



**MEMORANDUM OF UNDERSTANDING
BETWEEN
AMERICAN FOREST FOUNDATION ®
AND
CALIFORNIA TREE FARM COMMITTEE
01/01/2016 – 12/31/2020**



This Memorandum of Understanding is executed between the American Forest Foundation® (*AFF*)/American Tree Farm System® (*ATFS*), a 501(c) (3) nonprofit corporation organized and operating under the laws of the District of Columbia, and the California Tree Farm State Committee (*State Committee*) an incorporated 501 (c)3 affiliate of *AFF* operating in the State of California and will become binding on the last date below the signature line when signed by authorized representatives of both parties.

ATFS is a nationwide system of forest landowners and forestry professionals working together to promote the practice of sustainable forest management on America's family woodlands enhancing forest health and productivity and all the benefits it delivers including sustainably produced wood, clean water, biodiversity and wildlife, recreational opportunities and a wide array of other measurable impacts.

These positive on-the-ground impacts are accomplished through a network of local committees, comprised of partners and volunteers, organized under *ATFS*, and through which many elements of the forestry community – including state and federal resource agencies, professional foresters, forest and paper companies, conservation organizations and forestry organizations – come together to work with family woodland landowners. This network provides landowners with innovative tools and resources to support their implementation of long-term sustainable forestry resulting in extensive and far-reaching public outcomes.

I. PURPOSE

AFF and the *State Committee* enter into this Memorandum of Understanding to cooperatively deliver the positive impacts of sustainable forestry and to formalize the relationship between *ATFS* and the *State Committee*, in accordance with the selected State's Voice State's Choice intended pathway requirements including respective ongoing roles and responsibilities. These impacts will be achieved by:

- 1) Engaging landowners;
- 2) Providing inventive tools and resources to engage in forest stewardship to produce real outcomes and benefits on-the-ground;
- 3) Verifying their management under the *ATFS* Standards of Sustainability or through other mechanisms;
- 4) Supporting the collective future vision of sustaining family woodlands in ways that delivers measurably and at scale: clean water, wildlife habitat, and sustainable wood supplies.

II. ROLES AND RESPONSIBILITIES

- A. *AFF* will provide all national oversight and responsibilities, in accordance with the selected State's Voice, State's Choice pathway as described below and in Appendix B & C (attached):



1. Give consistent guidance on State's Voice-State's Choice requirements and program direction;
2. Deliver innovative resources, training and support to ensure the leadership capacity necessary to carry out this memorandum through the National Leadership Conference, Leadership Update, quarterly leadership conference calls, regular webinars, access to *AFF* National staff as appropriate, and other new resources as identified;
3. Offer programmatic platforms and support such as communication techniques and methods of delivery, e-mail messages, logo and signage guidelines, volunteer engagement best practices, and other assets to the committee to support outreach to landowners and assist them in recruiting new and engaged members and inspectors;
4. Supply resources and framework for recognizing outstanding family forest owners, state committee members and inspectors;
5. Function as a national repository for all forms and records regarding family forest owners and inspecting forester information as required by American Tree Farm System documents, branding, policies and procedures;
6. Provide and support a national database for *State Committee* use and maintenance of all relevant information pertaining to enrolled landowners and properties, property inspections, and *ATFS* inspecting foresters;
7. Maintain *ATFS* Regional Group Certificates including coordinating and contracting with third-party auditors, facilitating third-party assessments with *State Committee* and auditors, developing and submitting relevant corrective actions and ensuring national policies and procedures, relative to third- party certification, are in conformance with national and international certification protocols and requirements.

B. The California Tree Farm *State Committee* will provide local services and responsibilities as described below and in Appendix B & C (attached):

1. Maintain a functioning and dynamic *State Committee* that includes a diverse and broad group of stakeholders and ensures regular committee member communication including conducting meetings at least four times a year;
2. Set the direction for the State program via a relevant Strategic Plan and develop an annual work plan in alignment with both the *State Committee's* plan and *AFF* strategic initiatives;
3. Participate in leadership activities including, but not limited to, the annual National Leadership Conference and quarterly leadership conference calls;
4. Implement forest landowner outreach, providing technical assistance and education through forester deployment, informational materials, digital platforms, newsletters, conferences, field-days and other methods, sponsored either whole or in-part by the *State Committee*;
5. Assist in maintaining an active and adequate corps of inspectors and help train them in *AFF* messaging, as well as technical information, along with supporting and coordinating the timely disbursement of annual inspection forms and coordination of field-visits of inspecting foresters;
6. Recognize the efforts of outstanding committee members, inspectors and local tree farmers via State specific activities and by submitting applications for State Outstanding Tree Farmer of the Year and State Inspectors of the Year and also participating in and supporting National awards;
7. Gather and maintain accurate State Tree Farm Program records exclusively in the *ATFS* database in accordance with *ATFS* database usage policies including current data on enrolled land parcels, landowners, partners and inspectors, along with inspections or other monitoring activity records.



III. REPORTING REQUIREMENTS

Both parties will maintain records and reports arising from the activities outlined in this *Memorandum*. The following agreed upon reports will be produced and detailed to the other party.

- A. An annual report of budget and activities by the *State Committee*, using *AFF* templates, will be submitted to the *AFF* office in accordance with established timelines and due dates.
- B. The compiled annual report overview response from *AFF* will be delivered to *State Committees* in a timely fashion.

IV. FINANCIAL RESPONSIBILITY

AFF annual budgets are determined through an adaptive management process and are subject to refinement and change based on strategic priorities and funding availability. *AFF* and the *State Committee* share a mutual responsibility to promote financial sustainability of the *ATFS* program at the state and national level. Therefore, each party assumes financial responsibility as described below:

AFF Will:

1. Provide financial assistance to the *State Committee* based on fulfillment of all roles and responsibilities outlined above and in Appendix B, in accordance with *AFF*'s Board of Trustee's approved budget;
2. Maintain financial responsibility of all *ATFS* national program functions, including, but not limited to, membership in and endorsement processes associated with the Programme for Endorsement of Forest Certification (PEFC), logo and trademark maintenance, *ATFS* database maintenance and upgrades, statistical generation of internal monitoring, and other costs, as appropriate;
3. Distribute funding through Program Base Funding, Inspector Incentive Funds *for Certification Pathway only*, and the *ATFS* competitive Capacity Building Grants program, and other funding mechanisms as appropriate and available;
4. Continued fulfillment of the national financial responsibilities outlined above is contingent upon *AFF* Board of Trustee budget approval, program alignment and funding availability.

California Tree Farm *State Committee* Will:

1. Engage in fundraising to contribute financial support towards local initiatives, events and activities;
2. Provide financial contribution as outlined with the State's Voice, State's Choice Framework;
3. Beginning in 2019, *State Committees* choosing the Certified Pathway are responsible for an annual contribution in the amount of \$10 per certified Tree Farmer household, up to an annual sum of \$7000.

V. TIMEFRAME/TERM OF MEMORANDUM

This *Memorandum* shall begin upon the execution date and expire five years from its execution and can be renewed in writing if agreed to by both parties. Either party may terminate this agreement by giving 90 days written notice to the other party. The agreement may be amended by written mutual consent of the parties.



VI. PATHWAY OBLIGATIONS & RESTORATIVE PROCESSES

In the event the *State Committee* falls short or is unable to meet the obligations set out in this Memorandum of Understanding and in the annual benchmarks identified through the selected pathway or through financial contributions, *AFF* staff will work with them to establish a restorative plan and probationary period. If the *State Program* is unable or unwilling to achieve the restorative process, *AFF* reserves the right to remove them from their designated pathway. For more information, please see Attachment C.

VII. CONFIDENTIALITY

AFF is committed to ensuring the privacy of family forest owners participating in *ATFS* and will take every precaution to protect landowner information. In order to ensure the safety of all parties involved, all signatories to the memorandum agree to adhere to the confidentiality expectations outlined below and specifically in the *ATFS* Database Nondisclosure Agreement.

- A. All parties will not share any *ATFS*, *AFF*, or *State Program* information with third party organizations or businesses not directly affiliated with *AFF* without prior written approval. This includes any *ATFS* program information, including specifics about Certification, *ATFS* program participants, enrolled properties, or *ATFS* inspectors.
- B. *State Committee* will not sell any *ATFS* program information or what is contained in the *ATFS* Database, under any circumstance.
- C. *State Committee* and supporting partners will use *ATFS* landowner mailing lists only for the business of the committee and for the purpose of communication between *ATFS* or *AFF* and landowners.

VIII. EXCLUSIVITY

ATFS Certification operates in a competitive marketplace in which other certification systems compete for market share. To support and sustain any competitive advantage for *ATFS*, the *State Committee* will:

- A. Rely on *ATFS* certification exclusively as the sole basis for certification of Tree Farms;
- B. Implement the program in a way that benefits individual Tree Farmers and the State and National Tree Farm Program through leveraging The Tree Farm Certification process to complement competing systems such as the Chain of Custody programs;
- C. Refrain from promoting competing certification systems directed specifically at family forest owners through group certification or other methods;
- D. As an entity, not hold certificates for other competing national or international certification standards.

IX. ATTACHMENTS

- A. States Choice Intent Memo
- B. Pathway Benchmarks
- C. Pathway Obligation & Restorative Process



X.  **SIGNATURE PAGE**

This Memorandum of Understanding is the complete agreement between the American Forest Foundation/American Tree Farm System and California Tree Farm Committee and may be amended only by written agreement signed by each of the parties involved.

The Parties Agree That:

The American Tree Farm System® will provide all national oversight and responsibilities as described in this Memorandum.

The California Tree Farm State Committee will provide local services and responsibilities as described in this Memorandum.

The Alabama Tree Farm *State Committee* chooses the **Certified Pathway** and by doing so will maintain their third-party audited status and be covered by *AFF*'s centrally held regional certificates.

The MOU must be signed by all partners. Signatories must be officially authorized to sign on behalf of the agency and include title and agency name. The designated lead agency accepts full responsibility for the performance of the collaborative organizations/agencies.

AMERICAN FOREST FOUNDATION (Lead Agency)

Authorized Official: _____ *Signature* Director, ATFS Network
Printed Name and Title

Address: _____

Telephone(s): _____ (work) _____ (cell)

E-Mail Address: _____ Date: _____

CALIFORNIA TREE FARM STATE COMMITTEE

Authorized Official: _____ *Signature* _____
Printed Name and Title

Address: _____

Telephone(s): _____ (work) _____ (cell)

E-Mail Address: _____ Date: _____



APPENDIX B – Certification Pathway Requirements

I. The Certification Pathway

A. Overview

State Tree Farm Programs that have selected the Certified Pathway maintain their third-party audited status. Under this pathway, the State Program, and all the Certified Tree Farmers, in it are covered by *AFF's* centrally held regional certificates. Each State Program undergoes assessment in accordance with accreditation rules, approximately every 4 years. In addition, landowners participating in the program will be contacted via a regular re-inspection cycle.

Certified State Programs have annual benchmarks for maintaining the integrity of their certification and accountability to the other states in their region. These requirements reflect regional assessment findings over time and key learnings from the LES Pilot States, while also drawing on innovative, grassroots capacity building projects originating at the state committee level. Initiating and sustaining relationships with woodland owners to encourage sustainable forest management, resulting in measurable impact on-the-ground, is a key outcome for *State Committees* to achieve.

B. Financial Framework

State Programs choosing the Certified Pathway will continue to receive annual *ATFS* Program Funding and Inspector Incentive Funds based upon *AFF* Board of Trustee budget approval, program alignment, and funding availability. Beginning in 2019, *State Programs* choosing the Certified Pathway will contribute \$10 per Certified Tree Farmer household annually to help offset the costs of certification under *AFF's* certificates. Because the benefits of certification are ongoing every year, not just in the year a State Program undergoes assessment, the \$10/Tree Farmer household administrative fee is annual. *AFF* has established a \$7,000 cap on Certified State Programs' annual contribution. The cap is designed to allow for continued growth and cost containment at the State Program level. This annual cap will be reevaluated in 2021 for implementation beginning in 2022.

Annual Certification Pathway Benchmarks

Beginning in 2016, by choosing third-party certification supported under *AFF* regional certificates, the *California Tree Farm State Committee* must achieve the following annually:

1. *Follow Up SVSC Requirements*: The Leadership Manual will be utilized and updated annually as necessary; Communication Plans and Landowner Interest Response plans will be implemented and be kept up to date.
2. *Database Use*: Use the *ATFS* database exclusively for all State Program landowner and inspection data. This is verified through third-party auditing process.
3. *Recognition*: Recognize the efforts of outstanding committee members, inspectors and local tree farmers via State specific activities and by submitting applications for State Outstanding Tree Farmer of the Year and State Inspectors of the Year and also participating in and supporting National awards.

4. *Fundraising*: Actively cooperate and participate in annual fundraising programs when requested, in partnership with the National *AFF* office, to support on-going program costs.
5. *Reporting*: Complete and submit all required annual reporting and documentation for the program, financial, grants, etc. by expected due dates.
6. *Goal Setting and Achievement*: Drawing on past performance and their new Strategic Plans, State Committees are required to annually review, track and update, as needed, program goals that result in on-the-ground impact toward specific outcomes. Growth is one indicator of program vitality and achieving our mission of promoting stewardship.
7. *Internal Monitoring*: Complete 100% of their Required Samples each year.
8. *Reengage Lapsed Tree Farmers*: Implement a plan to specifically contact Tree Farmers annually who have not had an inspection of their property in last 5 years to ensure that they are still interested in the program, have a qualifying management plan, and that their contact information in the database is correct. State Programs outreach strategy will be outlined in their Tree Farmer Communication Plan and/or their contact/database update campaign.

Additional Recommendations for the Certified Pathway

The following are recommendations of good practices for State Programs choosing third-party certification, drawing on Pilot State programs and regional assessment findings. These are not requirements but tend to strengthen the programs and provide additional value to Tree Farmers.

1. Retain a paid Program Administrator through MOU or contract who will work part-time to ensure the effectiveness of the Tree Farm program in that state. This position could also be shared among a collaborative of smaller states or partner organizations.
2. Establish an MOU or Letter of Support between the *State Committee* and primary co-sponsor (State Forestry Agency as well as other co-sponsors like Extension, Landowners Assn, Forest Industry Assn, etc.). This MOU would include use and confidentiality specifications regarding *ATFS* database access and use among other elements.
3. Establish a State and/or National level advocacy program or engagement plan, which could include legislative days, state legislative alerts, participation in *AFF* Grasstops activities or Fly-Ins.



APPENDIX C – Pathway Obligations & Restorative Processes

Both *AFF* and State Tree Farm Programs have responsibilities in implementing a vital and credible *ATFS* program. In the event a State Program falls short or is unable to meet the obligations set out in the *AFF/State Program MOU* and the annual benchmarks, *AFF* will work with that state to establish a restorative plan and probationary period. If a State Program is unable or unwilling to achieve the restorative process, *AFF* reserves the right to remove the respective State Program from their designated pathway of choice.

Frequently asked Questions - Transitions and Restorative Processes

Transitioning between Pathways?

Question:

Can an uncertified State Tree Farm Program transition into the Certified category if market demand develops in their state or region?

Answer:

Yes. In fact, the State's Choice process was designed with this kind of flexibility for State Programs in mind. The prerequisites and benchmarks, as well as grant opportunities, are designed to allow a state to get back into the certification pool, if they initially choose an uncertified path. In these cases, the State Committee must notify the *ATFS* National Certification Staff of their desire to transfer to Certified category at least 18 months prior to their desired certification. Advanced notice is required for two reasons: internal preparation for assessment and coordination with our third-party auditors. Please note that expedited integration may be feasible in unique and extraordinary circumstances.

Coordination with our Third-Party Auditors

When a State Program is added to the regional certificate, *AFF* must work with our auditors to undertake “an expansion of scope.” The “scope” of the certificate includes the geographies and state programs covered by one of *AFF*'s regional certificates. Expanding the scope involves evaluation of how the addition of the new State Program affects the composition of the certificate and any potential risk. Past audit performance would influence risk and, in some cases, additional sampling may be required. In addition, the adding of a state program must be synchronized with the current audit cycle, consentient with ANAB accreditation rules for auditing *AFF*'s regional certificates.

Internal Preparation

To be eligible for transition to third-party certified status under *AFF*'s regional certificate, a State Program must meet all of the Prerequisites for the Certified Pathway and must be able to demonstrate compliance with the Certified Category's Annual Benchmarks for at least one year. In addition, the State Program must also undergo an *AFF* Certification Readiness Evaluation.

The Readiness Evaluation, which mimics the State Program Assessment, is conducted by *ATFS* National Certification Staff and the State Program's Assessment Team. This process involves review of State Program data, Committee process and review of documents associated with a random sample of Tree Farmers in the State (*ATFS* National Staff elected).

Question:

What if a State Tree Farm Program chooses the Certified Path and, later, wishes to transition out of certification?

Answer:

A State Program that no longer wishes to remain third-party certified may transition out from *AFF*'s regional certificates. In these cases, the State Committee must notify the *ATFS* National Certification Staff of their desire to transfer to the Noncertified Category at least 18 months prior to their desired departure. This allows for coordination with our auditors and the fulfillment of any outstanding Corrective action Plans. Finally, advanced notice is required to allow for *AFF*'s coordination of financial obligations under the regional certificate.

Incomplete Benchmarks, Nonpayment, Poor Audit Performance?

Question:

What happens is a State Program does not pass an audit or fulfill annual benchmarks?

Answer:

AFF will work with each State Program to establish a restorative plan and probationary period for each of the following circumstances:

1. A State Program fails to meet obligations identified in this *AFF*/State Program MOU.
2. A State Program fails to meet the annual benchmarks for selected pathway.
3. A Certified State Program fails to meet financial sustainability contributions for the Certified Pathway.
4. A Certified State Program jeopardizes the credibility of the regional certificate under which it is certified through the issuance of a state-specific major nonconformity resulting in state program assessment.
5. State Program jeopardizes the credibility of the regional certificate under which it is certified through non-fulfillment of obligations in Corrective Action Plans.

If a State Program is unable or unwilling to achieve the restorative process, *AFF* reserves the right to remove the respective State Program from their designated pathway.