



**BUREAU
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**Bureau Veritas Certification
North America, Inc.
SFI Fiber Sourcing Audit Report**

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PQC Code	01E
Contract Number	US.1416503

Certification Audit:		Re-Certification Audit:		Surveillance Audit:	# 2	Scope extension audit:	
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Audit Summary

A surveillance audit of the fiber sourcing program at Bennett Lumber Products (BLP) was conducted on July 8-9, 2015. The audit was conducted by Gregory Bassler, Lead Auditor.

Audit Scope, Objectives and Process

The scope of the surveillance audit was “Wood procurement system supplying the Princeton, ID and Clarkston, WA sawmills”. The objective was to verify the effectiveness of the Bennett Lumber Products SFI Fiber sourcing program and conformance to the Requirements of the SFI 2015-2019 Standard. Objectives, Performance Measures and Indicators identified in the SFIS 2015-2019 Surveillance Audit Plan were the focus of the surveillance audit.

Audit Plan

The opening meeting of the audit was held at the Bennett Lumber Products, Inc. office in Princeton, ID on Wednesday, July 8, 2015. Halli Hemingway, Forestry/GIS Analyst; Tim Schaffer, Forester; and Tom Biltonen, Forestry Resource Manager were in attendance. The Lead Auditor, Gregory Bassler, introduced himself and reviewed the scope, objectives and audit plan. Non-conformances and the requirements for clearing them, opportunities for improvement, and notable practices were also discussed at the opening meeting. The closing meeting time was confirmed and was to be held at the Guy Bennett Lumber Clarkston, WA office on Thursday, July 9, 2015 at 4:30 PM.

The logistics of the audit plan were discussed and the sites confirmed for the field portion of the audit to be conducted the following day. The document review portion of the audit was conducted the first day immediately following the opening meeting. The audit plan is included in this report and is maintained on file by Bureau Veritas Certification.

Field files for each site were reviewed and used to determine effectiveness of the Bennett Lumber Products forest management system and process. The Objectives, Performance Measures and Indicators were all verified through a review of documents and field verification of sites to meet the intent of the SFI 2015-2019 Standard. A debriefing was conducted at the end of the first day by the Lead Auditor.

The surveillance audit was conducted under environmental auditing methodologies identified in the 2015-2019 Verification/Certifications Principles and Procedures document (SFI-V/CPP) and standard Bureau Veritas Certification protocols and forms were applied throughout the verification. Prior to the audit, the auditor selected sites in the Clarkston, WA and Princeton, ID mill sourcing areas to be sampled based on fiber sourcing activities conducted over the previous 12 months.

Company Information

Bennett Lumber Products, Inc. (BLP) owns two sawmill processing facilities: Bennett Lumber Products, Inc. in Princeton, ID and Guy Bennett Lumber Company in Clarkston, WA. Bennett Lumber Products produces quality dimension and board lumber. Logs are procured from fee lands, open market (gatewood) and purchased stumpage sales. The Clarkston, WA facility reopened a year ago after being closed the previous five years due to poor market conditions. The headquarters and corporate officers are located at the Princeton, ID facility.

Multi-Site Requirements

Bennett Lumber Products is a multi-site organization and has a central office or headquarters (Princeton, ID) at which certain activities are planned, controlled or managed. The Princeton, ID central office provides both sawmill facilities with information and guidance on activities. The scope and scale of activities are similar at both sites. Each facility operates under a common fiber sourcing system, policies and set of procedures that is managed and administered by the central office.

For multi-site certifications, a site sampling method is generally used. The number of sites to be audited is equal to the square of the number of sites x 0.8 for surveillance audits. A site sampling method was used and both sites plus headquarters are to be audited on an annual basis. Bennett Lumber Products continues to be in conformance with all multi-site requirements.

Multi-Site	X	Group Certification	
Sites		Sites Audited During this Event	
Princeton, ID (Central Office)		X	
Clarkston, WA		X	

Audit Results

A total of 2 fiber sourcing sites were visited during the field portion of the audit. No operations were active. The individual site harvest prescriptions were similar and consisted of seed tree/shelterwood.

Objective 1-Biodiversity in Fiber Sourcing:

BLP promotes biological diversity by providing information on their website (landowner resources) and in the Sustainable Forestry Handbook for Logging Contractors. BLP in participation with the Idaho SFI-SIC provided input to the Idaho Fish and Game in development of the Statewide Wildlife Action Plan (SWAP). Bennett Lumber also participates in and supports the annual Family Forest Landowner's Conference and Foresters Forum. No FECV has been identified within the operating area on private ownership. Some FECV has been identified on State and Federal Lands and are managed by those agencies.

Objective 2-Adherence to Best Management Practices:

Approximately 79% of the net volume delivered to BLP in 2014 was from Idaho Pro-Loggers. All contractors are required to comply with BMP's in their contracts. All log purchase contracts contain requirements to meet BMP's and Bennett Lumber Products procurement policies. BLP has a wet weather policy and relies on IDL FPA and BMP requirements. In Idaho, the Idaho Department of Lands (IDL) inspects many of the forest practices notifications that are taken out annually. Monitoring by the IDL is considered very robust and is relied upon for evaluation of BMP's throughout the State. Of the 144 total NIPF jobs last year, 62 were inspected by IDL for 43%. Of the 11 Fee land jobs, 7 were inspected for 45%. All jobs were satisfactory and all core contractors were inspected. Of the 144 total Bennett NIPF jobs last year, 62 were inspected by IDL for 43%. The IDL publishes an annual monitoring report that is used by BLP in conjunction with their own monitoring reports to identify potential areas of improvement. In Washington State, Bennett foresters from the Clarkston office conduct random field audits of their procurement system. Approximately ten percent of the sites are inspected. BLP foresters collect, review and summarize the field inspection reports to keep informed of BMP compliance.

Objective 3-Use of Qualified Resource and Qualified Logging Professionals:

Approximately 79% of the net volume delivered to BLP in 2014 was from Pro-Loggers. All Bennett Lumber logging contractors are trained and they strongly encourage all contractors delivering logs to the Bennett mills

to become trained. BLP maintains a complete list of all qualified loggers. The Idaho Pro-Logger list can also be found on the Associated Contract Loggers Association (ALC) and Washington Contract Logging Association (WCLA) websites.

Objective 4, Legal and Regulatory Compliance:

The Site Activity Plan/Report provides a defined system to address specific requirements to meet all applicable laws and regulations. Bennett Lumber utilizes site visits and follows BMP Procedures to ensure compliance. These visits and checklists note compliance with all laws and regulations. IDL regulatory staff monitor for regulatory compliance. No Forest Practices Notice of Violations was issued by the IDL against any of Bennett Lumber operations last year. Bennett Lumber commits to compliance with social laws as outlined in its employee handbook. No complaints were issued in 2014 against Bennett Lumber by its employees or subcontractors regarding the three ILO core conventions. The Employee handbook has policies on EEO and Harassment. The National Labor Relations Act (NLRA) covers most private-sector employers. All applicable policies were posted in the Bennett Lumber office and building entrance. Health and Safety requirements are met and requirements are posted in various locations as prescribed by law.

Objective 5, Forestry Research, Science and Technology:

Bennett Lumber Products is either involved with or provides financial support to various agencies for research. It is very active in a number of ventures being monitored by the Intermountain Forest Tree Nutrition Coop, USDA Forest Service and University of Idaho. This may involve collecting data, baseline direct funding, direct technical support covering research related to tree improvement, nutrient effect on future forest activities, and response to thinning – site type effects on stocking and density management. Bennett Lumber personnel are knowledgeable about climate change impacts on wildlife, wildlife habitats and conservation of biological diversity through national, regional or local programs. Bennett Lumber is monitoring and gathering information on climate models from the Climate Impacts Group. They provided data for a study that was released on the effects of forest management operations on forest carbon levels in the Moscow Mountain area.

Objective 6, Training and Education:

Bennett Lumber has a written statement of Commitment on their website and in their new spring 2015 Sustainable Forestry pamphlet. Staff is trained on their roles in the SFI program and several foresters are Pro-Logger trained. All are current on their first aid and safety training. Contractor representatives with frontline responsibilities are required to have qualified logging training. The Idaho Pro-Logger Program is the Idaho SIC qualified logger training for contractors and the Washington Contract Logger Association (WCLA) is the WA SIC qualified logger training for Washington.

Objective 7, Community Involvement and Landowner Outreach:

Bennett Lumber supports the Idaho SIC to inform the public on sustainable forestry. It also annual provides financial support for the Sustainable Forestry Teachers Tour. Bennett Lumber supports the Idaho Forest Products Commission which promotes the education program “Project Learning Tree”. It also provides and supports a variety of brochures and “Ask an Idaho Forester” which covers topics on wildlife, water, soil, forest products, trees and conservation. Bennett Lumber conducts numerous mill tours of both facilities for school kids. It is a member of the Idaho SIC which has a website where non-conforming practices can be reported and emailed to the SIC Chair. Bennett Lumber has a secretary receives any concerns or inquiries from the general public. No notices of inconsistent practices were received from any party in 2014.

Objective 8: Public Land Management Responsibilities: N/A

Objective 9, Communications and Public reporting:

The 2014 BVC Audit Report is posted on the SFI website. All records necessary for reporting to SFI are maintained electronically and were reviewed as part of this audit. The annual SFI Progress Report was submitted for 2014.

Objective 10, Management Review and Continuous Improvement:

The Princeton, ID central office conducts and maintains an internal audit program to review and monitor conformance of each facility. BLP conducts an internal SFI Performance Measures review and management review annually. Bennett Lumber Products has a good, reliable internal audit program and monitoring system carried out at headquarters to determine conformance at each facility and to implement corrective actions when appropriate. There is good coordination and communication between the central office and each facility. BLP collects information on FPA compliance for all sales and summarizes the information. BLP staff review

the SFI program annually and report findings to management.

Bennett Lumber Products did not have any substitution or modifications to any of the Indicators. A review of previous audits was conducted to verify the effectiveness of previous audit findings and to evaluate Bennett Lumber Product's past performance. There were no previous non-conformances and opportunities for improvement found in the surveillance audit conducted last year. There were no trends in the SFI implementation of the field audit or document review that would indicate that any particular area needs special attention. An SF 61 has been completed and contains specific information and audit notes.

Objective 11-Promote Conservation of Biological Diversity, Biodiversity Hotspots and High-Conservation Wilderness Areas: N/A

Objective 12-Avoidance of Controversial Sources including Illegal Logging: N/A

Objective 13-Avoidance of Controversial Sources including Fiber Sourced from Areas without Effective Social Laws: N/A

Findings

Previous non-conformances:

No previous non-conformances were identified during the 2014 surveillance audit.

Non-conformances:

No non-conformances were uncovered during the surveillance audit.

Opportunities for Improvement:

An opportunity for improvement is a process/activity/document that, while currently conforming, could be improved. No opportunity for improvement was issued during the surveillance audit.

Notable Practices:

No notable practices were observed during the surveillance audit.

Logo/label use:

Bennett Lumber Products uses the SFI logo on their website, sign and lumber wrap. All logo/label use is approved and in conformance with label/logo use requirements. Bennett Lumber Products, Inc. does not use the Bureau Veritas Certification logo.

SFI reporting:

A review of the SFI, Inc. website provided evidence that the previous audit of Bennett Lumber Products, Inc. SFI forest management and procurement program was submitted and posted as required for public notification.

Conclusions

The Closing Meeting of the surveillance audit was held Thursday afternoon, July 9, 2015. Halli Hemingway, Forestry/GIS Analyst; Dave Fritts, Forester; and Tom Biltonen, Forestry Resource Manager were in attendance. Lead Auditor Gregory Bassler presented and reviewed the audit findings. Confidentiality of the audit results was assured. Bennett Lumber Products, Inc. continues to meet the SFI requirements and has effectively implemented the 2015-2019 SFI Standards in their fiber sourcing operations. Bureau Veritas recommends continued certification.

SEE SF61 FOR AUDIT NOTES

Surveillance Audit Schedule

Date: Wednesday, July 8, 2015

Site: Princeton, ID

Time	Activity	Bureau Veritas Repr.	Company Repr.
08:00 AM	Arrive on Site	Bassler	
08:15 AM	Opening Meeting	Bassler	Halli Hemingway
08:30 AM	Begin document review of Objectives 1-15 of the SFI 2015-2019 Standard.	Bassler	Halli Hemingway
12:30 PM	Lunch		
01:00 PM	Begin field audit of selected sites	Bassler	Halli Hemingway/All
04:15 PM	Preparation for Daily Review Meeting	Bassler	
04:30 PM	Daily Debrief	Bassler	Halli Hemingway/All
05:00 PM	Depart from Site		

Date: Thursday, July 9, 2015

Site: Clarkston, WA

Time	Activity	Bureau Veritas Repr.	Company Repr.
07:00 AM	Arrive on Site	Bassler	
07:15 AM	Field audit of selected sites.	Bassler	Halli Hemingway/All
04:00 PM	Return to office, auditor prepare audit findings	Bassler	
4:30 PM	Closing meeting	Bassler	Halli Hemingway/All
5:00 PM	Depart from site	Bassler	

Summary of Audit Findings:									
Audit Date(s):		From: July 8, 2015				To: July 9, 2015			
Number of SF02's Raised:			Major:		0		Minor:		0
Is a follow up visit required:		Yes		No	X	Date(s) of follow up visit:			
Follow-up visit remarks:									
Team Leader Recommendation:									
Corrective Action Plan(s) Accepted		Yes		No		N/A	X	Date:	
Proceed to/Continue Certification		Yes	X	No		N/A		Date:	July 9, 2015
All NCR's Closed		Yes		No		N/A	X	Date:	
Standard audit conducted against:									
1)	SFI FS 2015-2019			3)					
2)				4)					
Team Leader (1):		Team Members (2,3,4...)							
Gregory Bassler, RAB EMS-LA		2)							
		3)							
		4)							
		5)							
Scope of Supply: (scope statement must be verified and appear in the space below)									
"Wood procurement system supplying sawmills in Princeton, Idaho and Clarkston, Washington"									
Accreditation's		ANAB							
Number of Certificates		2							
Proposed Date for Next Audit Event									
Date	July 2016								
Audit Report Distribution									
Client: Bennett Lumber Products, Inc.-Halli Hemingway, GIS/Forestry Analyst, halli@blpi.com									
BVC- Melanie Potts, Customer Service Representative, Melanie.Potts@us.bureauveritas.com									

Clause	Audit Report
Opening Meeting	<p>Participants: Halli Hemingway, Forestry/GIS Analyst; Tim Schaffer, Forester and Tom Biltonen,</p> <p>Discussions: Forestry Resource Manager were in attendance.</p> <ul style="list-style-type: none"> ➤ Introductions ➤ Scope of the audit ➤ Audit schedule/plan ➤ Nonconformance types – Major / Minor ➤ Review of previous non-conformances - 0. ➤ Process approach to auditing and audit sampling ➤ Confidentiality agreement ➤ Termination of the audit ➤ Appeals process ➤ Closing meeting timing
Closing Meeting	<p>Participants: Halli Hemingway, Forestry/GIS Analyst; Dave Fritts, Forester; and Tom Biltonen,</p> <p>Discussions: Forestry Resource Manager were in attendance.</p> <ul style="list-style-type: none"> ➤ Introductions and appreciation for selecting Bureau Veritas Certification. ➤ Review of audit process - process approach and sampling. ➤ Review of OFIs and System Strengths ➤ Non-conformances - 0 ➤ Date for next audit. ➤ Reporting protocol and timing



SF02/NA NONCONFORMITY REPORT

Company Name and Site:		<u>SF02#:</u>	
Contract #:	Type of audit (e.g., initial, surveillance):	Team Leader:	
Date:	Standard and Clause #:	Team Member:	
Major	Minor	Other Documents (if applicable):	Company Representative:
REQUIREMENT OF AUDITED STANDARD:			
OBSERVED NONCONFORMITY:			
ROOT CAUSE ANALYSIS AND CORRECTIVE ACTION PLAN (To be completed by the Company. Plan to be submitted in 30 days)			
Corrective Action Plan Date:		Company Representative:	
Root Cause Analysis and Corrective Action			
Root Cause:			
Corrective Action Plan:			
ROOT CAUSE AND CORRECTIVE ACTION PLAN ACCEPTANCE REPORT (To be completed by Bureau Veritas Certification – Verify effective identification of Root Cause and acceptance of Corrective Action Plan)			
Root Cause:			
Corrective Action Plan:			
Plan Accepted:	Yes	No	Comments:
Auditor:			Date:
CORRECTIVE ACTION IMPLEMENTATION To be completed by Company – Provide objective evidence. Not to exceed: 90 Days <input type="checkbox"/> 1 Year <input type="checkbox"/>			
Corrective Action Completion Date:		Company Representative:	
Corrective Action Implementation:			
Method used to verify effectiveness of action taken:			
CORRECTIVE ACTION IMPLEMENTATION ACCEPTANCE REPORT (To be completed by Bureau Veritas Certification – Acceptance of Corrective Action taken)			
Accepted:	Yes	No	Nonconformance Closed: Yes No
Follow Up Comments:			
Auditor:			Date: