



Cal-Tex Lumber Company, Inc. 2015 Public SFI Recertification Audit Report

The SFI Program of Cal-Tex Lumber Company, Inc. of Nacogdoches, Texas has demonstrated continuing conformance with the SFI 2015-2019 Standards and Rules, Section 3 Fiber Sourcing (SFIS3), according to the NSF SFIS3 Certification Audit Process.

NSF initially certified Cal-Tex Lumber Company, Inc. to the SFIS in June, 2009 and recertified them in 2012. This report describes the next Recertification Audit designed to focus on changes in the standard, changes in operations, the management review system, and efforts at continuous improvement. This audit included a detailed review of all of the applicable SFI requirements.

Cal-Tex Lumber Company, Inc. operates a sawmill in Nacogdoches, Texas procuring logs in east Texas and west Louisiana. The primary species produced is pine. Cal-Tex Lumber Company, Inc.'s SFI Program is managed by Randy Rice.

The Recertification Audit was performed by NSF on May 27-28, 2015 by Tucker Watts, Lead Auditor. Audit team members fulfill the qualification criteria for conducting SFIS Certification Audits contained in the Sustainable Forestry Initiative® Audit Procedures and Qualifications (SFI SOP). The objective of the audit was to assess continuing conformance of the firm's SFI Program to the requirements of the SFIS3.

The scope of the SFIS Audit included procurement operations. Procurement operations occurring in the past 12 months were reviewed to ensure that SFI Procurement Standards were met. In addition, SFI obligations to promote sustainable forestry practices, to seek legal compliance, and to incorporate continual improvement systems were within the scope of the audit.

The SFIS3 Standard® was used without modifying any requirements. Several of the SFI Indicators were outside of the scope of the company's SFI program and were excluded from the scope of the SFI Certification Audit as follows:

- Core Indicator 5.2.2 Research on genetically engineered trees
- Objective 8 Public land management responsibilities
- Objectives 11 - 13 Fiber Sourcing outside Canada and the US

No indicators were modified.

SFIS Recertification Audit Process

The review was governed by a detailed audit protocol designed to enable the audit team determine conformance with the applicable SFI requirements. The process included the assembly and review of audit evidence consisting of documents, interviews, and on-site inspections of ongoing or completed forest practices. Documents describing these activities were provided to the auditor in advance, and a sample of the available audit evidence was designated by the auditor for review.

The possible findings for specific SFI requirements included Full Conformance, Major Nonconformance, Minor Nonconformance, Opportunities for Improvement, and Practices that exceeded the Basic Requirements of the SFIS.

Overview of Audit Findings

Cal-Tex Lumber Company, Inc.'s SFI Program was found to be in full conformance with the SFIS Standard. One nonconformance was identified:

CI 5.1.1 Financial or in-kind support of research to address questions of relevance in the region of operations.

Cal-Tex Lumber Company has not supported or contributed to research.

No nonconformances were issued in the 2014 audit. The next Surveillance audit is scheduled for the week of May 23, 2016.

General Description of Evidence of Conformity

NSF's audit team used a variety of evidence to determine conformance. A general description of this evidence is provided below, organized by SFI Objective.

Objective 1. Biodiversity in Fiber Sourcing - To address the practice of sustainable forestry by conserving biological diversity.

Summary of Evidence – Review of records, interviews with landowners and participation in the State SIC.

Objective 2. Adherence to Best Management Practices - To broaden the practice of sustainable forestry through the use of best management practices to protect water quality.

Summary of Evidence – The Company requires all direct logging contractors working on purchased stumpage tracts to complete an SFI recognized training program. Direct logging contractors are also contractually obligated to follow the State BMPs. Field observations did not identify any BMP issues.

Objective 3. Use of Qualified Resource and Qualified Logging Professionals - To encourage forest landowners to utilize the services of qualified logging professionals, certified logging professionals (where available) and qualified resource professionals.

Summary of Evidence – Training records of selected personnel, records associated with harvest sites audited, and landowner interviews were the key evidence for this objective.

Objective 4. Legal and Regulatory Compliance -

Compliance with applicable federal, provincial, state and local laws and regulations.

Summary of Evidence – Field reviews of ongoing and completed operations were the most critical evidence. Regulatory organizations contacted included the State Forestry Commission.

Objective 5. Forestry Research, Science, and Technology - To support forestry research, science, and technology, upon which sustainable forest management decisions are based.

Summary of Evidence – Confirmed via review of records on file and interviews that the SFI team is aware of the effects of climate change of forest and wildlife and that the Company has funded forestry research.

Objective 6. Training and Education - To improve the implementation of sustainable forestry practices through appropriate training and education programs.

Summary of Evidence – Confirmed by the Company's financial and physical support of the State SIC and its development of education and logger training programs.

Objective 7. Community Involvement and Landowner Outreach - To broaden the practice of sustainable forestry through public outreach, education, and involvement and to support the efforts of SFI Implementation Committees.

Summary of Evidence – Confirmed by the Company's financial and physical support of the State SIC and its development of handouts for forest landowners.

Objective 9. Communications and Public Reporting - To broaden the practice of sustainable forestry by documenting progress and opportunities for improvement.

Summary of Evidence – Confirmed audit report was filed on time with SFI Inc. and that the Company maintains copies of previous reports.

Objective 10. Management Review and Continual Improvement - To promote continual improvement in the practice of sustainable forestry, and to monitor, measure, and report performance in achieving the commitment to sustainable forestry.

Summary of Evidence – The Company's SFI Team annually meets to review the Sustainable Forestry Policy and Procurement Program to evaluate their effectiveness and has a system for annually collecting, reviewing and reporting information addressing progress in achieving the SFI Standard.

Relevance of Forestry Certification

Third-party certification provides assurance that forests are being managed under the principles of sustainable forestry, which are described in the Sustainable Forestry Initiative Standard as:

1. Sustainable Forestry

To practice sustainable forestry to meet the needs of the present without compromising the ability of future generations to meet their own needs by practicing a land stewardship ethic that integrates reforestation and the managing, growing, nurturing and harvesting of trees for useful products and ecosystem services such as the conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics.

2. Forest Productivity and Health

To provide for regeneration after harvest and maintain the productive capacity of the forest land base, and to protect and maintain long-term forest and soil productivity. In addition, to protect forests from economically or environmentally undesirable levels of wildfire, pests, diseases, invasive exotic plants and animals and other damaging agents and thus maintain and improve long-term forest health and productivity.

3. Protection of Water Resources

To protect water bodies and riparian areas and to conform with forestry best management practices to protect water quality.

4. Protection of Biological Diversity

To manage forests in ways that protect and promote biological diversity, including animal and plant species, wildlife habitats, and ecological or natural community types.

5. Aesthetics and Recreation

To manage the visual impacts of forest operations, and to provide recreational opportunities for the public.

6. Protection of Special Sites

To manage lands that are ecologically, geologically or culturally important in a manner that takes into account their unique qualities.

7. Responsible Fiber Sourcing Practices in North America

To use and promote among other forest landowners sustainable forestry practices that are both scientifically credible and economically, environmentally and socially responsible.

8. Legal Compliance

To comply with applicable federal, provincial, state, and local forestry and related environmental laws, statutes, and regulations.

9. Research

To support advances in sustainable forest management through forestry research, science and technology.

10. Training and Education

To improve the practice of sustainable forestry through training and education programs.

11. Community Involvement and Social Responsibility

To broaden the practice of sustainable forestry on all lands through community involvement, socially responsible practices, and through recognition and respect of Indigenous Peoples' rights and traditional forest-related knowledge.

12. Transparency

To broaden the understanding of forest certification to the Fiber Sourcing Standard by documenting certification audits and making the findings publicly available.

13. Continual Improvement

To continually improve the practice of forest management, and to monitor, measure and report performance in achieving the commitment to sustainable forestry.

14. Avoidance of Controversial Sources including Illegal Logging in Offshore Fiber Sourcing

To avoid wood fiber from illegally logged forests when procuring fiber outside of North America, and to avoid sourcing fiber from countries without effective social laws.

Source: Sustainable Forestry Initiative® (SFI) Standard, 2015-2019 Edition

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