

ANNUAL REPORT 2012

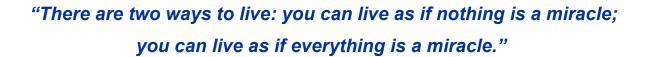
DOVETAIL PARTNERS, INC.

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- Albert Einstein, 1879-1955

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Letter From the Chair...

Hi All,

2012 was a very exciting and rewarding year. Our partnership with the Northern Forest Center in New Hampshire continued with great success - there even was a video made of our work at Newport Furniture in Vermont. We started two major projects that will be completed in 2013, one involved development of a model to better support biomass energy projects and their financing and the other is a study of opportunities to increase wood product reuse and recycling in the U.S and Canada. We have continued our work on both the North American Wholesale Lumber Association Education Foundation and on studies of community-driven biomass projects in northern Minnesota. From our finances you can see more details, but overall it was one of our best years ever from a wide range of perspectives.

As President and Chairman it is also gratifying to watch the growing role of the Executive Director as a leader regionally, nationally, and globally on forest and certification issues. Katie's leadership is positioning Dovetail well for the future and she is taking on more of the "public face" role that Jim Bowyer has shouldered for much of the last few years. This growth has led to a wide variety of speaking engagements and she has been selected to participate in a number of important boards and organizations.

Our e-newsletter mailing list has grown to over 21,000. Additionally, between the newsletter and the incorporation of individual reports in other newsletters, journals, and magazines, Dovetail information is ending up in front of 40-50,000 people monthly. We even had a very article in a Timber Design & Technology publication out of Dubai! (http://www.timberdesignandtechnology.com/november-2012/ page 20).

Finally, our interns have continued to be a great asset and are contributing to the breadth and depth of what Dovetail can provide. In 2012, we had the largest number of interns to date (13) working on a wide range of projects. Of course former intern Matt Frank (2008) is now a key part of our Dovetail staff and Adam Zoet (2011) has been a significant contributor to our work on biomass.

Dovetail has a lot of exciting possibilities for 2013 and beyond, and our continuously improving connections and partnerships offer leverage to support those ideas. So thanks for all your support and we look forward to another great year!

Jeffrey L. Howe President and Chairman of the Board

Dovetail Mission Statement

Dovetail Partners provides authoritative information about the impacts and trade-offs of environmental decisions, including consumption choices, land use, and policy alternatives.

Programs

Green Building

Dovetail Partners provides information and assistance related to many of the currently available green building programs. Staff is experienced with green building practices, program standards, and project registration and certification processes. Dovetail is a member of the United States Green Building Council (USGBC), and active in a number of green building programs including Minnesota GreenStar, Minnesota Green Communities, and LEED. Recent activities related to green building have included reviews and reports addressing the development of the International Green Construction Code and an assessment of wood reuse and recycling provisions within all green building programs in North America.

Responsible Materials

Dovetail Partners analyzes information about various materials in a way that best helps organizations and individuals make sustainable choices that they wholly understand. Dovetail also tracks trends and developments related to material reuse and recycling. In order to support the development of responsible material production standards, Dovetail is a member of the Sustainable Furnishings Council as well as the National Sanitation Foundation Joint Committee on Dimensional Stone Sustainability. In 2012, Dovetail joined Two Sides as an allied partner to promote the responsible use, production and sustainability of print and paper. Recent responsible materials research has addressed the growing importance of environmental product declarations, life cycle assessments, and guidelines for responsible forest biomass harvesting.

Certification

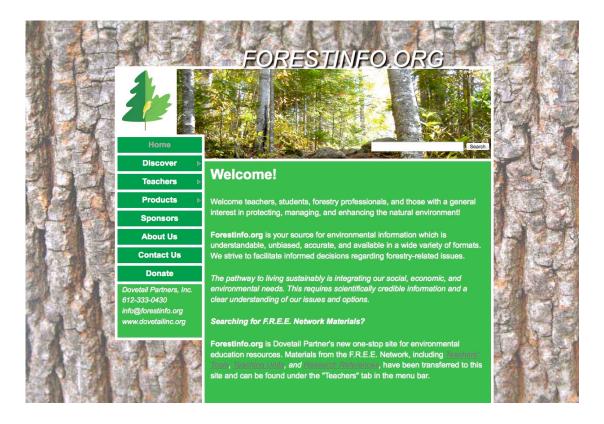
In 2012, Dovetail's certification work included the release of reports on Forest Stewardship Certification (FSC) and Sustainable Forestry Initiative (SFI) chain-of-custody and group chainof-custody certification policies, the impacts and benefits of FSC-US Family Forest indicators, and certification of the U.S. National Forest System. The first report, released in January 2012, focused on recent changes to FSC's revised group chain-of-custody certification and expanded opportunities provided for small businesses. It also provided an overview of both SFI's and FSC's chain-of-custody certification programs. The second report, released in February 2012, reviewed the FSC-US Forest Management Standard and the new indicators and guidance that apply to family forests as a result. An evaluation of the scope and scale of change within the standard as well as a discussion of impacts and benefits was included. The third report, released in April 2012, explored opportunities and potential challenges associated with certifying federal forestlands.

Land Use

Throughout 2012, Dovetail continued work begun in 2011 on the project "Supporting Community-Driven Sustainable Bioenergy Projects" with funding provided by the Minnesota Environment and Natural Resources Trust Fund as recommended by the Legislative-Citizen Commission on Minnesota Resources. Dovetail Partners also collaborated with members of the Minnesota Association of County Land Commissioners, which represents 15 counties and 2.8 million acres of forestland in northern Minnesota. The collaboration includes an exploration of opportunities to improve forest inventory practices that can better meet modern information needs: to enhance collaboration across ownerships; and to help address diverse landscape goals related to healthy forests, wildlife habitats, water quality, recreation, and rural economic development.

Project Report: Forestinfo.org

Dovetail's New Home for Environmental Education



In April 2010, the 21-year-old environmental non-profit Temperate Forest Foundation (TFF) closed its doors. Through actions taken by the TFF Board, Dovetail Partners assumed responsibility for the delivery and maintenance of their website and many of the products and educational materials that TFF created.

In 2012, Dovetail redesigned the old TFF website and integrated the resources that previously existed on Dovetail's environmental education partner website - the F.R.E.E. Network. The end result is Dovetail's new one-stop site for environmental education resources: http://www.forestinfo.org.

Forestinfo.org provides teachers, students, forestry professionals and those with a general interest in protecting, managing, and enhancing the natural environment with an abundance of forest-based resources. Resources include curricula, lesson plans, teaching units, hands-on activities, research references, videos, a directory of forestry-based careers, and more. Forestinfo.org receives an average of about 5,300 unique visitors per month.

Publications & Newsletters

Dovetail publishes a monthly e-newsletter, The Outlook, with information about our latest publications, news and events.

Commentaries

Commentaries are briefs presenting the opinions and ideas of Dovetail Staff and Associates.

Reports

Dovetail reports address a wide range of topics and issues related to sustainable forestry, responsible materials, responsible consumption and organizational development.

News

News Releases

Dovetail publishes news releases regarding new publications, projects, and services, additions to our team, and areas of growth and expertise.

In the News

Dovetail's commentaries, reports and news releases are often reprinted and referenced in mass media, journal articles, newsletters and publications from diverse organizations.

Commentaries 2012

Give Me Something to Believe In

In a recent conversation with a friend, we were discussing the environment and the types of tools and research that are used to evaluate environmental impacts. As we talked, my friend said to me, "Oh, I don't believe in that." I asked, "What don't you believe in?" and he said, "I don't believe in science." Although I was a bit taken aback by this statement, it got me thinking about what it means when a person says, "I don't trust scientific information," or "data can prove anything someone wants it to." This led to consideration of the question, "what does science give us to believe in?

Water, Water, Everywhere and Only a Drop to Drink

Hello from the land of 10,000 lakes! Well, actually Minnesota has 11,842 lakes with a surface area greater than 10 acres (40,000 square meters)... including the BIG one – Lake Superior, which, at 20,365,000 acres, is the largest surface area of fresh water on earth. To some extent we thought this made us relative experts on the topic of water, so this month we have an article on stormwater management and next month we will have an article on watersheds, both issues that should be near and dear to all our hearts. Water is such an important topic we thought we'd do a brief refresher here as a prep for those articles.

Bridging the Environmental Information Gap: Can you hear me now? Do you trust me yet?

Recently a reader commented that he often met people who didn't trust life cycle assessment (LCA), because they felt every time this method was used to compare wood to some other material, wood came out as the more environmentally friendly material. The suggestion was that to produce such consistent results LCA must be somehow biased in favor of wood. The reader felt that this was a lot like saying scientific nutritional research must be biased because every time scientists compare broccoli to cheese puffs, broccoli comes out as being better for you. The reader questioned why people were still skeptical about the benefits of wood in the face of such seemingly conclusive evidence. What are we missing?

Beyond Certification II: Reducing it to a Stronger Solution

When you make maple syrup there is a time after all the preparation and collection of material (sap and firewood usually) from the forest that you simply have to turn up the heat, stir it up a bit, and tend to it carefully to make it come out well. Certification may be at the same point.

Beyond Certification

In 2013, the world will mark the 20-year anniversary of third-party forest certification. After 20 years of effort, approximately 10% of the world's forests have been certified through the various programs. During this time, many changes have occurred in the forest sector and in the practice of forest management. Yet, in spite of many successes, major hurdles remain. Although it could clearly be argued that global forestry has been affected positively, not only are 90% of the world's forests uncertified but also the certified 10% was already the bestmanaged forestland in existence. So the key question now is what will the next 20 years of forest improvement look like? Will we continue on the certification path we are on, or will we

thoughtfully assess and apply the lessons learned in order to chart an improved course? Based upon the knowledge gained over the past two decades and the experiences of other ecolabeling systems, it is clear that a better method is needed, and is possible. It is time to move beyond the forest certification of the past generation and entertain a broader, more inclusive. and more cost effective approach.

Why Recycle? Why Use Renewable Energy? What is the Goal, Again?

A few weeks ago, I was discussing with a group of college students the importance of recycling and our relatively high level of success with recycling paper. I then noted that, contrary to common perception, the total harvest of trees is unlikely to be significantly reduced even if we maximize paper recycling to our highest current technical ability. In response, one student asked, "If it won't reduce logging, then why bother recycling at all?" Good question, right? With all the reminders to "Save a tree, Recycle", it is easy to assume from current discussions that reducing tree harvest must be the main goal of recycling, right? However, if we think back to why recycling started in the first place, it was often out of concern over landfill capacities and the ability to manage our waste streams. We started recycling to save waste, not trees.

Vision+Purpose = Passion

In a previous Dovetail Report (Organizational Visioning and Planning, 2005) we discussed the importance of the organizational vision, especially in times of stress. In that article we pointed out that a clear organizational vision is the anchor that keeps a company from drifting into oblivion when the marketplace challenges the very nature of why a company exists. The process of choosing an organizational vision is one of focusing or aiming all the resources of the organization at a clear and common desired outcome. This clear focus improves both organizational motivation and efficiency.

What Do Nutrition and Parking Garages Have in Common?

Currently there is a major disconnect between our land use policy, particularly that of agricultural land, and good nutrition. This is increasingly evident as our nation's nutritional health declines in the face of the largest food supply on earth. It is clear that our current policies are not leading to a healthy population. The United States population ranks amongst the highest of any country in incidences of heart disease, obesity, diabetes, cancer, and hyperthyroidism. A new way to look at the way we farm and eat is to consider nutrition rather than calories. This has the potential to significantly impact land use, especially the current separation of agricultural and urban land.

Access the complete commentaries online at: http://www.dovetailinc.org/content/dovetail-commentaries

Reports 2012

Barriers and Opportunities for Post-construction Wildlife Monitoring at Wind Energy Facilities in the Great Lakes Region

We report here on a study in which we examined the barriers to, and opportunities for, post-construction wildlife monitoring. We focused on wind energy facilities in the Great Lakes region (including Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio, Pennsylvania, and Wisconsin). Through this report we seek to improve understanding of the factors that limit collection and sharing of post-construction monitoring data and recognition of incentives that might overcome those limitations. Our overall goal is to help ensure that future decision-making is scientifically based and regionally relevant, while supporting development of the region's wind energy industry.

Environmental Product Declarations: What? Why? How?

A couple of decades ago a business management book entitled Strategy of the Dolphin encouraged the reader to "catch the wave", meaning the next critical wave of change in any sector or industry. Today, a mounting wave in areas such as product development and building design is the application of Life Cycle Assessment (LCA), which focuses on a range of quantifiable environmental impacts that can be taken into account along with more traditional cost, functionality and aesthetic criteria. In the absence of LCA, the approximately 495 'green' product labels in Asia, North America and Europe tend to do more to confuse than clarify, underscoring the 'greenwashing' metaphor. By focusing on a range of environmental performance measures such as fossil fuel depletion, global warming potential and ozone depletion potential, LCA provides a more holistic view of flows from and to nature and the resulting environmental effects. This is where the LCA-based Environmental Product Declaration (EPD) comes in, and organizations have to catch the wave or suffer the consequences.

Utilization of Harvested Wood by the North American Forest Products Industry

The term "waste" is largely obsolete in the context of today's North American forest products industry. Logs brought to U.S. and Canadian sawmills and other wood products manufacturing centers are converted almost totally to useful products, leaving little to no waste. But it hasn't always been this way. The sector has made great strides since the 1930s, and in-terms of wood use, it has become a zerowaste industry. This is a remarkable achievement and the result of investments in technology, new product development, and increased attention to reducing the environmental impacts of manufacturing. The next challenge for the industry will be to find ways to increase wood re-use and recovery for recycling at the end of use.

Greening a Company, A Case Study of Cities Management, Inc.

How did Cities Management, a 30-year-old property management company in Minneapolis, increase its profitably to 10-18% in a industry that typically averages 3-6% and realize annual cost savings of \$4,300 per employee? By instituting green business practices company-wide, beginning with simple steps like recycling and more efficient use of paper, and that ultimately created a culture that values sustainability. In "going green" not only did Cities Management improve its use of resources, recognize significant cost savings and reduce employee turnover, but it also led to the development of new products for its customers. This report shares the steps that Cities Management took — and shows how your organization might also take action to improve the environment and the bottom line.

Growing Forests for Water

Communities throughout the United States have identified mechanisms to retain and improve forest cover and support responsible forest management practices within their municipal watersheds as part of comprehensive programs to protect water supplies. Tools for citizen engagement, regulations and

incentives, and innovative approaches to 'growing forests for water' are illustrated in this report. This report shares case studies of municipal water supplies from around the United States and their approaches to protecting surface waters through the use and enhancement of responsible forest management.

Innovative Approaches to Municipal Stormwater Management

Green infrastructure may be implemented in urban and rural areas as a means to manage runoff entering stormwater drainage systems. In contrast to traditional grey infrastructure, such as stormwater drains, green infrastructure mimics natural, pre-development landscapes and their ability to capture. retain, and reuse water on-site. Green systems reduce stormwater flows, help to restore natural hydrology patterns, and improve water quality. Cities across the United States are recognizing the ecological and economic benefits green infrastructure presents and have begun implementing it into their water management plans in a variety of ways. This report highlights various green infrastructure techniques and some of the unique approaches of large municipalities.

The Toolkit Approach to Sustainability

This report explores the toolkit concept in greater detail from the perspective of life cycle approaches in general, starting with an overview of LCA including a brief history of the methodology. Subsequent sections then deal with tools related to the economic and social legs of the basic three-legged stool analogy for sustainability. The focus here tends to be on building products and buildings, but the concepts, if not all the details, equally apply to other product categories.

The International Green Construction Code

The International Green Construction Code addresses the full spectrum of commercial construction and has now made its way through a three-year process of publication, public comment and feedback, and revision. Print copies were made public in late March 2012. This article provides an overview of the IGCC, with particular attention given to provisions that relate to building materials selection.

Certification for the Management of the U.S. National Forest System

Forest management certification has been applied to virtually every type of land ownership around the world and in the United States, except for U.S. National Forests. The debate over the certification of federal lands, and National Forests in particular, has been wide-ranging. This report explores the history of the discussion about certification of the National Forest System (NFS), potential challenges associated with certifying these lands, and the importance of moving forward.

Forests of the United States: *Understanding Trends and Challenges*

This report is a brief overview of the status of U.S. forests and an update to an earlier Dovetail report. This report is predominantly based on two recent publications from the U.S. Forest Service – The National Report on Sustainable Forests-2010 (published in 2011) and Forest Resources of the United States-2007 (published in 2009).

The Impacts and Benefits of the Family Forest Indicators Within the FSC-US Forest Management Standard

In 2010, the Forest Stewardship Council – US Initiative (FSC-US) introduced a revised forest management standard that applies to FSC certification audits throughout the United States. Within the new FSC-US Forest Management Standard, one of the most significant changes is the inclusion of specific indicators and guidance that uniquely apply to the auditing of family forestlands. The FSC-US

policies define family forestlands eligible to be audited under these new indicators as ownerships that are up to 2.500 acres (1.000 hectares) in size or where harvest intensity is low. It is estimated that at least a half-million woodland owners in the United States own between 100 and 2.500 acres for a total of approximately 115 million acres of forestland. By qualifying to be audited under these new "Family Forest Indicators", owners of small properties may see a more streamlined FSC auditing process and reduced auditing costs.

This report reviews the new FSC-US Forest Management Standard and the new indicators and quidance that apply to family forestlands. An evaluation of the scope and scale of change is included as well as a discussion of the impacts and benefits.

Green Marketing Implementation: Call to Action

In 2010, Dovetail Partners published a Green Marketing article titled, "Growing Sales in Growing Markets." The article pointed out that for many companies trying to participate in the "green economy" green marketing might be the first time they truly attempt to introduce a new product or address an entirely new market. That same year we also published "Marketing as a process - Not Voodoo," which suggested a process by which an organization can coordinate its marketing activities to enhance the likelihood of a program's success.

Herein we address "Green Marketing Implementation" and recommend some important activities that are essential to a program's success. We also provide several publicly available examples of how organizations have addressed the sometimes-confusing product adoption process.

Carbon 101: Understanding the Carbon Cycle and the Forest Carbon Debate

Even though Congress is unlikely to adopt "cap and trade" or other approaches to reduce the emissions of carbon dioxide and other greenhouse gases for the foreseeable future, the Environmental Protection Agency is seeking to curtail emissions through new regulation, and the result could be substantial for communities, the environment and the economy. So what is the fuss all about? What exactly is the carbon cycle? What is meant by such terms as "carbon dioxide equivalence", "carbon neutrality", "fossil carbon," and "substitution effect"? And, to what are people referring when using the term "carbon debt"? This report starts from square one of the carbon cycle to explain this and other aspects of the carbon debate and what it all means.

Chain-of-Custody Certification and Group Chain-of-Custody Certification: *Expanded* Opportunities for Small Businesses in the United States

Chain-of-custody (CoC) certification is the process by which the source of a forest product is verified. Timber or other raw material from certified forestland is tracked and identified in documentation from the forest through all the steps of the production process until it reaches the end user. Recent data estimates nearly 30,000 CoC certificates have now been issued worldwide. The major certification programs in the United States, including the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC) offer group certification for small businesses. This report explains Chain-of-Custody Standards and Group Chain-of-Custody policies of the FSC and SFI. Opportunities for continued expansion of group chain-of-custody are also discussed.

Access the complete reports online at: http://dovetailinc.org/reports

News Releases 2012

- New Report Examines Ways to Improve Predictions of Wildlife Impacts at Wind **Energy Facilities**
- Save the Date Nov. 15th is Give-to-the-Max Day
- New Report Reveals How "Green" Business Practices Positively Impact Bottom Line
- Dovetail Partners Joins Two Sides
- New Project to Evaluate Economic Impacts of Climate Change on Northern Wisconsin
- New Reports Address Water Quality, Stormwater, and Forests
- New Information for Exploring Land Owner Opportunities
- Dovetail Partners Ecologist Earns Senior Certification
- Dovetail Partners Redevelops Environmental Education Website
- Dovetail Partners Expands Environmental Speakers Bureau
- Protecting Minnesota's Forests While Utilizing Biomass Resources
- New Report Dissects the International Green Construction Code
- Dovetail Partners Charts Path for Environmental Leadership
- Dovetail Partners Grows Expertise in LCA and Carbon
- New Report Explains Chain-of-Custody for Certified Wood Products
- New Report from Dovetail Partners Digests the Carbon Cycle

Access the complete news releases online at: http://www.dovetailinc.org/content/news-releases

Dovetail in the News

Examples of "Dovetail in the News" in 2012 include:

- Could Anonymous Reporting Produce Better Wind-Wildlife Data? Midwest Energy News December 11, 2012
- Beyond Certification Timber Design and Technology November 1, 2012
- Forest Service Takes Another Look at Certification Greenwire May 17, 2012
- Woody Biomass Joint Venture Enters Second Phase U.S. Endowment for Forestry and Communities May 15, 2012
- Eating Local Will Require Flexibility Highlands Today April 4, 2012
- Social Responsibility Enters the 'Green' Wood Products Arena Woodworking Network March 30, 2012
- Tournesol Siteworks Uses Upcycled Urban Wood Instead of Rainforest Timber in Commercial Site Furnishings PRWeb February 28, 2012
- SFC Board of Directors Announces Great Results from Las Vegas Market Furniture World February 19, 2012
- <u>Crow Wing County Approves Re</u>creational Trails Plan **Brainerd Dispatch** February 15, 2012
- Forests of Carbon: Reasonable Approaches Can Sort Out Complex Forest Policy Issues Oregon Live January 29, 2012
- Words From the Wise Biomass Magazine January 25, 2012

Access the complete "Dovetail in the News" list online at: http://dovetailinc.org/content/dovetail-news

Dovetail Board, Staff, Interns & Advisors

Dovetail Board of Directors 2012

Jeffrey Howe, Ph.D., Chairman of Dovetail Partners

Brian Adams, Senior Vice President, Bremer Bank

Jim Bowyer, Ph.D., *Bio-products and Environmental Consultant*

Kim Carlson, Founder, EarthSmart LLC Edwin Chanin, Attorney, Chanin Law Firm Jill Koosmann, CEO, HRK Group, Inc.

Dovetail Board of Advisors 2012

William Banzhaf, Former President, Sustainable Forestry Board, Retired

Paul DeLong, Wisconsin State Forester, Wisconsin Department of Natural Resources, Division of Forestry

R. Philip Guillery, *Systems Integrity Director, FSC*

Reginaldo Hasslett-Marroquin, *Director,* Rural Enterprise Center

Don Heise, Architectural Wood Specialties

Robert Hrubes, Ph.D., Senior Vice President, Scientific Certification Systems, Forest Conservation Program

Douglas MacCleery, Senior Policy Analyst, Forest Management Division, National Forest System, Washington, D.C.

Nick Martin, Chief Technical Officer, American Carbon Registry

Patrick O'Brien, Organizational Development Consultant

Dovetail Staff 2012

Jeffrey Howe, Ph.D., President

Kathryn Fernholz, Executive Director

Jim Bowyer, Ph.D., *Director of Responsible Materials Program*

Steve Bratkovich, Ph.D., *Project Manager* for Recycling and Reuse

Sarah Stai, Associate Ecologist

Matt Frank, Program & Research Assistant

Wayne Trusty, Associate

Adam Zoet, Biomass & Energy Policy Specialist

Don Heise, *Project Manager*Jeff Bowyer, *Associate*

Dovetail Interns 2012

Maddie Vargo, Water Quality

Matthew Thompson, Green Building

Trevor McCalmont, Renewable Energy

Pamela Foster, Research

Gretchen Trudeau, Renewable Energy Policy

Lindsey Chaplin, Responsible Materials

Jasmine Jones, Environmental Systems

Kara Young, Green Housing and Communications

Christine Forland, Renewable Energy

Lacey McCray, Communications, Education and Policy

Teri Ground, Renewable Energy Policy

Andy Bowman, Responsible Recreation

Pooja Shah, Certification and Policy

Financial Statement 2012

Dovetail Partners, Inc.

Statements of Financial Position

December 31, 2012

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Cash and cash equivalents	\$127,373
Investments	-
Grants and contracts receivable	113,044
Prepaid expenses	-
Total Current Assets	240,417

Property and Equipment - Net 4,248 Total assets \$244,665

Liabilities and Net Assets:

Liabilities:

Accounts payable	\$24,944
Accrued wages and payroll taxes	15,734
Funds held for others	9,784
Total current liabilities	50,462

Net assets:

Unrestricted	194,203
Temporarily restricted	-
Total net assets	194,203

Total liabilities and net assets \$244,665

Dovetail Partners, Inc. Statements of Activities and Changes in Net Assets December 31, 2012

Support &		Unrestricted	Temporarily Restricted	Total
Revenues:				
	Grants and Contributions	\$313,561	\$ -	\$313,561
	Fees for Service	226,520	-	226,520
	Sales	4,053	-	4,053
	Interest Income	275	-	275
	Miscellaneous Income	-	-	-
	Satisfaction of Program Restrictions	55,000	(55,000)	-
	Satisfaction of Time Restrictions	5,000	(5,000)	-
	Total Support and Revenue	604,409	(60,000)	544,409
Expenses:	Program Services Support Services:	519,976	-	519,976
	Management and General	44,665	_	44,665
	Fundraising	12,399	_	12,399
	Total Support Services	57,064	-	57,064
	Total expenses	577,040	-	577,040
		27.000	(00.000)	(00.004)
Change in N	Net Assets	27,369	(60,000)	(32,631)
Net assets - Beginning of Year		166,834	60,000	226,834
Net assets – End of Year		<u>\$194,203</u>	-	\$194,203

Dovetail Partners, Inc. Statement of Functional Expense December 31, 2012

_	Program Services	Management and General	Fundraising	Total
Expenses:				_
Salaries	\$167,763	\$26,597	\$10,229	\$204,589
Payroll taxes	16,412	2,602	1,001	20,015
Total Personnel Costs	184,175	29,199	11,230	224,604
Consulting	292,293	-	_	292,293
Staff Mileage and Travel	20,408	-	-	20,408
Board Expense	-	4,549	-	4,549
Occupancy	8,012	1,270	489	9,771
Accounting	-	7,882	-	7,882
Telephone and Internet	1,472	233	90	1,795
Education and Training	897	-	-	897
Office supplies	2,281	362	139	2,782
Program Expense	1,894	-	-	1,894
Insurance	1,421	225	87	1,733
Miscellaneous	740	117	45	902
Dues and Subscriptions	1,154	-	-	1,154
Printing and Copying	1,952	309	119	2,380
Depreciation	3,277	519	200	3,996
Total Expenses _	\$519,976	\$44,665	\$12,399	\$577,040

Dovetail Partners, Inc. Statements of Cash Flows

December 31, 2012

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Casn	Flows	trom	Ope	rating	Activities:

Change in Net Assets		\$(32,631)
Total Adjustments		(89,741)
	Net Cash (Used) by Operating Activities	(122,372)

Cash Flows from Investing Activities:

Proceeds from Sale of Short-term Investments Purchase of Short-term Investments Net Cash Provided (Used) by Investing Activities

Cash Flows from Financing Activities:

None

Net (Decrease) in Cash and Cash Equivalents	(122,372)
Cash and Cash Equivalents – Beginning of Year	249,745
Cash and Cash Equivalents – End of Year	\$127,373

Special thanks to our sponsors and supporters!

Foundations & Grant Making Organizations

Blandin Foundation

Blue Rock Charitable Fund of The

Minneapolis Foundation
The Everwood Foundation

Forest Stewardship Program - Minnesota

Fox Foundation F.R.E.E Network HRK Foundation

Minnesota Department of Commerce,

Energy Facilities Permitting Minnesota Department of Natural Resources – Division of Forestry

Natural Resources Conservation Service – USDA

USDA

U.S. Endowment for Forestry &

Communities

USDA Forest Service - Wood Education

and Resource Center

USDA Forest Service - Forest Products Lab

Wisconsin Department of Natural

Resources

Xcel Energy Foundation

Businesses, Land Managers and Other Organizations

Beltrami County Natural Resource

Management

Boise White Paper, LLC.

Carlton County Land Department Certified Wood Products, Inc.

Clearwater County Land and Forestry

Department

Columbia Forest Products

Forest Products Management Development

Institute, University of Minnesota

Fullerton Companies

Hanley Wood Business Media Hedstrom Lumber Company, Inc.

Innovative Natural Resource Solutions, LLC

Interforest, LLC

Koochiching County, Land and Forestry

Department

Minnesota Forestry Association

Minnesota Power

National Cooperative Grocers Association

Northwestern Lumber Association

Resource Management Service, LLC.

Shaw/Stewart Lumber Co. Snowy Pines Reforestation

Structural Wood Corporation

The Remodeler's Choice, Inc., a Division of

Fullerton Companies

Universal Forest Products, Inc.

UPM, Blandin Paper Co.

Weekes Forest Products. Inc.

Individuals

Adam Zoet

Alan Haney

Alexis Bloomstrand, New Morning Windows

Alison Lindburg

Amber Ellering

Bill Cook

Brian Cochran

Bruce R. Zumbahlen

Beth Waterhouse

Brett Emmons

Brian Adams

Carolyn Pike

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