

## The Conservation Fund – 2016 SFI Public Summary Report

### Introduction

The SFI Program of The Conservation Fund of Chapel Hill, North Carolina has demonstrated conformance with the SFI 2015-2019 Standard and Rules, Section 2 – Forest Management Standard, according to the NSF Certification Process.

NSF International initially certified The Conservation Fund to the SFIS on July 1, 2007 and recertified the program in 2012 and in 2015, when organization was re-certified to the new SFI 2015-2019 Forest Management Standard requirements. This report describes the 2016 Surveillance Audit designed to review a subset of the requirements with a focus on changes in the standard, changes in operations, the management review system, and efforts at continuous improvement, all of which were subject to detailed review. The audit included a review of lands in California, Connecticut, Georgia and Vermont, comprising 8 of the 34 named properties making up the program.

### Program Background

The Conservation Fund's certified land base includes most portions of its Working Forest Fund, excluding lands slated for sale over the short term. All of the forestland will have working forest conservation easements to ensure long-term forest management and conservation. The fund is described in the Working Forest Fund Policy Digest:

*The Conservation Fund launched the Working Forest Fund in 2009 to address a major conservation challenge: the loss of America's last big forests. Over the next 20 years, according to the U.S. Forest Service, as much as 26 million acres of our forests will be sold, much of it broken into pieces and either developed or the mature trees heavily logged. As forests become fragmented, their ability to filter our water and air is compromised and there is less space for wildlife to live and migrate.*

*The Working Forest Fund is a dedicated source of conservation bridge capital that allows us to acquire and sustainably manage working forests with high conservation value, saving them from inappropriate development while working with our conservation partners to get land permanently protected. Support from foundations and private philanthropists makes this possible.*

The program's largest tracts are managed collectively as The North Coast Forest Conservation Program in California. 72,000 acres of working forestland in five major tracts located in the coastal portion of Mendocino and Sonoma Counties, California are included. These forests support second and third-growth stands of coastal redwood, Douglas-fir, pine, and related species, with some areas of oak prairie and pygmy cypress trees. The forests are generally well-roaded, blocked in, and provide an opportunity for demonstrating the conservation of aquatic and upland resources in a working-forest context.

*The Conservation Fund's California forest properties were acquired as part of the Fund's North Coast Forest Conservation Initiative, which is dedicated to the permanent protection and restoration of coastal forests in the Redwood Region of northern California. The strategic foundation for the Initiative is described in "Conservation Prospects for the North Coast" prepared in 2005 by The Conservation Fund for the California Coastal Conservancy. This study noted the extraordinary biological diversity and economic productivity of the coastal forests of the Redwood Region and recommended that conservationists "move quickly to establish 'working landscape' conservation management on large, strategically located forest .... Properties in Humboldt, Mendocino and Del Norte counties."*

*The Conservation Fund acquired the 23,785-acre Garcia River Forest in February, 2004. In October 2006, The Conservation Fund acquired an additional 16,100 acres in two tracts – the 11,707-acre Big River Forest and the 4,204-acre Salmon Creek Forest. In December 2011, The Fund acquired the 13,537 acre Gualala River Forest. The Fund acquired the 177 acre Hardell property, adjacent to Salmon Creek, in September of 2012. The Hardell property will be managed as part of the Salmon Creek tract. In 2013, the Fund acquired the 18,120 acre Buckeye Forest in Sonoma County. The Conservation Fund and its partners developed an Integrated Resource Management Plan (IRMP) for each acquisition to guide the management and restoration plan for these properties. Partners include the State Coastal Conservancy, Wildlife Conservation Board, State Water Board, North Coast Regional Water Quality Control Board, David and Lucile Packard Foundation, Nature Conservancy, and National Fish and Wildlife Foundation and Sonoma County Agricultural Preservation and Open Space District. These properties represent a collective capital investment of approximately \$120 million.*

*By acquiring these properties, the Fund and its partners hope to demonstrate that these large tracts of intensively managed coastal forest can gradually be returned to sustainable timber production and ecological vitality through*

*the use of innovative financing and patient management by a nonprofit organization in partnership with private and public agencies and community stakeholders.*

**Source:** North Coast Policy Digest 8/14/2015

Beyond California, the certified portions of the Working Forest Fund and other certified parcels consist of properties totaling 212,000 acres in Alabama, Connecticut, Georgia, Louisiana, Maine, Maryland, Mississippi, New Hampshire, New York, North Carolina, South Carolina, Texas, Virginia, Pennsylvania, Vermont, West Virginia, and Wisconsin.

The Conservation Fund’s SFI Program is managed by David Whitehouse, Forest Operations Manager.

The audit was performed by NSF in September, October, and November by an audit team headed by Mike Ferrucci, Lead Auditor supported by Walter Mark. Audit team members fulfill the qualification criteria for conducting audits contained in SFI 2015-2019 Standards and Rules, Section 9 - Procedures and Auditor Qualifications and Accreditation.

The objective of the audit was to assess conformance of the firm’s SFI Program to the requirements of the SFI 2015-2019 Standard and Rules, Section 2 – Forest Management. The scope of the audit included forest management operations. Forest practices that were the focus of field inspections included those that have been under active management over the planning period of the past 3 years. In addition practices conducted earlier were also reviewed as appropriate (regeneration and BMP issues, for example), SFI obligations to promote sustainable forestry practices, to seek legal compliance, and to incorporate continual improvement systems were also within the scope of the audit.

The SFI Standard was used without modifying any requirements. The following indicators are not applicable:

Number	Requirement	Reason
2.1.3.	Plantings of exotic tree species should minimize risk to native ecosystems.	No exotic tree species are planted.
2.1.5	Afforestation programs that consider potential ecological impacts of the selection and planting of tree species in non-forested landscapes.	There is no tree planting in non-forested landscapes.
2.5.1	Program for appropriate research, testing, evaluation and deployment of improved planting stock, including varietal seedlings.	No planting with improved stock.
8.2	Program Participants with forest management responsibilities on public lands shall confer with affected Indigenous Peoples with respect to sustainable forest management practices.	The Conservation Fund does not have forest management responsibilities on public lands.
10.1.2	Research on genetically engineered trees via forest tree biotechnology shall adhere to all applicable federal, state, and provincial regulations and international protocols ratified by the United States and/or Canada depending on jurisdiction of management.	The Conservation Fund is not engaged in research addressing genetic engineering of trees.
11.2.3	Participation in or support of SFI Implementation Committees to establish criteria for recognition of logger certification programs, where they exist	The Conservation Fund does not participate in an SFI Implementation Committees in states where there is a logger certification program.
Objective 13	To participate and implement sustainable forest management on public lands.	The Conservation Fund does not have management responsibilities for public lands.

**Audit Process**

NSF initiated the audit process with a Readiness Review to confirm the scope of the audit, review the SFI Indicators and evidence to be used to assess conformance, verify that the Company was prepared to proceed to the Certification Audit, and to prepare a detailed audit plan. NSF then conducted the Certification Audit of conformance to the SFI 2015-2019 Standards and Rules®, Section 2. A report was prepared and final approval was done by an independent Certification Board member assigned by NSF. Follow-up or Surveillance Audits are required by SFI, Section 9. The initial Surveillance Audit is scheduled for September 2016.

The audit was governed by a detailed audit plan designed to enable the audit team to efficiently determine conformance with the applicable SFI requirements. The plan provided for the assembly and review of audit evidence consisting of documents, interviews, and on-site inspections of ongoing or completed forest practices.

During the audit NSF reviewed a sample of the written documentation assembled to provide objective evidence of Conformance. NSF 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 protocols. NSF 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 of the audit included Full Conformance, Major Non-conformance, Minor Non-conformance, Opportunities for Improvement, and Practices that exceeded the Basic Requirements of the standard.

## Overview of Audit Findings

NSF found conformance with each indicator reviewed on the Georgia, Vermont, and North Coast California properties and determined that there were no non-conformances. As such, the Conservation Fund was found to be in overall conformance and the program was recommended for continued conformance to the SFI 2015-2019 Forest Management Standard.

## Opportunities for Improvement

There were three Opportunities for Improvement.

There is an Opportunity for Improvement in the management plans for 2 properties:

- The “Draft Buckeye Forest Integrated Resource Management Plan, January 26, 2016” has not been finalized.
- The “Garcia River Forest Integrative Resource Management Plan, August 2006” is due for an update.

SFI Indicator 1.1.1 requires, in part, “1.1.1. Forest management planning at a level appropriate to the size and scale of the operation”.

There is an Opportunity for Improvement in the clarity of criteria to address rutting during timber harvests.

SFI Indicator 2.3.5 requires “Criteria that address harvesting and site preparation to protect soil productivity.”

There is an Opportunity for Improvement in the clarity of the logging agreements in California regarding the use of qualified logging professionals.

SFI Indicator 11.1.5 requires that “Program Participants shall have written agreements for the use of qualified logging professionals and/or certified logging professionals (where available) and/or wood producers that have completed training programs and are recognized as qualified logging professionals.”

The “[Piper Feldman Gulch BR Logging agreement](#)” states that the “CONTRACTOR warrants that it is a Licensed Timber Operator (LTO) possessing a valid LTO license from the California State Board of Forestry.” This agreement does not specify the required training per the memo “California SFI® Implementation Committee Policy Regarding Qualified Logging Professionals”. Evidence was provided that the contractor, Robert Piper, who is a California LTO and is the only contractor for timber harvests, has taken some of the required SFI training.

## Exceptional Practices

NSF also identified the following areas where forestry practices and operations of The Conservation Fund exceed the basic requirements of the SFI Standard:

- 4.1.1. Program to incorporate the conservation of native biological diversity, including species, wildlife habitats and ecological community types at stand and landscape levels.

The Conservation Fund’s management at the stand and landscape-level are exemplary in the degree to which the conservation of native biological diversity is factored into all forest management actions.

- 4.1.5. Program to address conservation of known sites with viable occurrences of significant species of concern.

The Conservation Fund’s efforts to manage special sites and significant species of concern are exemplary.

- 4.1.6. Identification and protection of non-forested wetlands, including bogs, fens and marshes, and vernal pools of ecological significance.

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The Conservation Fund exceeds the standard by employing an exceptional efforts to identify non-forested wetlands and ensure their protection.

4.3.1. Use of information such as existing natural heritage data or expert advice in identifying or selecting ecologically important sites for protection.

The Conservation Fund exceeds the standard by conducting on-site surveys to select ecologically important sites for protection.

5.4.1. Provide recreational opportunities for the public, where consistent with forest management objectives.

The Conservation Fund exceeds the standard by providing public recreational opportunities throughout the forests it owns and manages.

12.1.3 Participation in efforts to support or promote conservation of managed forests through voluntary market-based incentive programs such as current-use taxation programs, Forest Legacy Program or conservation easements.

The Conservation Fund exceeds the standard through its leadership and implementation of many Forest Legacy Program or other conservation easements throughout the country, including closed deals in Maine, New Hampshire, Vermont, New York, Pennsylvania, and North Carolina.

12.2.1 Periodic educational opportunities promoting sustainable forestry

The Conservation Fund provides an exceptional level of public education and involvement related to sustainable forest management.

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## 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 Forest Management Planning

To ensure forest management plans include long-term sustainable harvest levels and measures to avoid forest conversion.

*Summary of Evidence:* The forest management plans for each property audited and supporting documentation and the associated inventory data and growth models were the key evidence of conformance.

### Objective 2 Forest Health and Productivity

To ensure long-term forest productivity, carbon storage and conservation of forest resources through prompt reforestation, afforestation, minimized chemical use, soil conservation, and protecting forests from damaging agents.

*Summary of Evidence:* Field observations and associated records were used to confirm practices. The Conservation Fund has programs for reforestation, for protection against insects, diseases, and wildfire, and for careful management of activities which could potentially impact soil and long-term productivity. Experienced professional foresters oversee all aspects of forest management.

### Objective 3 Protection and Maintenance of Water Resources

To protect the water quality of rivers, streams, lakes, wetlands and other water bodies through meeting or exceeding best management practices.

*Summary of Evidence:* Field observations of a range of sites were the key evidence. Auditors visited the portions of field sites that were close to water resources.

### Objective 4 Conservation of Biological Diversity

To manage the quality and distribution of wildlife habitats and contribute to the conservation of biological diversity by developing and implementing stand- and landscape-level measures that promote a diversity of types of habitat and successional stages, and the conservation of forest plants and animals, including aquatic species, as well as threatened and endangered species, Forests with Exceptional Conservation Value, old-growth forests and ecologically important sites.

*Summary of Evidence:* Field observations, written plans and policies, records showing programs and practices that support conservation of biological diversity, the use of college-trained field biologists, availability of specialists, and regular staff involvement in conferences and workshops that cover scientific advances were the evidence used to assess the requirements involved biodiversity conservation.

### Objective 5 Management of Visual Quality and Recreational Benefits

To manage the visual impact of forest operations and provide recreational opportunities for the public.

*Summary of Evidence:* Field observations of completed operations and policies/procedures for visual quality were assessed during the evaluation. Further maps of recreation sites, combined with field visits, helped confirm a strong recreation program.

### Objective 6 Protection of Special Sites

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

*Summary of Evidence:* Field observations of completed operations, records of special sites, training records, and written protection plans were all assessed during the evaluation.

### Objective 7 Efficient Use of Fiber Resources

To minimize waste and ensure the efficient use of fiber resources.

*Summary of Evidence:* Field observations of completed operations, contract clauses, and discussions with supervising field foresters provided the key evidence.

### Objective 8 Recognize and Respect Indigenous Peoples' Rights

To recognize and respect Indigenous Peoples' rights and traditional knowledge.

*Summary of Evidence:* A review of policies as well as programs to communicate with tribes were used to find conformance.

### Objective 9 Legal and Regulatory Compliance

To comply with applicable federal, provincial, state and local laws and regulations.

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**Summary of Evidence:** Field reviews of ongoing and completed operations were the most critical evidence. Professional foresters with training in laws and regulations plan and oversee all projects. No evidence of non-compliance with laws was found.

**Objective 10 Forestry Research, Science and Technology**

To invest in forestry research, science and technology, upon which sustainable forest management decisions are based and broaden the awareness of climate change impacts on forests, wildlife and biological diversity.

**Summary of Evidence:** In-kind support for research was confirmed by review of documents and by interviews.

**Objective 11 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 review of state training database provided confirmation of participation in training programs.

**Objective 12 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:** Outreach reports, agendas for meetings, and selected summaries of comments were sufficient to assess the requirements.

**Objective 13 Public Land Management Responsibilities**

To participate and implement sustainable forest management on public lands.

**Summary of Evidence:** N.A. The Conservation Fund does not have management responsibilities for public lands.

**Objective 14 Communications and Public Reporting**

To increase transparency and to annually report progress on conformance with the SFI Forest Management Standard.

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

**Objective 15. Management Review and Continual Improvement**

To promote continual improvement in the practice of sustainable forestry by conducting a management review and monitoring performance.

**Summary of Evidence:** Records of program reviews, agendas and notes from management review meetings, and interviews with personnel involved in management review were assessed.

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## 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 SFI Standard by documenting certification audits and making the findings publicly available.

**13. Continual Improvement**

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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**

*(Applies only to the SFI 2015-2019 Fiber Sourcing Standard)*

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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