the FSC database (FSC-Info). During each annual audit SW auditors should work with the certificate holder to verify that the information posted on FSC-Info is up to date as follows:

1. Print out current Fact Sheet prior to audit from FSC-Info website or direct link to fact sheets (<http://www.fsc-info.org>)
2. Review information with the FME to verify all fields are accurate.
3. If changes are required (corrections, additions or deletions), **note only the changes** to the database information in the section below.
4. The changes identified to this form will be used by the SW office to update the FSC database.

Is the FSC database accurate and up-to-date? YES  NO   
(if yes, leave section below blank)

### Client Information (contact info for FSC website listings)

<b>Organization name</b>			
<b>Primary Contact</b>		<b>Title</b>	
<b>Primary Address</b>		<b>Telephone</b>	
<b>Address</b>		<b>Fax</b>	
<b>Email</b>		<b>Webpage</b>	

### Forests

<b>Change to Group Certificate</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	<b>Change in # of parcels in group</b>	<b>total members</b>
<b>Total certified area</b>		<b>867,521 Hectares (or)</b>	<b>Acres</b>

### Species (note if item to be added or deleted)

Scientific name	Common name	Add/Delete

### Products

Product type	Description	Add/Delete