

Sustainable Forestry Initiative®

Forest Management Audit Report

Minnesota Department of Natural Resources

Certificate # SCS-SFI-FM-00088N

*SFI 2022 Standards and Rules®, Forest Management
2nd Surveillance Audit*

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Public Summary Report

SFI® Forest Management Standard

SECTION A – PUBLIC SUMMARY

Foreword

This report of the results of your audit assessment is divided into two sections. Section A provides the public summary and background information that is required by the Sustainable Forestry Initiative®. Section A is made available to the public and is intended to provide an overview of the audit process, the management programs and policies applied to the forest, and the results of the audit. Section A will be posted on the SFI website and Section B contains more detailed results and information for required SFI record-keeping or for use by the Certified Organization.

Principles of SFI Forest Management

The SFI 2022 Standards and Rules® for Forest Management promotes sustainable forestry and includes measures to *protect water quality, biodiversity, wildlife habitat, species at risk and Forests with Exceptional Conservation Value.*

The 13 *SFI Principles* for Forest Management are:

1. **Sustainable Forestry:** To practice sustainable forestry to meet the needs of the present while promoting 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, climate change mitigation, 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 species 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, to meet the needs of both human communities and ecological systems.
4. **Protection of Biological Diversity:** To manage forests in ways that protect and promote biological diversity, including animal and plant species, wildlife habitats, ecologically important species and native forest cover 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 important, geologically or culturally important in a manner that takes into account their unique qualities.
 7. **Responsible Fiber Sourcing in North America:** To use and promote among other forest landowners sustainable forestry that is 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 Forest Management 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.
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General Information

Name, Contact, and Certificate Information

Organization Name: Minnesota Department of Natural Resources
Certification Representative: Adam James, Forest Certification Consultant
Phone Number 651-259-5256
Adam.james@state.mn.us

Address: 500 Lafayette Road
St. Paul, MN 55155-4040
Audit Dates: 26-28 September 2023
SFI Certificate Type Single

Summary Description of the Management Unit(s)

Description of Ownership: The scope of the certificate includes forest management on Minnesota DNR managed forestry lands, fisheries lands in Lake County, Land Utilization Project (LUP) lands, and wildlife lands except for the Prairie Province, including SFI 2022 Rules and Standards, Section 2- Forest Management Standard Objectives 1-17. Scientific and Natural Areas (SNAs) and State Parks are excluded. The SFI Forest Management number is SCS-SFI-FM-00088N.

Total Forest Area (Acres): 4,997,383 Acres

Description of Sites and Group Membership under Scope: Single site description Refer to description of ownership in above section.

Management Unit Maps: <https://www.dnr.state.mn.us/forestry/subsection/update.html>

Forest Types and Key Ecological Features: Forest Management Planning in Minnesota is based upon the seven (7) forested ecological sections of the state. Landscape level guidance is provided within each of the plans. Detailed information is contained within the link provided within the Management Unit Maps section.

Forest Management Planning: Section Forest Management Plans (SFMP) for each forested ecological region within the state of Minnesota are utilized as the basis for planning and guidance.

Sustainable Harvest Level Assessment: Sustainable Timber Harvest Analysis utilizes parameters developed at the ecological section scale to evaluate the effects of various harvest levels on natural

resources statewide over the long term (100 years). The Section Forest Resource Management Plans (SFRMPs) provide management guidance for many resource values at the ecological section scale, based on an assessment of the resources in the ecological section.

Monitoring Program Description: The DNR updates its forest inventory continuously, and that dataset is the basis for sustainable timber harvest level and stand exam list modeling at the statewide and ecological section scales. The DNR is revising inventory procedures to utilize the latest technologies and techniques. Inventory accomplishments are tracked as part of the DNR's work planning process. The Midpoint Assessment of Forest Management Strategic Direction: Sustainable Timber Harvest Implementation (PDF) report is an analysis of the DNR's implementation of its forest resource management strategic direction to date.

Audit Process

3.1 Applicable Standards and Audit Objectives

Certificate Code: SCS-SFI-FM-00088N

Audit Type: Stage 1, Preliminary Review Audit, 2nd

Applicable Standards: SFI: 2022 Forest Management. Objectives 1-17.

SFI: Rules for Use of SFI On-Product Labels and Off-Product Marks

Multiple Standards: Combined. A combined audit is when a client is being audited against the requirements of two or more

SFI Substitute or Modified Indicators None,

Certificate Scope/ Statement: The scope of the certificate includes forest management on Minnesota DNR managed forestry lands, fisheries lands in Lake County, Land Utilization Project (LUP) lands, and wildlife lands except for the Prairie Province, including SFI 2022 Rules and Standards, Section 2- Forest Management Standard Objectives 1-17. Scientific and Natural Areas (SNAs) and State Parks are excluded. The SFI Forest Management number is SCS-SFI-FM-00088N.

Description of Sampling Approach: Three of the Forestry areas were selected for the 2nd surveillance audit. The Lewiston, Sandstone and Cloquet areas were audited in 2023.

Deviations from the Audit Plan: Were there any significant deviations from the Audit Plan?

No

3.2 Audit Team

Auditor name: Shannon Wilks

Auditor role: SFI Lead Auditor/FSC Team Auditor

Qualifications: Shannon Wilks has over 31 years of professional experience in the forest industry. Roles have included procurement, supply chain management, contract negotiations and environmental management/certification compliance. Experience includes 20 years with a global forest products company, 4 years of industrial site management and 7 years as a forest certification auditor. Mr. Wilks is a Controlled Wood Senior Lead Auditor for FSC® Chain of Custody, FSC Forest Management, FSC Controlled Wood, Lead auditor for Sustainable Forestry Initiative (SFI®) Chain of Custody, SFI Fiber Sourcing, SFI Forest Management, SFI Certified Sourcing, American Tree Farm System®-Georgia Tree Farm Inspector #165961, Programme for the Endorsement of Forest Certification (PEFC) Chain of Custody Standard and a Lead Auditor for Sustainable Biomass Program (SBP). Mr. Wilks is a graduate of Louisiana Tech University with a Bachelor of Science-Forest Management degree. He is also a member of the Texas Forestry Association and holds a Texas Accredited Forester certification #158.

Auditor name: Brendan Grady

Auditor role: FSC Lead Auditor/SFI Team Auditor

Qualifications: Brendan Grady, Mr. Grady is the Technical Director, Forestry, for SCS. In that role, he provides daily management and quality control for the forestry program. He participated as a team member and lead auditor in forest certification audits throughout the United States, Europe, and Asia. Brendan has a B.S. in Forestry from the University of California, Berkeley, and a Juris Doctorate from the University of Washington School of Law. Brendan is a member of the State Bar of California, and was an attorney in private practice focusing on environmental law before returning to SCS.

3.3 Total Time Spent on Audit

A.	Number of days spent on-site for the Audit	2.5
B.	Number of auditors participating in on-site audit	2
C.	Number of days spent by any technical experts (in addition to amount in line A)	0
D.	Additional days spent on preparation, stakeholder consultation, and follow-up	2.25
E.	Total number of person days used in audit	7.25

3.4 Summary of Audit Itinerary and Site Visits

Location(s) sampled: 9/26/2023: Opening Meeting & Lewiston Area Field Sites
 9/27/2023: Field Sites-Cloquet Area (Wilks); Sandstone Area (Grady)
 9/28/2023: Closing Meeting

Number of field sites: 20

Summary of Cover Types visited Approximately eight (8) cover-types were observed:

1. Mixed Hardwood
2. Afforestation with mixed hardwoods
3. Aspen/Birch
4. Early Successional-Grouse Habitat
5. Aspen
6. Red Pine
7. Aspen/Maple
8. Aspen/White Spruce/Oak

Summary Description /Number of Silviculture Activities inspected: Approximately eighteen different silvicultural activities were observed in 2023.

1. Completed Final harvest with reserves (5)
2. Active Final Harvest with reserves
3. Herbicide Application
4. Afforestation
5. Black Spruce-Top Harvest
6. Final Harvest (3)
7. Prescribed Fire
8. Wildlife Research (2)
9. Corridors with Canopy Gaps
10. Reforestation (2)
- 11.

Summary Description /Number of Harvest Areas inspected: Refer to Details listed above and field site notes.

Summary Description of Road infrastructure inspections: Refer to Details listed above and field site notes.

3.5 Evaluation of Management Systems

SCS deploys teams with expertise in forestry and other relevant fields to assess the certified organization's conformance to SFI standards and policies. Audit methods include reviewing documents and records, interviewing personnel and contractors, implementing sampling strategies to visit a broad number of forest cover and harvest prescription types, observing implementation of management plans and policies in the field, and collecting and analyzing relevant stakeholder input. When there is more than one team member, each member may review parts of the standards based on their background and expertise. Applicable aspects of the Management System under evaluation, such as Management System Review and other relevant Objectives, Performance Measures, and Indicators will also inform the audit team. On the final day of an evaluation, team members convene to deliberate the findings of the audit jointly. This involves an analysis of all relevant field observations, interviews, reviewed documents and records, and relevant stakeholder input. Where consensus among team members cannot be achieved due to lack of evidence, conflicting evidence or differences of interpretation of the standards, the team is instructed to report these in the certification decision section and/or in observations.

3.6. Changes to Management System

- There were no significant changes in the management and/or harvesting methods that affect the FME's conformance to the SFI standards, rules, and policies.

3.7 Confirmation of Meeting Audit Objectives

1. Determination of the conformity of the client's management system, or parts of it, with audit criteria (Selected Objectives, Performance Measures, and/or Indicators).
2. Determination of the ability of the management system to ensure the client meets applicable statutory, regulatory and contractual requirements.
3. Determination of the effectiveness of the management system to ensure the client can reasonably expect to achieve specified objectives.
4. As applicable, identification of areas for potential improvement of the management system.

The objectives for this audit included:

Audit Objectives were met: Yes

Results of Audit

Grading of Possible Findings

Once a consensus is reached by the audit team, determinations of grading are made as to the level of findings. Grading of findings may occur as follows:

1. *Major CARs*: Major Corrective Action Requests (CARs) occur when one or more of the SFI 2022 Standard(s) performance measures or indicators has not been addressed or has not been implemented to the extent that a systematic failure of a Certified Organization's SFI system to meet an SFI objective, performance measure or indicator occurs.
2. *Minor CARs*: An isolated lapse in SFI 2022 Standard(s) implementation which does not indicate a systematic failure to consistently meet an SFI objective, performance measure or indicator.
3. *Opportunities for Improvement*: Opportunities for Improvement (OFIs) are identified by audit team members where the client is in conformance, but there is a risk to conformance in the future. Nonconformance with the standard requirements cannot be recorded as OFIs.
4. *Exceeds*: Practices that exceed the basic requirements of the SFI 2022 Standards and Rules for Forest Management or Fiber Sourcing.

4.2 Table of Audit Results and History of Findings for Certificate Period

2nd Annual Evaluation (2023) – Objective 4, Opportunity for Improvement 2023.1; Objective 11 – Minor NC 2023.1; Objective 15 - Opportunity for Improvement 2023.2

4.3 General Description of Evidence of Conformity

This section summarizes the general evidence found to verify conformity that is detailed in Appendix 5.

SFI Objective	Summary of Evidence
<p>Objective 1. Forest Management Planning. To ensure forest management plans include long-term sustainable harvest levels and measures to avoid forest conversion or afforestation of ecologically important areas.</p>	<p>Not Evaluated in 2023.</p>
<p>Objective 2. Forest Health and Productivity. To ensure long-term forest productivity and conservation of forest resources through prompt reforestation, afforestation, deploying integrated pest management strategies, minimized chemical use, soil conservation, and protecting forests from damaging agents.</p>	<p>Review of guidance documents, policies, interviews with field personnel and auditor observations during field sites confirmed active Integrated Pest Management program. Adequate reforestation utilizing primarily natural regeneration with isolated stands of conifers requiring artificial regeneration was observed. Organization has a consistent method for monitoring regeneration and maintaining records within Management Plans and GIS system. One afforestation project was observed and met SFI requirements. Field site observations confirmed protection of soils and maintenance of healthy forests.</p>
<p>Objective 3. Protection and Maintenance of Water Resources. To protect the water quality and water quantity of rivers, streams, lakes, wetlands, and other water bodies.</p>	<p>Not Evaluated in 2023.</p>

SFI Objective	Summary of Evidence
<p>Objective 4. Conservation of Biological Diversity To maintain or advance the conservation of biological diversity at the stand- and landscape- level and across a diversity of forest and vegetation cover types and successional stages including the conservation of forest plants and animals, aquatic species, threatened and endangered species, Forests with Exceptional Conservation Value, old-growth forests and ecologically important sites.</p>	<p>Documented plans, policies, interviews with personnel and field site observations confirmed protection of biological diversity. Multiple cover types, riparian buffers, system for evaluating the occurrence of endangered species of flora and fauna and protection of historical, cultural and archaeological sites was confirmed during audit. One Opportunity for Improvement was identified during the audit.</p>
<p>Objective 5. Management of Visual Quality and Recreational Benefits. To manage the visual impact of forest operations and provide recreational opportunities for the public.</p>	<p>Aesthetics are considered during development of Section Forest Management Plans. Significant recreational opportunities are available on Minnesota Department of Natural Resources lands. Organization has publicly available recreational opportunities identified on MN DNR website.</p>
<p>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.</p>	<p>Not Evaluated in 2023.</p>
<p>Objective 7. Efficient Use of Fiber Resources. To minimize waste and ensure the efficient use of fiber resources.</p>	<p>Field site observations during 2023 audit confirmed efficient use of fiber resources. Monitoring for compliance was conducted on all field sites observed.</p>
<p>Objective 8. Recognize and Respect Indigenous Peoples' Rights. To recognize and respect Indigenous Peoples' rights and traditional knowledge.</p>	<p>Not Evaluated in 2023.</p>
<p>Objective 9: Climate Smart Forestry To ensure forest management activities address climate change adaptation and mitigation measures.</p>	<p>Not Evaluated in 2023.</p>
<p>Objective 10. Fire Resilience and Awareness To limit susceptibility of forests to undesirable impacts of wildfire and to raise community awareness of fire benefits, risks, and minimization measures.</p>	<p>Not Evaluated in 2023.</p>
<p>Objective 11. Legal and Regulatory Compliance To comply with all applicable laws and regulations including, international, federal, provincial, state, and local.</p>	<p>Review of policies, handbooks, contracts and observations of regulatory postings were the main evidence confirming compliance. Interviews with personnel, review of MN DNR website and observations were also conducted. No adverse regulatory issues were identified on field sites. One Minor Non-Conformance was identified during audit.</p>
<p>Objective 12. Forestry Research, Science and Technology. To invest in research, science, and technology, upon which sustainable forest management decisions are based.</p>	<p>Review of detailed information and interviews with personnel confirm MN DNR maintains collaborations with adjoining states cooperatives and federal agencies (USFWS and National Forest Service) for research on forest management activities, reforestation, invasive species and</p>

SFI Objective	Summary of Evidence
	wildfire management. Educational resources are made available to public through MN DNR website.
Objective 13. Training and Education. To improve the implementation of sustainable forestry through appropriate training and education programs.	Not Evaluated in 2023.
Objective 14. 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.	Not Evaluated in 2023.
Objective 15. Public Land Management Responsibilities. To participate and implement sustainable forest management on public lands.	Interview with personnel and review of Minnesota Department of Natural Resources confirms significant opportunities for public input during all phases of forest management activities. Additional avenues are available to solicit complaints or concerns. One Opportunity for Improvement was identified during audit.
Objective 16. Communications and Public Reporting To increase transparency and to annually report progress on conformance with the SFI Forest Management Standard.	Review of SFI website confirms previous audit's Public Summary Report is available. Evidence reviewed during audit confirms Annual Progress Report was submitted prior to deadline.
Objective 17. Management Review and Continual Improvement: To promote continual improvement in the practice of sustainable forestry by conducting a management review and monitoring performance.	Review of Annual Management Review conducted by senior management in September 2023 confirms compliance to requirements.

4.4 Existing Corrective Action Requests, OFIs, and Exceeds

N/A

4.5 New Corrective Action Requests, OFIs, and Exceeds

Finding Number: 2023.1

Finding Deadline Minor: Next audit (surveillance or re-evaluation) or 12 months from closing

SFI Indicator: 11.1.3: Demonstration of commitment to legal compliance through available regulatory action information.

Non-Conformity

Funding to MN DNR provided by the US Fish and Wildlife service under the Pittman-Robertson act has been suspended in August, based on FWS identifying non-compliances with the terms of the grant program. The specific non-compliances are related to the ability of the DNR to provide documentation to demonstrate the wildlife purposes of timber sales on projects or properties that have received

funding under this program. Pre-sale documentation is essential for the service to ensure compliance with National Environmental Policy Act (NEPA), Endangered Species Act (ESA), National Historic Preservation Act and other grant requirements.

Auditors observed that MN DNR and FWS are actively working on resolving the issue, but at the time of the audit the DNR was in non-compliance with the grant program.

Finding Number: OFI 2023.1

Finding Deadline OFI: no deadline

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

Non-Conformity Background/ Justification in the case of OFI or Exceeds

Recommendation to identify occurrences of RTE species within Permit Supervision Record, or other documentation that is maintained at a stand level detail before any ground disturbing operations are conducted. Records observed did not clearly identify occurrences or non-occurrences of protected species of flora and fauna during audit. Specific examples were observed Site #B015319.

Action Plan and Root Cause Analysis (to be prepared by Organization) N/A-OFI

Finding Number: OFI 2023.2

Finding Deadline: OFI: no deadline

SFI Indicator: 15.1.2. Appropriate contact with local stakeholders over forest management issues through state, provincial, federal, or independent collaboration.

Non-Conformity Background/ Justification in the case of OFI or Exceeds

Recommendation to improve communication for specific invasive species, educational resources and mitigation efforts needed to prevent spread for public stakeholders. Specific example observed on Silviculture Treatment Site for Japanese Knotweed on Premier Trout Stream-Garvin Brook.

Certification Decision

The certificate holder has demonstrated continued overall conformance to the applicable Sustainable Forestry Initiative standards. The SCS annual audit team recommends that the certificate be sustained, subject to subsequent annual audits and the Certified Organization's response to any open CARs. Yes