



**Bureau Veritas Certification
North America, Inc.
SFI Forest Management Audit Report**

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PQC Code	St. Charles Community, LLC
Contract Number	US2037243

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 first surveillance audit of St. Charles Community, LLC’s SFI program for forest management operations. Richard Boitnott, Bureau Veritas Certification Lead Auditor conducted the audit on November 1, 2016.</p>
Audit Scope, Objectives and Process
<p>The scope of the audit was “management of forest lands”. The audit was conducted against the SFI 2015-2019 Standard Forest Management Edition. Objectives 1-12, 14 and 15 were covered during the audit. There was no substitution or modification of indicators. Specifically, two objectives of the SFI audit were to verify that the Program Participant’s SFI Program is in conformance with the SFI Objectives, Performance Measures, and Indicators, and any additional indicators that the Program Participant chooses, and verify whether the Program Participant has effectively implemented its SFI Standard program requirements on the ground. Standard Bureau Veritas Certification protocols and forms were applied throughout the audit as provided by the most recent version of the Bureau Veritas Certification SFI Auditor Handbook available on the auditor access website.</p>
Audit Plan
<p>The audit consisted of a ½ day review of system documentation at the St. Charles Community office in Waldorf Maryland the morning of November 1, followed by a ½ day field audit in the afternoon. A closing meeting was held at the end of the day on the 1st.</p>
Company Information
<p>St. Charles Community LLC is a property development company, which is developing the community of St. Charles Maryland, and owns the land being certified. Approximately 2,500 acres are included in the scope of its certification. The forest is primarily mixed hardwood, with scattered Virginia pine. Topography is rolling. Through its “Green Initiative” the Company is implementing environmentally sensitive community planning, building to the LEED standard and managing their forests to the SFI standard. Forest management activities and management of the SFI program are conducted by American Forest Management (AFM), a forestry consulting firm based out of Charlotte North Carolina, with a local office in Virginia.</p>

Multi-Site Requirements

N/A

Audit Results

The document review was conducted to determine if St. Charles' system documentation continues to meet the requirements of the SFI 2015-2019 Standard. The field audit consisted of a review of one partial harvest, the only activity that has occurred in the past year.

Objective 1-Forest Management Planning:

St. Charles has an inventory system in place. The property was cruised in 2009, and is cruised every 5 years afterwards. A new allowable cut was established following the current cruise done in 2014. The company uses FVS to grow the timber between cruises. Allowable cut is set to be no more than growth. A GIS is in place. Web Soil Survey provides soil mapping. Land classification is done using land form. Biodiversity at landscape scales is accomplished by mapping of cover types. The company harvested well below its allowable cut in 2016. The five year trend has been to harvest approximately 71% of growth.

St. Charles does not convert any forest cover types. St. Charles is prepared to inform its customers if it converts land to a non-forest use.

Objective 2-Forest Health and Productivity:

St. Charles does not practice artificial regeneration, and does not use chemicals. The one clearcut conducted since 2009 has been monitored and natural regeneration determined to be adequate. All other harvests have been partial cuts, with the goal of improving stand quality for future growth. The harvest operation observed during the audit provided evidence of protection of soil productivity. Virtually no erosion or compaction was observed.

Objective 3-Protection and Maintenance of Water Resources:

The one harvest operation observed during the audit demonstrated compliance with Maryland BMPs and implementation of plans to protect water quality. SMZs were very well established. No stream crossings were observed. Loggers operating on St. Charles land are properly trained. Logging contracts contain a requirement to comply with BMPs.

Objective 4-Conservation of Biological Diversity:

AFM has conducted a county-level review of potential FECVs that could occur on the property. No T&E species or FECVs are known to occur. St. Charles has retained a small stand of older timber that provides some measure of old-growth characteristics. AFM is aware of the potential invasive species that could occur on the property.

Objective 5-Management of Visual Quality and Recreational Benefits:

St. Charles is very concerned with visual quality, so aesthetics are considered during every forest was reported, and no green-up issues observed.

Objective 6-Protection of Special Sites:

St Charles has identified one special site on the property; a small stand of yellow poplar that provides

some old-growth characteristics.

Objective 7-Efficient Use of Fiber Resources:

The one partial harvest reviewed during the audit demonstrated effective utilization.

Objective 8: Recognize and Respect Indigenous People's Rights:

St. Charles a written policy to recognize and respect the rights of indigenous peoples. St. Charles's written policy contains a provision for being aware of traditional forestry related knowledge, and to respond to inquiries from indigenous peoples if it receives any. No federally recognized tribes are known to occur in Maryland

Objective 9-Legal and Regulatory Compliance: Not audited

Objective 10-Forestry Research, Science and Technology: Not audited

Objective 11-Training and Education:

Roles and responsibilities are outlined in the training and education procedure. Records verified training has occurred as required by the procedure. The training procedure also specifies contractors are to be qualified loggers. The only contract in place was written in 2014, so it still does not contain language requiring the use of qualified loggers.

Objective 12-Community Involvement and Landowner Outreach:

AFM's is a member of and financially supports the Maryland/Delaware SIC. AFM's support of the Maryland SIC includes the development and distribution of landowner information. The Maryland/Delaware SIC has developed a brochure that includes information on the conservation of biological conservation. St. Charles provided evidence of involvement in public educational efforts. The company has a communication procedure to handle complaints and feedback. It has not received any such communications relative to its certification program.

Objective 13: Public Land Management Responsibilities: N/A

Objective 14-Communications and Public Reporting:

St. Charles had posted its 2015 renewal audit report on the SFI, Inc. website as required for public review. The company produced evidence it submitted the 2015 SFI annual progress report in a timely manner.

Objective 15-Management Review:

AFM and St. Charles have a management review process in place. Management review minutes verified the meeting is held annually as required by the SFI Standard.

Findings

Previous non-conformances:

No non-conformances were issued during the previous audit.

Non-conformances:

No non-conformances were issued during this audit.

Opportunities for Improvement:

No opportunities for improvement were issued.

Notable Practices:

No notable practices were issued.

Logo/label use:

St. Charles has applied the logo on its timber sale permit document. The company has evidence it obtained approval for the SFI logo use. The company has not issued any new timber sale permits, so it has not been required to obtain any further approvals.

SFI reporting:

The 2015 SFI renewal audit report was found on the SFI, Inc. website as required for public review.

Conclusions

Since no non-conformances were issued, the lead auditor issued a recommendation for continued certification to the SFI 2015-2019 Standard Forest Management Edition.

SEE SF61 FOR AUDIT NOTES

Summary of Audit Findings:									
Audit Date(s):		From: November 1, 2016				To: November 1, 2016			
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:	11/1/2016
All NCR's Closed		Yes		No		N/A	X	Date:	
Standard audit conducted against:									
1)	SFIS 2015-2019 FM Edition			3)					
2)				4)					
Team Leader (1):		Team Members (2,3,4...)							
Richard Boitnott; CF, TX AF		2)							
		3)							
		4)							
		5)							
Scope of Supply: (scope statement must be verified and appear in the space below)									
Management of forest lands									
Accreditation's		ANAB							
Number of Certificates		1							
Proposed Date for Next Audit Event									
Date	Oct. 24, 2017								
Audit Report Distribution									
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Rick Larkin: rick.larkin@afmforest.com									
Dawn Komnick: dawn.komnick@us.bureauveritas.com									

Clause	Audit Report
Opening Meeting	<p>Participants: Rick Barnas (St. Charles Community) Fred Schatzki (AFM), Rick Larkin (AFM)</p> <p>Discussions:</p> <ul style="list-style-type: none"> ➤ Introductions ➤ Scope of the audit ➤ Audit schedule/plan ➤ Nonconformance types – Major / Minor ➤ Review of previous nonconformances - 0. ➤ Process approach to auditing and audit sampling ➤ Confidentiality agreement ➤ Termination of the audit ➤ Appeals process ➤ Closing meeting timing
Closing Meeting	<p>Participants: Fred Schatzki (AFM), Rick Larkin (AFM)</p> <p>Discussions:</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 ➤ Nonconformances - 0 ➤ Date for next audit. ➤ Reporting protocol and timing