



Hankins, Inc. SFI Summary Surveillance Audit Report

The SFI Program of the Hankins, Inc. of Ripley, Mississippi has achieved conformance with the SFI Standard®, 2010-2014 Edition, according to the NSF-ISR SFIS Certification Audit Process.

NSF-ISR initially certified Hankins, Inc. to the SFIS on October 18, 2009. This report describes the Surveillance Audit designed to focus on changes in the standard, changes in operations, the management review system, and efforts at continuous improvement. In addition, a subset of SFI requirements were selected for detailed review.

Hankins, Inc. is located in Ripley, Mississippi. The sawmill operations of Hankins, Inc. began production in January, 1989. Finished dry-kilned pine products produced includes boards, dimension lumber, and timbers. Logs for the Ripley Mill are procured in northeast Mississippi and southwest Tennessee. Hankins, Inc.'s SFI Program is managed by James Willingham.

The Surveillance Audit was performed by NSF-ISR on November 24-25, 2014 by an audit team headed by Keri Yankus, Lead Auditor. Audit team members fulfill the qualification criteria for conducting SFIS Certification Audits of "Section 9. SFI 2010-2014 Audit Procedures and Auditor Qualifications and Accreditation" contained in Requirements for the SFI 2010-2014 Program: Standards, Rules for Label Use, Procedures, and Guidance.

The objective of the audit was to assess conformance of the firm's SFI Program to the requirements of the Sustainable Forestry Initiative® Standard, 2010-2014 Edition.

The scope of the SFIS Audit included procurement operations from northeast Mississippi and southwest Tennessee. Procurement operations that were the focus of field inspections included those that have been conducted since the previous field audit conducted September, 2013. A sample of procurement operations since that time was also reviewed to ensure that SFI Procurement Standards were met. In addition, a subset of SFI obligations to promote sustainable forestry practices, to seek legal compliance, and to incorporate continual improvement systems were reexamined during the audit. Use of the SFI logo and the requirement to provide a public summary of audit reports were also reviewed.

As with the initial certification, several of the SFI Performance Measures were outside of the scope of the Hankins, Inc.'s SFI program and were excluded from the scope of the SFI Certification Audit as follows:

- Objective 1-7 – Hankins, Inc. does not own or control forestland
- Indicator 8.1.2 – Hankins, Inc. does not purchase stumpage
- Indicator 10.1.2 – Hankins, Inc. does not purchase stumpage
- Objective 11-13 – Hankins, Inc. does not procure fiber outside North America
- Indicator 14.2.2 – Hankins, Inc. does not employ hourly forestry employees
- Indicator 15.1.2 – Hankins, Inc. does not perform research or deploy trees derived from genetically improved planting stock or biotechnology
- Indicator 16.1.5 – Hankins, Inc. does not own land or control forestland
- Indicator 16.2.2 – Tennessee and Mississippi currently do not have a logger certification program
- Objective 18 – Hankins, Inc. does not have forest management responsibilities on public land

SFIS Surveillance 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.

During the audit NSF-ISR reviewed written documentation assembled to provide objective evidence of SFIS Conformance. NSF-ISR also selected field sites for inspection based upon the risk of environmental impact, likelihood of occurrence, special features, and other criteria outlined in the NSF-ISR SFI-SOP. NSF-ISR also selected and interviewed stakeholders such as contract loggers, landowners and other interested parties, and interviewed employees within the organization to confirm that the SFI Standard was understood and actively implemented.

The possible findings for specific SFI requirements included Full Conformance, Major Non-conformance, Minor Non-conformance, Opportunities for Improvement, and Practices that exceeded the Basic Requirements of the SFIS. Surveillance Audits generally focus on conformance issues and do not generally address exceptional practices.

Overview of Audit Findings

Hankins, Inc.'s SFI Program was found to be in full conformance with the SFIS Standard. There were no minor non-conformances to be reviewed by the NSF-ISR Audit Team. The NSF-ISR SFI Surveillance Audit Process determined that there was one new minor non-conformance and one OFI issued.

SFI Logo Use Minor Non Conformance:

SFI Logo used on finished dry-kilned pine products such as boards, dimension lumber, and timbers does not comply with SFI logo requirements. Under section 4 General Rules for use of the SFI on –Product Labels requires The SFI label identification number must be added under the SFI program website. The numbering system for the label users unique label ID is as follows: SFI-####.

OFI: There is an opportunity to improve the current data collection process used for SFI annual progress report. Indicator 19.2.2 requires recordkeeping for all the categories of information needed for SFI annual progress reports.

The next surveillance audit is scheduled for October 2015.

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 8. Landowner Outreach - To broaden the practice of sustainable forestry by forest landowners through fiber sourcing programs.

Summary of Evidence – Interviews with staff and stakeholders and review of programs offered (newsletters and brochures on file) were used to confirm these requirements.

Objective 9. Use of Qualified Resource and Qualified Logging Professionals - To broaden the practice of sustainable forestry by encouraging forest landowners to utilize the services of forest management and harvesting professionals.

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

Objective 10. 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 – Field observations and review of BMP monitoring records were the primary evidence used to assess adherence to BMPs.

Objective 14. 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. No regulatory issues were identified.

Objective 15. Forestry Research, Science, and Technology - To support forestry research, science, and technology, upon which sustainable forest management decisions are based.

Summary of Evidence – Financial records were confirmed for contributions to recipients for research support.

Objective 16. Training and Education -To improve the implementation of sustainable forestry practices through appropriate training and education programs.

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

Objective 17. Community Involvement in the Practice of Sustainable Forestry -

To broaden the practice of sustainable forestry by encouraging the public and forestry community to participate in the commitment to sustainable forestry, and publicly report progress.

Summary of Evidence – Mailing lists, agendas for meetings, and selected summaries of comments were sufficient to assess the requirements.

Objective 19. Communications and Public Reporting - To broaden the practice of sustainable forestry by documenting progress and opportunities for improvement.

Summary of Evidence – Reports filed with SFI Inc. and the SFI Inc. website provided the key evidence.

Objective 20. 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 – Records of program reviews, agendas and notes from management review meetings, and interviews with personnel from all involved levels in the organization were assessed.

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 with the conservation of soil, air and water quality, biological diversity, wildlife and aquatic habitat, recreation, and aesthetics.

2. Responsible Practices

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

3. Reforestation and Productive Capacity

To provide for regeneration after harvest and maintain the productive capacity of the forestland base.

4. Forest Health and Productivity

To protect forests from uncharacteristic and economically or environmentally undesirable wildfire, pests, diseases, and other damaging agents and thus maintain and improve long-term forest health and productivity.

5. Long-Term Forest and Soil Productivity

To protect and maintain long-term forest and soil productivity.

6. Protection of Water Resources

To protect water bodies and riparian zones.

7. Protection of Special Sites and Biological Diversity

To manage forests and lands of special significance (biologically, geologically, historically or culturally important) in a manner that takes into account their unique qualities and to promote a diversity of wildlife habitats, forest types, and ecological or natural community types.

8. Legal Compliance

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

9. Continual Improvement

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

Source: Sustainable Forestry Initiative® (SFI) Standard, 2010–2014 Edition

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