



**BUREAU  
VERITAS**

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

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PQC Code	EO1E

Contract Number:	US.1274879	Certification Audit:		Re-Certification Audit:		Surveillance: (Indicate visit # or Pre-Assessment)	#2
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**Audit Summary**

**Introduction**

This report summarizes the results of the second surveillance audit of H.W. Culp Lumber Company's fiber sourcing program for the New London, NC sawmill. Rick Larkin, Bureau Veritas Certification Lead Auditor conducted the audit on September 3 & 4, 2014.

**Audit Scope, Objectives and Process**

The scope of the audit was:

“The wood fiber procurement system for its New London, North Carolina sawmill.”

The audit was conducted against the 2010 – 2014 SFI Standard for a procurement only organization. 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.

The audit was conducted against objectives 8, 9, 10, Obj. 14, PM 14.1, Obj. 17, 19 & 20 of the SFI Standard applicable for a fiber sourcing only company.

**Audit Plan**

The audit began on September 3, 2014 at the New London, North Carolina office. An opening meeting was held and the objectives for the surveillance audit were outlined and the audit process for collecting evidence and making audit findings was explained. Findings of non-conformance and opportunities for improvement were also explained. The audit plan was discussed and agreed to, and the time and date of the closing meeting was also confirmed. There were no substitutions or modifications of SFI indicators.

A copy of the audit plan is maintained on file by Bureau Veritas Certification. 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.

## **Company Information**

H.W. Culp Lumber Company operates a pine sawmill producing dimensional lumber in New London, North Carolina and procures wood primarily from North Carolina, with minor amounts of wood coming from South Carolina and Virginia. The company purchases stumpage and receives gatewood (non-controlled stumpage) for the New London, NC sawmill.

## **Audit Results**

The document review was conducted to determine that H.W. Culp Lumber Company's system documentation continues to meet the requirements of the SFI 2010-2014 Standard. The field audit consisted of a review of five harvest sites which included 2 purchase stumpage tracts and 3 gatewood tracts.

**Objective 8 Landowner Outreach:** H.W. Culp Lumber Company provides a letter and a copy of "A Landowner's guide to Forestry in North Carolina" to all landowners from whom they purchased stumpage, unless the timber was sold by a consulting forester. H.W. Culp Lumber also make the Landowner's guide available to suppliers to distribute to landowners. Two of the H.W. Culp Lumber procurement staff are certified American Tree Farm Inspectors and encourage landowners to enroll in the Tree Farm Program.

**Objective 9 Use of qualified resource and qualified logging professionals:** H.W. Culp Lumber Company requires all timber harvesters delivering wood to the mill to have at least one person on each job trained and current in a SIC approved logger training program. H.W. Culp Lumber verifies logger training status on the NC and/or SC Forestry Association website. Both state forestry associations maintain an online logger training database.

**Objective 10 Adherence to Best Management Practices:** W.W. Culp Lumber Company completes a pre-harvest review for all purchased stumpage tracts, which considers stream crossings, SMZ's and other sensitive issues. The logger is required to complete a Post-Harvest Review which is monitored to look for problem areas and/or areas of improvement. H.W. Culp Lumber Company uses a consultant to review a sample of both gatewood and purchase stumpage tracts to verify BMP compliance. Additionally, Culp Lumber monitors BMP / FPG reports from NCFS and SCFC looking for loggers and wood dealers who deliver wood to the mill, looking for BMP and/or FPG violations. If a logger or wood dealer who delivers wood to the mill is on the list, Culp will check to see if wood from the tract was delivered to mill.

**Objective 14 Legal and Regulatory Compliance:** H.W. Culp Lumber Company maintains web links to applicable laws and regulations. H.W. Culp Lumber notifies the NCDNR when harvesting activities are completed on purchased stumpage tracts. All Notifications from the NCDNR show Culp Lumber purchased stumpage tracts are in compliance with NC BMPs.

**Objective 17 Community Involvement in the Practice of Sustainable Forestry:** H.W. Culp Lumber Company is an active member of the NC SIC and has assisted with the development of educational materials which are distributed to private landowners in North Carolina. Additionally, Culp Lumber sponsors or supports a variety of workshops, seminars, NCFE Forestry & Environmental Camps and other activities promoting sustainable forestry.

**Objective 19 Communications and Public Reporting:** Previous audit reports were posted on the SFI Inc. website. H.W. Culp Lumber Company completes the SFI annual report in a timely manner and maintains all required information for the annual report. Past copies of the annual report are maintained in the company files

Objective 20 Management Review and Continual Improvement: H.W. Culp Lumber company has a management review process to review commitments, programs and procedures to evaluate the effectiveness of the SFI Program. The results of the review are communicated to the owner of the company and mill management.

### **Findings**

**Previous non-conformances:**

No non-conformances were identified during the first surveillance audit.

**Non-conformances:**

No non-conformances were identified during the audit.

**Opportunities for Improvement:**

No opportunities for improvement were identified during the audit.

**Notable Practices:**

No notable practices were identified during the audit.

**Logo/label use:**

H.W. Culp Lumber Company is not using the SFI label or logo or the BVC logo.

**SFI reporting:**

The SFI Inc. website was reviewed on 9/3/2014 and the 2013 audit report was posted on the SFI Inc. website.

### **Conclusions**

Results of the audit indicate that H.W. Culp Lumber Company's SFI program meets all requirements of the 2010 – 2014 SFI Standard and is being effectively implemented. H.W. Culp does a very good job of implementing BMPs on controlled stumpage tracts. Additionally, H.W. Culp Lumber requires BMP compliance on open markets tracts and has suspended suppliers for BMP violations.

A closing meeting was held on September 4, 2014 at the New London, North Carolina office. The results of the audit were discussed and a recommendation for continued certification to the 2010 – 2014 SFI Standard was made.

### **Surveillance Audit Schedule**

The renewal audit will be conducted in late August or early September 2015.

**SEE SF61 FOR AUDIT NOTES**

Summary of Audit Findings:						
Audit Date(s):	From: September 3, 2014			To: September 4, 2014		
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		Date:		
Proceed to/Continue Certification	Yes	X	No	Date:	September 4, 2014	
All NCR's Cleared	Yes	No		Date:		
Standard audit conducted against:						
1)	SFI 2010 – 2014		3)			
2)			4)			
Team Leader (1):	Team Members (2,3,4...)					
Rick Larkin CWB	2)					
	3)					
	4)					
	5)					
Scope of Supply: (scope statement must be verified and appear in the space below)						
The wood fiber procurement system for its New London, North Carolina sawmill.						
Accreditation's	ANAB					
Number of Certificates	1					
Proposed Date for Next Audit Event						
Date	Late August or early September 2015					
Audit Report Distribution						
Ed Listerman	<a href="mailto:edlisterman@culplumber.com">edlisterman@culplumber.com</a>					
Melani Potts	<a href="mailto:melani.potts@us.bureauveritas.com">melani.potts@us.bureauveritas.com</a>					

Clause	Audit Report
Opening Meeting	Participants: Ed Listerman, Chris Charest, Bill Shaver, Dale Newport, Nick Gaddy Discussions: <ul style="list-style-type: none"> <li>➤ Introductions</li> <li>➤ Scope of the audit</li> <li>➤ Audit schedule/plan</li> <li>➤ Nonconformance types – Major / Minor</li> <li>➤ Review of previous nonconformances - 0.</li> <li>➤ Process approach to auditing and audit sampling</li> <li>➤ Confidentiality agreement</li> <li>➤ Termination of the audit</li> <li>➤ Appeals process</li> <li>➤ Closing meeting timing</li> </ul>
Closing Meeting	Participants: Ed Listerman, Chris Charest, Bill Shaver, Dale Newport, Nick Gaddy Discussions: <ul style="list-style-type: none"> <li>➤ Introductions and appreciation for selecting Bureau Veritas Certification.</li> <li>➤ Review of audit process - process approach and sampling.</li> <li>➤ Review of OFIs and System Strengths</li> <li>➤ Nonconformances - 0</li> <li>➤ Date for next audit.</li> <li>➤ Reporting protocol and timing</li> </ul>