

SUSTAINABLE FORESTRY INITIATIVE® Program
North Carolina State Implementation Committee
By-Laws
8/10/2011

A. MISSION:

The mission of the State Implementation Committee (the "SIC") is to provide oversight and administration of the SFI® Program within the State of North Carolina, as directed by SFI Inc.

B. OPERATION:

1. The North Carolina SIC operates under the rules and guidelines contained in the current SFI® Implementation Committee (SIC) Governance White Paper and as a committee of the North Carolina Forestry Association, ("NCFA") a non-profit North Carolina Corporation
2. The SIC operates as an overall planning and steering committee in accordance with the rules set forth in these By-Laws. Normal parliamentary rules (Roberts Rule of Order) are used in conducting meetings. The SIC may establish subcommittees to work on specific aspects of our mandate from SFI Inc.
3. The SIC will have 4 regular meetings each year, typically one meeting in each quarter. Special meetings can be called by the Chairman, to address particular issues.

C. MEMBERSHIP:

1. Membership of the SIC shall consist of the following:
 - a. **SFI Certified Program Participant:** A forest landowner, forest land manager, primary or secondary forest products producer operating in the United States or Canada who participates in the SFI program through a contractual agreement to abide by the SFI 2010-2014 Standard, and who has been certified by an accredited SFI certification body to be in conformance with the SFI 2010-2014 standard. Each SFI Program Participant operating in North Carolina and paying its annual assessment to the SIC is entitled to one SIC member.
 - b. **SFI Program Participant:** A forest landowner, forest land manager, primary or secondary forest products producer operating in the United States or Canada who participates in the SFI program through a contractual agreement to abide by the SFI 2010-2014 Standard. Program participants cannot use the SFI on-product label or make claims their products are certified. Each SFI Program Participant operating in North Carolina and paying its annual assessment to the SIC is entitled to one SIC member.
 - c. **SFI Supporters:** Each of the following organizations or stakeholder groups are entitled to one standing SIC membership:
 - i. The North Carolina Forestry Association Safety Logging & Transportation Committee
 - ii. The North Carolina Tree Farm Committee
 - iii. The North Carolina Chapter of the Association of Consulting Foresters
 - iv. North Carolina State University Forestry Extension
 - v. North Carolina Society of American Foresters
 - vi. North Carolina Division of Forest Resources

- vii. North Carolina State University Department of Forestry and Environmental Resources
 - viii. North Carolina Forestry Association
 - ix. North Carolina Association of Professional Loggers
 - d. **Others:** Other NC SIC members may be approved by a two-thirds majority of SIC SFI Certified Program Participants and SFI Program Participants.
2. All SFI Certified Program Participants and SFI Program Participants annual dues must be paid to NC SIC checking account.
 3. Roster of SFI Certified Program Participants and SFI Program Participants will be reviewed and approved by the Chair before the 4th Quarter meeting to determine the following year Participant voting rights.
 4. SFI Certified Program Participants and SFI Program Participants will vote on **Supporters** and **Others** on an as needed basis at regularly scheduled SIC meetings. Memberships for **Supporters** and **Others** must be approved by a two-thirds majority.

D. VOTING:

1. SIC SFI Certified Program Participants and SFI Program Participants are entitled to one vote on all motions, including expenditures, brought before the SIC.
2. SIC SFI Certified Program Participants and SFI Program Participants may designate a proxy vote, and this will be so noted in the meeting minutes.
3. SIC SFI Certified Program Participants and SFI Program Participants shall participate in the Annual Consumption/Ownership Survey and/or provide a written stated dues intent based on such methods by the 2nd quarter meeting date. Failure to do so will cause said participant's voting rights to be suspended until participation in said survey is complete.
4. All motions, including expenditures can be approved by SIC Committee provided a quorum exists.

E. OFFICERS AND PRINCIPAL DUTIES:

1. Chairman: the duties of the Chairman are to lead the SIC in meetings and to ensure the SIC functions within the Implementation Committee (SIC) Governance White Paper, the NCFAs By-Laws, and these By-Laws. The Chairman will be elected by the SIC SFI Certified Program Participants and the SFI Program Participants at the 4th quarter meeting in odd-numbered years and will serve a two year term beginning January 1st of even-numbered years.
2. Vice-Chairman: The duties of the Vice-Chairman are to act for the Chairman in his/her absence and to perform other duties as the Chairman or SIC may direct. A Vice-Chairman will be elected every two years by the SIC SFI Certified Program Participants and the SFI Program Participants at the 4th quarter meeting in odd-numbered years. The Vice-Chairman automatically succeeds the Chairman every two years with a term beginning on January 1st.
3. Treasurer: The duties of the Treasurer are to approve SIC expenses, write checks, track expenses, provide treasurer's report at SIC meetings and draft proposed budget. The Treasurer will have signature authority over the SIC's bank account. NCFAs staff will handle all deposits and provide the Treasurer with the monthly bank statement of deposit amounts only. The Treasurer will communicate with NCFAs staff on check balance issues. A Treasurer will be elected every two years by the SIC SFI Certified Program Participants and the SFI Program Participants at the 4th Quarter meeting in odd-numbered years and will serve a two year term beginning January 1st of even-numbered years.

4. Either the Chairman or Vice-Chairman is expected to attend the annual SFI Program Annual Conference and regional SIC meetings.
5. The Chairman, the Vice Chairman, and the Treasurer must be SIC SFI Certified Program Participants or SFI Program Participants doing business in the State of North Carolina.
6. The NCFA provides staff support to the SIC and will perform duties outlined by a Memorandum of Understanding between the SIC and the NCFA and reviewed annually.
7. Organizational chart is attached as "Exhibit A".

F. STANDING SUB-COMMITTEES OF THE SIC:

General: Rotation of sub-committee membership is to be determined by the SIC, or where appropriate the individual concerned or the shared sponsoring organization. Normally an individual should expect to serve a minimum of two years and the committee should seek to stagger membership terms to preserve operational continuity.

1. Training and Education Subcommittee

- a. The function of the Training and Education Sub-Committee is to increase the knowledge of forestry practitioners to implement sustainable practices on all forestlands.
- b. Membership of this sub-committee will be determined by the committee, but at a minimum should include the following or a representative:
 - i. NCFA director of logging and transportation
 - ii. the chair and co-chair of the NC SLTC
 - iii. NCSU extension
 - iv. NCAPL
 - v. NC Division of Forest Resources
 - vi. Others as determined by the NC SIC

2. Landowner Outreach Sub-Committee:

- a. The function of the Landowner Outreach Sub-Committee is to increase the amount of well managed and certified acres.
- b. Membership of this sub-committee will be determined by the committee, but at a minimum should include the following or a representative
 - i. Representative from the North Carolina State Tree Farm Committee,
 - ii. NC SAF
 - iii. NC Division of Forest Resources
 - iv. NCSU extension
 - v. Others as determined by the NC SIC

3. Informational Resources Sub-Committee:

- a. The function of the Information Resources Sub-Committee is to increase and improve SFI recognition
- b. Membership of this sub-committee will be determined by the committee, but at a minimum should include the following or a representative:
 - i. Director of communications from NCFA
 - ii. NC SAF
 - iii. Others as determined by the committee

4. Inconsistent Practices Sub-Committee:

- a. The function of this sub-committee is to establish, implement, and maintain an effective reporting and investigation process to address public concerns with implementation of the

SFI program in North Carolina. The Committee will deal with forestry practices inconsistent with SFI as prescribed in its Inconsistent Practices Policy.

- i. Procedure will be reviewed annually and be maintained as a separate document entitled "North Carolina Sustainable Forestry Initiative (SFI) Implementation Committee Procedure for Handling Inconsistent Practices".
- b. Membership of this sub-committee will be determined by the NC SIC.

5. Strategic/Grant Review Sub-Committee:

- a. The function of the Strategic/Grant Review Sub-Committee is to facilitate the establishment of short term and long term goals of the SIC as well as review grant proposals and make recommendations to the SIC as to which projects to fund.
- b. Membership of this sub-committee will include the following or a representative
 - i. SIC chair
 - ii. SIC vice chair
 - iii. SIC Treasurer
 - iv. Sub-committee chairs

6. Market Outreach/Recruitment Sub-Committee

- a. The function of the Outreach/Recruitment Sub-Committee is to increase demand for SFI certified products and promote wood product industry to become SFI Certified.
- b. Membership of this sub-committee will be determined by the NC SIC.

G. FINANCES AND BUDGETING:

The SIC obtains its principal funding from a dues assessment of SFI Certified Program Participants and SFI Program Participants doing business in the State of North Carolina. The Annual Consumption (NC only)/Ownership (NC only) survey (The Survey) will be sent by the Treasurer to all SFI Certified Program Participants and SFI Program Participants during the 1st quarter and all results will be sent to and collected by the NCFCA staff prior to the 2nd quarter meeting. NCFCA staff will provide the Treasurer with the combined summary of totals only from said Survey. Based on said Survey results the SIC officers will recommend a per unit dues assessment for approval by the SIC committee at the 2nd quarter meeting.

1. The SIC may solicit additional funding and in-kind support from other appropriate sources who are aligned with the Principles and Objectives of the SFI Program.
2. An annual budgeting process will be used:
 - a. The Chairman, Vice Chairman, Treasurer and the North Carolina Forestry Association Executive Vice President will prepare a SIC budget for the coming year and will submit the budget to the SIC committee prior to the 4th Quarter meeting. The budget will show clearly the sources of revenue. All expected expenditures will be detailed as line items in the budget.
 - b. The SIC Chairman will ensure that the budget is distributed to all SIC members prior to the 4th quarter SIC meeting.
 - c. The final SIC Budget will be discussed and approved by the SIC at the 4th Quarter SIC meeting and by the North Carolina Forestry Foundation Board at their December meeting. The SIC Budget requires joint approval by the SIC and the North Carolina Forestry Foundation.

- d. SFI Certified Program Participant and SFI Program Participants assessments will be invoiced and collected by NCFEA. SFI Certified Program Participants and SFI Program Participants will pay into NC SIC checking account. Funds designated for the SIC will be maintained in a separate bank account for the exclusive benefit of the SIC. NCFEA Staff will inform the Treasurer of the SIC checking account balance.
- e. Approved budgets establish authority for the Treasurer to make expenditures on behalf of the SIC.
- f. Normally, all expenditures must be approved by the committee prior to payment. However, the Chairman may direct the Treasurer to expend up to \$500 for non-budget items that come up between committee meetings. Those expenditures must be reviewed at the next committee meeting.
- g. The Chairman will appoint an Audit ad-hoc subcommittee at the 4th Quarter meeting each year to examine the accounting records of the committee for the prior year. That committee will report its findings by the first meeting of the following year.

H. AMENDMENTS:

These by-laws may be amended by a two-thirds majority vote of the SIC SFI Certified Program Participants and SFI Program Participants.

Exhibit A
Organizational Chart for NC SIC
August 2011

