



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

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Company Name	Southern Veneer Products
Contact Person	Andrew Weeks
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PQC Code	E01E Forestry & Logging Related Service Activities
Contract Number	US.2061797

Certification Audit:		Re-Certification Audit:		Surveillance Audit:	#1	Scope extension audit:	
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Audit Summary				
Introduction				
<p>This report summarizes the results of the surveillance audit conducted on Southern Veneer Product’s (SVP) SFI program for fiber sourcing. Steve Tomlin, Bureau Veritas Certification Lead Auditor, conducted the audit April 14 and 15, 2016.</p>				
Audit Scope, Objectives and Process				
<p>The scope of the audit is “Wood Procurement”, and the audit was conducted against the SFI 2015-2019 Fiber Sourcing Standard Objectives 1, 2, 5, 6, 7, 9 and 10. The objective of the audit was to verify that the Program Participant’s SFI Program is in conformance with the applicable SFI Objectives, Performance Measures, and Indicators, and verify whether the Program Participant has effectively implemented its SFI Standard program requirements on the ground. There was no substitution, modification or addition of indicators. Bureau Veritas Certification protocols and forms were applied throughout the audit as provided by the most recent version of the Bureau Veritas Certification (BVC) SFI Auditor Handbook and BVC auditor resource website.</p>				
Audit Plan				
<u>Date: April 14</u>				
Time		Activity	BVC Repr.	Company Repr.
08:00	AM	Arrival, introductions, and logistics	Tomlin	Weeks
08:30		Opening Meeting		
09:00		Field audit tract selections		
09:30		Document & record review and interviews		
12:00		Lunch		
01:00	PM	Field Audits		
04:30		Daily debrief		
05:00		Depart site		
<u>Date: April 15</u>				
Time		Activity	BVC Repr.	Company Repr.
08:00	AM	Field Audits continued	Tomlin	Weeks
11:00		Debrief, issue resolution, document requests		
11:30		Closing Meeting		
12:00	Noon	Depart site		

Company Information

Southern Veneer Products is a manufacturer of yellow pine plywood, veneer, and landscaping timbers, with by-products of cores, chips and bark. SVP was founded in 1998, and is located in rural South-Central GA in Ben Hill county. It is a family business owned and operated by Kendall and Tammy Adams. It has no land ownership. All wood fiber is obtained by SVP wood buyers through a system of wood dealers. SVP does not directly purchase any stumpage from landowners. Their wood procurement basin is South Georgia, occasionally ranging farther into Georgia and Northern Florida.

Audit Results

Document and record reviews accompanied by interviews were conducted to determine if Southern Veneer Products' system meets the requirements of the SFI 2015-2019 Fiber Sourcing Standard. A field audit of six harvest tracts purchased through SVP's wood dealer system was performed to confirm SFI program implementation and conformance. These tracts were located in Irwin, Berrien, Ware and Appling counties, Georgia. They were all final harvests from which SVP received the pine logs, with the other timber going to different markets. Corrective actions for two minor nonconformances issued during the 2015 audit were reviewed and the nonconformances were closed.

Objective 1 - Biodiversity in Fiber Sourcing: SVP does not directly purchase any logs from landowners, but depends on a stable wood dealer system. SVP has contacted its wood dealers in writing eliciting their support to promote and conserve biodiversity. They also request landowner contact information to enable SVP to provide additional information, with limited success. SVP is an active member of the GA SIC, which provides information directly to landowners across the state via a long-standing, successful, direct mail campaign. New biodiversity information has been developed by the GA SIC (full packet complete, tri-fold a future project). Weeks is merit badge counselor for the B.S.A. Forestry Merit Badge, and is a member of the GA SIC Landowner Outreach subcommittee. SVP distributed written information for landowner use to the local NRCS office and the Fitzgerald county GFC office. Also distributed at March, 2016 GFC sponsored landowner meeting.

Objective 2 - Adherence to Best Management Practices: Southern Veneer does not directly purchase stumpage. It monitors the activities of its wood dealers and their loggers through its on-site BMP monitoring program. SVP randomly selects tracts to visit from loads arriving at the scale house. Monitoring results are summarized and discussed quarterly with the SVP owner and wood buyer to review performance and identify areas for improvement. Field audits were performed on six tracts. All were final harvests. BMP implementation generally good. A BMP violation involving harvesting to the edge of a perennial stream bank was discovered by the monitoring program and properly addressed with documented corrective actions. SVP Purchase Orders require the use of BMPs. Wood Procurement Policy letters have been sent to wood suppliers.

Objective 3 – Use of Qualified Resource and Qualified Logging Professionals: Not audited.

Objective 4 – Legal and Regulatory Compliance: Not audited

Objective 5 - Forestry Research, Science and Technology: University contribution information for forestry research to improve forest health, productivity and environmental benefits of forest products was reviewed and is sufficient to meet the requirements of this objective. No research on genetically engineered trees was performed or participated in. SVP is a member of the Georgia Forestry Association and the GA SIC. SVP reviews climate change model information and data posted on the EPA web site and other sources to learn about potential long-term impacts on forest health,

productivity, economic viability, wildlife, wildlife habitats and conservation for biological diversity. It has determined that its current operations have a negligible impact.

Objective 6 - Training and Education: The SVP Policy Statement on the SFI Program has been reviewed since the previous audit by all applicable employees. Affected employees know and understand their roles and responsibilities. The fiber procurement staff is Master Timber Harvester trained and current on the training database. Training was confirmed for all loggers randomly selected for field audits. Purchase orders require logging professionals to have completed training meeting SFI requirements. The Georgia Master Timber Harvester program requires 12 hours continuing education every two years. A certified logger program does not exist in GA

Objective 7 - Community Involvement and Landowner Outreach: SVP is an active member of the GA SIC and is current on its assessments. SVP also serves on the SIC Landowner Outreach sub-committee. SVP is an active member of the Georgia Forestry Association, which promotes the conservation of managed forests and provides information on credible conservation planning efforts. The GA landowner brochure encourages certification, and is distributed to landowners by the SVP timber buyer. SVP is significantly involved in the local community. Examples include a plant tour and sustainable forestry discussion for the Boy Scouts of America (BSA), the Community Bank of Fitzgerald Junior Board of Directors, the Wiregrass Technical College, and Career Education Teachers and Booster Club from the Fitzgerald High School.

Objective 9 - Communications and Public Reporting: The SVP 2015 audit report meeting the requirements of this objective was posted on the SFI, Inc. website. The 2015 annual progress report to SFI, Inc. was submitted in a timely manner, but no copy or record of the report was kept, resulting in a minor nonconformance. All other past reports were maintained along with reporting files adequate for the accumulation of information for this report.

Objective 10 - Management Review: SFI program monitoring records and information are compiled and maintained by the SVP SFI Coordinator. Documented management review meetings were held four times since the last audit. The audit confirmed this to be an adequate system for evaluating the effectiveness of the SVP's SFI program and identifying areas for continual improvement.

Findings

Previous non-conformances:

1. SFI 2015-2019 2.1.2 – Written agreements with wood suppliers did not require BMP compliance. This was corrected and revised purchase orders signed by wood suppliers. Corrective actions approved and nonconformance closed.
2. SFI 2015-2019 6.1.5 – Written agreements with wood suppliers did not require that professional wood producers be trained. This was corrected and revised purchase orders signed by wood suppliers. Corrective actions approved and nonconformance closed.

Non-conformances:

One minor non-conformance was issued against SFI 2015-2019 9.2.3. The 2015 SVP progress report to SFI, Inc. was submitted, but no copy was kept or accessible at the time of the audit. Refer to the SF02 Nonconformity Report for additional information.

Opportunities for Improvement:

No opportunities for improvement were identified.

Notable Practices:

There were no notable practices were issued during this audit.

Logo/label use:

Southern Veneer Products does not use the BVC logo. It uses the SFI logo on its web site, and the SFI Certified Sourcing label on its plywood. Product samples and SFI, Inc. approvals were reviewed.

SFI reporting:

The SFI website was checked and the previous audit report was posted.

Conclusions

Audit results indicate that Southern Veneer Products implements an SFI fiber sourcing program that meets the requirements of the SFI 2015-2019 Fiber Sourcing standard. The lead auditor recommended continued certification at the closing meeting on April 15, 2016 pending nonconformance corrective action plan acceptance, which was obtained on April 18, 2016. The corrective action plan implementation will be confirmed at or prior to the next surveillance audit in 2017. SVP should complete the Corrective Action Implementation section of the Nonconformity Report located at the end of this document, and submit them to the Lead Auditor for final closure.

Update 6/9/2016 – The non-conformance was satisfactorily closed and the Team Leader Recommendation section below and the SF02 at the end of this report updated.

SEE SF61 FOR AUDIT NOTES

Summary of Audit Findings:									
Audit Date(s):		From: 4/14/2016				To: 4/15/2016			
Number of SF02's Raised:			Major:		Minor:		1		
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	X	No		N/A		Date:	4/18/2016
Proceed to/Continue Certification		Yes	X	No		N/A		Date:	4/18/2016
All NCR's Closed		Yes	X	No		N/A		Date:	6/9/2016
Standard audit conducted against:									
1)	SFI 2015-2019 Fiber Sourcing			3)					
2)				4)					
Team Leader (1):		Team Members (2,3,4...)							
Steve Tomlin RF, CF, EMS(LA)		2)							
		3)							
		4)							
		5)							
Scope of Supply: (scope statement must be verified and appear in the space below)									
Wood Procurement									
Accreditation's		ANAB							
Number of Certificates		1							
Proposed Date for Next Audit Event									
Date		April 12-14, 2017							
Audit Report Distribution									
Dawn M. Komnick - dawn.komnick@us.bureauveritas.com									
Andrew Weeks - pvtandrew_weeks@hotmail.com									

Clause	Audit Report
Opening Meeting	Participants: Andrew Weeks – SFI Coordinator Discussions: <ul style="list-style-type: none"> ➤ Introductions ➤ Scope of the audit ➤ Audit schedule/plan ➤ Nonconformance types – Major / Minor ➤ Review of previous nonconformances – 2. ➤ Process approach to auditing and audit sampling ➤ Confidentiality agreement ➤ Termination of the audit ➤ Appeals process ➤ Closing meeting timing
Closing Meeting	Participants: Andrew Weeks – SFI Coordinator Discussions: <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 ➤ Nonconformances - 1 ➤ Date for next audit. ➤ Reporting protocol and timing



SF02/NA NONCONFORMITY REPORT

Company Name and Site:		<u>SF02#:</u>	
Southern Veneer Products		1	
Contract #:	Type of audit (e.g., initial, surveillance):	Team Leader:	
US.2061797	Surveillance #1	Steve Tomlin	
Date:	Standard and Clause #:	Team Member:	
4/30/2015	SFI 2015-2019 Fiber Sourcing 9.2.3		
Major	Minor	Other Documents (if applicable):	Company Representative:
	X		Andrew Weeks
REQUIREMENT OF AUDITED STANDARD:			
Maintenance of copies of past reports to document progress and improvements to demonstrate conformance to the SFI 2015-2019 Fiber Sourcing Standard.			
OBSERVED NONCONFORMITY:			
The 2015 progress report submitted to SFI, Inc. was not kept by SVP or available during the audit.			
ROOT CAUSE ANALYSIS AND CORRECTIVE ACTION PLAN (To be completed by the Company. Plan to be submitted in 30 days)			
Corrective Action Plan Date:	4/18/2016	Company Representative:	Andrew Weeks
Root Cause Analysis and Corrective Action			
Root Cause: Transition to the on-line report submission method and not realizing that reports were not currently accessible on-line resulted in no hard copy being maintained. Corrective Action Plan: Obtain copy of the 2015 report from SFI, Inc., and maintain local electronic or hard copies of future reports.			
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: Cause was easily identified, as described above. Corrective Action Plan: The proposed corrective action is sufficient for conformance.			
Plan Accepted:	Yes	X	No
Comments:	Will confirm that all reports are being maintained at or prior to the next audit.		
Auditor:	Steve Tomlin		Date: 4/18/2016
CORRECTIVE ACTION IMPLEMENTATION			
To be completed by Company – Provide objective evidence. Not to exceed: 90 Days <input type="checkbox"/> 1 Year <input checked="" type="checkbox"/>			
Corrective Action Completion Date:	6/9/2016	Company Representative:	Andrew Weeks
Corrective Action Implementation: The report was requested from SFI, Inc., and was received. Method used to verify effectiveness of action taken: A copy of the report was forwarded to the auditor.			
CORRECTIVE ACTION IMPLEMENTATION ACCEPTANCE REPORT (To be completed by Bureau Veritas Certification – Acceptance of Corrective Action taken)			
Accepted:	Yes	X	No
Nonconformance Closed:	Yes	X	No
Follow Up Comments:	none		
Auditor:	Steve Tomlin		Date: 6/9/2016