



SFI AUDIT REPORT - - SF63

<b>Company Name</b>	Rayonier SEWP			
<b>Region</b>	Headquarters, Baxley GA			
<b>Contact Person</b>	Matt Jones			
<b>Address</b>	PO Box 2130, Baxley GA 21513			
<b>Phone/Fax</b>	Phone 912/367-1522; Fax 912/367-1528			
<b>Contract Number:</b>	HQ12206HQ	<b>CER/REN</b>		<b>Surveillance</b> SV-3
<b>Standard audit conducted against:</b>		<b>Other documents (e.g. ISO14001):</b>		
SFI 2005-2009 Edition				

<b>Audit Dates:</b>	<b>From: May 23, 2006</b>	<b>To: May 24, 2006</b>
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<b>Team Leader:</b>	<b>Team Members:</b>
John F. Godbee, Jr.	

<b>Scope of Audit:</b>	
Wood procurement activities including purchased stumpage, roundwood, and chips by Rayonier SEWP associated with the following facilities in Georgia, Virginia and Florida: Jesup Pulpmill, Offerman Fiber Facility, Collins Fiber Facility, Eastman Fiber Facility, Barnesville Fiber Facility, Jarratt Fiber Facility, Fernandina Pulpmill, Fernandina Fiber Facility, Baxley Sawmill, Swainsboro Sawmill and Eatonton Sawmill.	
<b>Company Representative:</b>	Matt Jones

<b>Acres (ha) within the scope of this audit:</b>	NA	<b>Location of these acres: (state, province)</b>	NA
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<b>Number of SF02's Raised:</b>	<b>Major:</b>	<b>0</b>	<b>Minor:</b>	<b>0</b>
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**Audit Summary**

An SFI Surveillance audit #3 was conducted for Rayonier Wood Procurement, LLC (SEWP) at the Baxley GA Headquarters on May 23-24, 2006. The audit objectives included a review of the revisions of Rayonier's SFI Operating Guidelines to conform to the changes in the 2005-2009 SFI Standard. The audit included a general review of all applicable Objectives, Performance Measures and Indicators for Rayonier's Wood Procurement organization with specific emphasis given to implementation of the additions to the 2002-2004 SFIS.

An opening meeting was held at the Baxley GA HQ on May 23 2006. This meeting was attended by Mr. Steve Worthington, General Manager; Matt Jones, Supervisor Byproduct distribution; and SFI; Robert Wilkerson, Manager Business and Support Services; and John Godbee, BVQI auditor. A review of the Scope of the Audit found that Rayonier had completed disposition of the Novathin Facility in Jesup GA. The scope was amended to reflect this change.

Rayonier Wood Procurement's SFI Program is specifically directed to gatewood purchases of wood fiber for 11 facilities in Florida, Georgia and Virginia. The audit began with a review on two minor nonconformances issued in May of 2004. The audit found appropriate changes in polices and procedures have been incorporated into the revised SEWP 2005-2009 SFI Operating Guide. Additional emphasis was placed on a review on the status of opportunities for improvement identified in the 2004 audit. The audit confirmed Rayonier's management objectives, commitment and conformance to the 2005-2009 SFI Standard.

**Non-conformances issued:** None

**Opportunities for Improvement:**

- **Objective 8, PM 8.4 Indicator 1 (a).** Finding: Rayonier SEWP gathers reforestation statistics in the *Rayonier Gatewood BMP Inspection Report*. Evidence provided indicates reforestation information is periodically evaluated. However there is no clear evidence of procedures for routine evaluation, recording of findings and distribution of information within SEWP.
- **Objective 8, PM 8.4, Indicator 2.** Findings: Rayonier SEWP has a good monitoring system for evaluating BMP Compliance by wood producers supplying the SEWP facilities. A review of this information found compliance levels high across all sites evaluated. While evidence found specific objectives for improvement were communicated throughout SEWP, additional evaluations of how information from these audits along with public compliance information could be used to set goals for continual improvement needs to be considered to effectively utilize this data in establishing CI goals.
- **Objective 9, PM 9.2, Indicator 1.** Finding: Evidence indicates Rayonier SEWP uses information from multiple sources to evaluate regeneration and growth and drain within their fiber supply basins. While references to these evaluations are found in several management presentations, little documentation to support the sources of this data was provided.
- **Objective 13, PM 13.1, Indicator 3.** Findings: Evidence provided indicates management is provided routine updates on the status of meeting SFI objectives at bi-weekly SEWP meetings and in corporate presentations. While evidence found frequent internal communications & strong management support, evidence on specific changes and improvements to be targeted is not as clear.



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**Notable practices**

- Objective 8, PM 8.3, Indicator 2.** Finding: As a gatewood procurement organization SEWP's ability to accomplish specific on the ground objectives is largely limited to their ability to influence and educate landowners, loggers and wood suppliers. Evidence provided indicated SEWP routinely utilizes internal and external BMP audit findings to identify individual tracts or loggers with potential BMP violations and effectively leverages their position to educate those involved while addressing and correcting the specific area of concern.

Closing meeting to review findings was held on the afternoon of May 23<sup>rd</sup> with Mr. Steve Worthington, General Manager; Matt Jones, Supervisor Byproduct distribution and SFI; Van Weir, Operations Manager; Robert Wilkerson, Manager Business and Support Services; and John Godbee, BVQI auditor.

Ten Copies of new Certificate to reflect changes in Scope of operation and conformance to 2005-2009 Standard are requested.

<b>Is a Follow Up Visit Required:</b>		<b>No</b>	<b>Date(s) of Follow Up Visit:</b>	
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**Follow-up Visit Remarks (State Key Areas for Review):**

**Team Leader Recommendation**

<b>All NCR's cleared:</b>	<b>Yes</b>		<b>No</b>		<b>Proceed to Certification Audit</b>	
<b>Date of Clearance:</b>					<b>Continue Certification</b>	<b>Yes</b>
<b>Name:</b>	<b>John F. Godbee, Jr. ACF, RF RAB Environmental Auditor EO 52699</b>				<b>Date:</b>	<b>5/24/06</b>

<b>Audit Report Distribution:</b>	<a href="mailto:Teresa.puder@us.bureauveritas.com">Teresa.puder@us.bureauveritas.com</a>
	Matt Jones



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<b>SF02/NA NONCONFORMITY REPORT</b>									
Company Name and Site:								SF02#:	
Contract #:		Department / Process:				Team Leader:			
Date:		Standard and Clause #:				Team Member:			
Major	Minor	Other Documents (if applicable):				Company Representative:			
REQUIREMENT OF AUDITED STANDARD:									
OBSERVED NONCONFORMITY:									
ROOT CAUSE ANALYSIS AND CORRECTIVE ACTION (to be completed by the Company)									
Proposed Completion Date			Actual Completion Date			Company Representative			
Root Cause Analysis and Corrective Action Response (actions must be in past tense)									
Root Cause:									
Corrective Action:									
Method used to verify effectiveness of action:									
CLEARANCE REPORT									
(to be completed by BVQI - verify effective identification of root cause and effective implementation of action by the client)									
Root Cause:									
Corrective Action:									
Accepted	Yes		No		Nonconformance Downgraded	Yes		No	
Follow Up Comments:									
Auditor:					Date:				