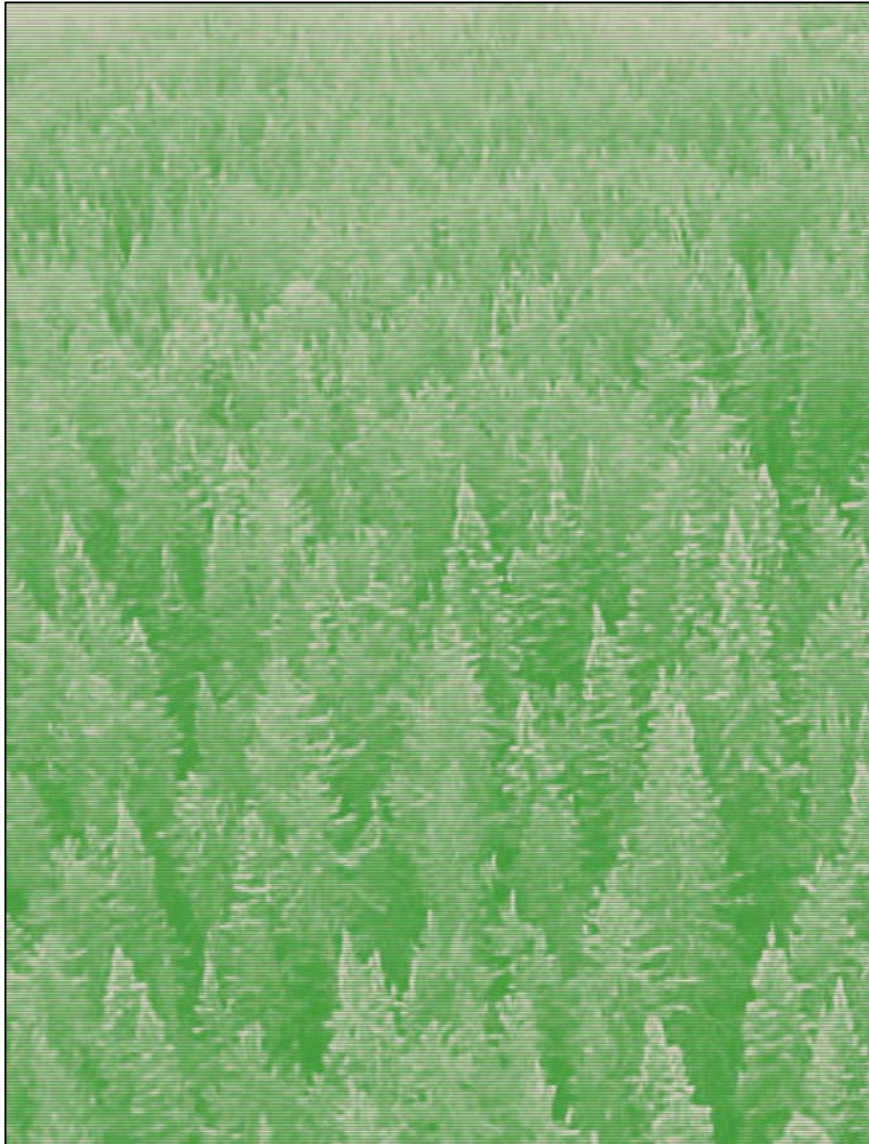




Saskatchewan
Environment

Independent Sustainable Forest Management Audit Manual



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Saskatchewan Environment Independent Forest Management Audit Manual

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1.0 SE Audit Purpose

The purpose of the Saskatchewan Environment Independent Sustainable Forest Management Audit is to facilitate continuous improvement of the practice of forestry in Saskatchewan. In order to achieve this the auditors will:

- Assess compliance with the requirements of the *Forest Resources Management Regulations and Act*, including the terms and conditions of the licensee's forest management plan.
- Fulfill the requirements of Section 35 and 36 of the *Forest Resources Management Regulations* for conducting an independent sustainable forest management audit.
- Conduct a comparison of planned versus actual forest management activities.
- Assess the effectiveness of forest management activities in achieving audit criteria and management objectives.



2.0 SE Audit Program Overview

The Saskatchewan *Forest Resources Management Regulations* (effective April 1, 1999) require a periodic independent sustainable forest management audit to be conducted for each licensee who holds a license respecting a forest management agreement. To meet its statutory responsibilities, Saskatchewan Environment (SE) has designed an audit program intended to assess:

- 1) How well the licensee has implemented and met the objectives of the forest management plan identified in the audit plan.
- 2) How well the licensee has complied with terms of the forest management agreement and applicable regulations.
- 3) The effectiveness of forest management activities in achieving the audit criteria and forest management objectives.

The audit process has been designed to assess Crown land forest management in Saskatchewan through the application of continuous improvement and adaptive management principles. As required by the regulations, the audits will be completed not later than six months prior to the license extension date or the date a revise forest management plan is due, whichever is earlier. The frequency is typically once every five years.

This manual provides guidance to auditors and SE staff in assessing compliance with the requirements of the legislation and in using independent audits to help facilitate continuous improvement of forest management.

2.1 Audit Principles

2.1.1 Professional Judgment

In conducting independent sustainable forest management audits, auditors are expected to follow the guidance provided in this manual. However, it is recognized that auditors must exercise professional judgment in carrying out the audits, both in assessing practices and determining significance of noncompliance. Since the variety of circumstances that may arise during an audit cannot be predetermined this manual allows the auditor to adjust the audit approach to these situations.

2.1.2 Objectivity and Independence

Objectivity is critical to the success of an audit. The auditor must be objective and “independent”. In auditing “independent” means free from any bias or conflict of interest.

All members of the audit team should be independent of the licensee and activities they audit. Individually they are responsible for disclosing to the Lead Auditor any potential or perceived conflicts prior to accepting the audit assignment, and are required to complete a “Declaration of Independence” form provided by SE (see Appendix D). Possible independence conflicts include employment, contractual or financial relationships (currently or within the audit period) between the auditor and/or spouses or immediate family members and:

- The Auditee.
- SE - Forest Ecosystems Branch.
- Enterprises that have an ownership interest or contractual relationship with the Auditee.

2.1.3 Technical Expertise and Skills

The auditor and/or team should have the necessary training, working and auditing experience, and skills required to complete the audit. The audit team must have a combined knowledge and technical expertise for the scope of the audit. The qualifications that should be met are described in more detail in 2.5.1 of this manual.

2.1.4 Professional Responsibility

The auditor should use the care, diligence, skill and judgment necessary to conduct an effective audit. The relationship between the Auditor and Auditee should be one of confidentiality and discretion. No information or documentation obtained during the course of the audit should be disclosed to any third party without the written permission of the Auditee, unless required by law. A confidentiality agreement shall be signed between both parties before conducting an audit.

2.1.5 Defined Audit Process

To ensure consistency and quality of audits, the independent audit should be conducted according to the general principles, guidelines, and processes contained in this manual and the protocols.

2.2 Audit Manual

The independent sustainable forest management audit program consists of this audit manual plus appendices. Appendix A is the detailed audit protocol that is the primary tool for conducting an audit that will meet SE's expectation. A completed audit protocol will be an appendix to the audit report. Appendix B contains an acceptable format for the audit plan, and Appendix C contains an acceptable format for the audit report.

2.3 Summary of Audit Process

This section provides an overview of the audit process (see Figure 1). The main phases of a forest management audit are: audit planning, conducting the audit, and audit reporting.

2.3.1 Audit Planning

The planning phase includes selecting the audit team, developing an audit plan and planning the logistics of the audit.

An initial on-site visit will typically be conducted to collect background information about the license area and the forest activities being audited. This information will be used to develop the audit plan and identify areas of risk or focus for the audit.

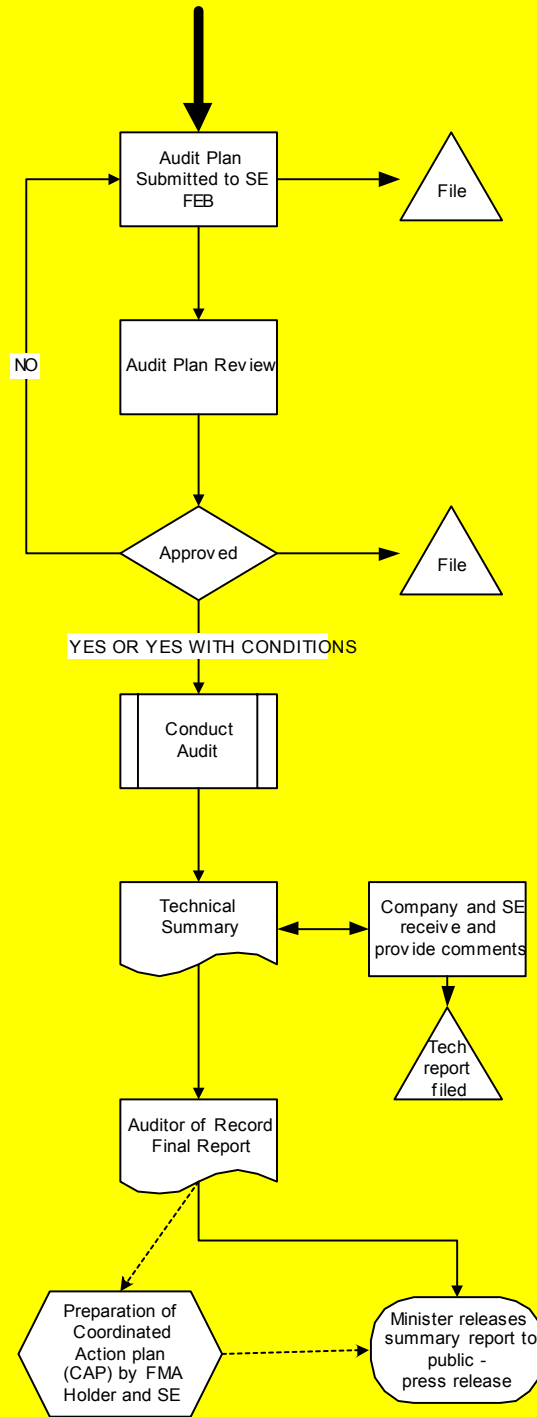
2.3.2 Conducting the audit

The performance of the audit includes assessing forest planning and practices required under *The Forest Resources Management Act* and *Regulations* and *The Environmental Assessment Act*. This work is carried out at the Auditee's location and includes both an office and a field component. The audit team selects a sample of activities, sites and documents to assess compliance with the regulatory requirements and documents the results of completing the specified audit procedures in the audit protocol.

2.3.3 Reporting

The reporting phase begins on completion of the audit. An exit meeting is held to advise the Auditee of the preliminary audit findings. The audit team reviews the audit findings and any additional information and comments from the Auditee prior Technical Summary report. The report documents the audit findings and concludes on the degree of the Auditee's compliance with the legal requirements. The Auditee and SE receive a copy of the report for review and comment before the Auditor of Record prepares a final report that is submitted to the Auditee. The Auditee is responsible for submitting the report to the Director of Forest Ecosystems Branch, SE.

Figure 1: Overview of Audit Process



INFORMATION	RESPONSIBLE
Licensee to submit audit plan 2 years before either a FMA extension date or a 20 Year Forest Management Plan revision date to facilitate timely use of audit findings.	FMA Holder with assistance of Lead Auditor
SE FEB Files Plan, provides an acknowledgement letter.	Provincial SFM Audit Expert
Audit plan reviewed to ensure requirements of FRM Regulations section 35 and 36 are covered by audit plan.	Provincial SFM Audit Expert
Audit plan is approved, approved with conditions or revisions, or not approved- letter is sent to FMA Holder and Auditor of Record. Anticipated turn around time for review and approval is 1 to 2 months.	Director FEB
Independent Audit performed	Audit team members (possibly with observers)
Technical Summary completed and sent to FMA Holder and FEB. Recommended that technical report be complete 1 year prior to FMA extension date or 20 Year Forest Management Plan revision date. -FMA Holder and FEB provide comments separately to Auditor of Record	Lead Auditor Auditor of Record FMA Holder & Provincial SFM Audit Expert
Final Report prepared and submitted to Director of forest Ecosystems Branch SE	Auditor of Record
CAP prepared (an optional step for FMA Holder and SE) Summary report released with or without CAP information - may issue press release	FMA Holder & Provincial SFM Audit Expert Minister



2.4 Relevant Statutes and Regulations

The Forest Resources Management Act and Regulations are the key regulatory requirements that apply to forest practices in Saskatchewan. Sections 35 and 36 of the *Forest Resources Management Regulations* establish the requirement for holders of Forest Management Agreements complete independent sustainable forest management audits every five years. In addition, compliance with approvals issued under *The Environmental Assessment Act* is assessed.

Should there be any conflict between this manual and any relevant legislation or regulations, the legislation or regulations shall prevail.

2.5 Audit Team Composition

The audit team is composed of the following key positions:

- Auditor of Record.
- Lead Auditor.
- Audit Team Members.

2.5.1 Audit Team Qualifications

Qualifications of the audit team members include:

- Current knowledge and understanding of applicable legislation.
- Audit training and experience, including training on applying the specific standards described in this manual and with expertise in the following:
 - Audit management.
 - Audit planning and performance.
 - Obtaining, evaluating and documenting audit evidence.
 - Written and oral communication.
- Forestry and resource management training and experience, preferably in the Canadian Boreal Eco-Region. The team should be composed of members having expertise in the following areas:
 - Strategic and operational planning.
 - Road construction, maintenance and deactivation.
 - Forest renewal.
 - Harvesting.
 - Biology/ecology.

In addition, the following role specific qualifications should be met.

Auditor of Record

- Should have a minimum of 7 years recent and relevant experience in forest management and forest operations;
- Must have a minimum of 4 years forest auditing experience, including preparing audit reports; and
- Must be an environmental management system lead auditor (EMS(LA)), or equivalent.

Lead Auditor

- Must have a minimum of 7 years recent and relevant experience in forest management and forest operations;
- Must have 4 years forest auditing experience, including audit management;
- Should have current experience planning and leading forest management audits and preparing audit reports;
- Should have experience in similar forest types; and
- Must be an environmental management system lead auditor (EMS(LA)), or equivalent.

Audit Team Member

- Must have a minimum of 5 years recent and relevant experience in forest management and forest operations or in the subject area being audited;
- Should have experience in similar forest types; and
- Should be trained in auditing procedures and have current forest auditing experience.

A specialist may be added to the audit team as required. It should be noted that the audit team composition and size would vary by operation.

2.5.2 Roles and Responsibilities

Auditor of Record

The Auditor of Record has overall responsibility for the audit. This person is responsible for:

- Forming the audit team in cooperation with the Lead Auditor and the Auditee, giving consideration to team members' qualifications and potential conflicts of interest;



- Ensuring that the audit team has the requisite range and depth of skills to meet the needs of the audit;
- Providing direction to the Lead Auditor on all aspects of the audit;
- Reviewing and approving the audit plan;
- Reviewing and approving risk assessment and sampling design;
- Review scope, audit design, and necessary adjustment to change in circumstances;
- Reviewing and approving the Lead Auditor's Audit Findings and submitting it to the Auditee and SE for their comments;
- Submitting to the Auditee and SE an audit report with an opinion on whether the Auditee has complied with the Act and regulations, and an opinion on the effectiveness of forest management activities in achieving the audit criteria and forest management objectives; and
- Providing comments on any items of significance that the auditor considers worthy of reporting, irrespective of whether they are matters of compliance or non-compliance.

Lead Auditor

Each audit requires a Lead Auditor who is responsible for the performance of the audit, which includes:

- Assisting the Auditor of Record and the Auditee with forming the audit team;
- Acting as the primary liaison with the Auditee and SE during the course of the audit;
- Obtaining relevant background information necessary to help ensure the efficient and effective conduct of the audit;
- Developing a risk assessment profile outlining the relative likelihood and potential impact of noncompliance by the Auditee;
- Determining the sample size and selecting a preliminary sample;
- Preparing the audit plan in conjunction with the Auditee, and submitting to the Auditor of Record for review and approval;
- Scheduling audit activities and meetings as necessary;
- Planning, coordinating, and directing the activities of the audit team, including sample selection;
- Providing regular updates to the Auditor of Record and the Auditee;
- Reviewing audit working papers prepared by other team members;



- Preparing the Lead Auditor’s Technical Summary and any other reports required by the Auditor of Record; and
- Signing off the Technical Summary on behalf of the audit team.

Audit Team Members

The audit team members are generally responsible for conducting the audit in accordance with the SE Audit Manual and Protocol. Responsibilities include:

- Following the directions of, and providing support to, the Lead Auditor;
- Assisting with the selection of field sites for audit examination;
- Collecting audit evidence;
- Documenting individual audit findings; and
- Assisting in writing of the audit reports;

2.5.3 Saskatchewan Environment

SE is responsible for ensuring the Independent Sustainable Forest Management Audits are carried out in accordance with the SE Audit Manual and Protocol. Responsibilities include:

- Periodically revising the Independent Sustainable Forest Management Audit Manual and Protocol;
- Reviewing and approving the audit plan;
- Reviewing and commenting on the Lead Auditor’s Technical Summary; and
- Participating in the development, implementation and monitoring of the CAP.

2.5.4 Auditee (FMA Holder)

The Auditee is ANY member of the organization within a function that is part of the overall company forest management program and whose operation directly affects forest management.

Responsibilities of the Auditee include:

- Preparing an audit plan in conjunction with the Lead Auditor;
- Informing employees about the objectives and scope of the audit;
- Appointing responsible members of staff to accompany members of the audit team in the field (as guides);
- Providing all resources needed for the audit team in order to facilitate an effective and efficient audit process;

- Providing access to operations, staff and documentation as requested by the auditors;
- Co-operating with the auditors to permit the audit objectives to be achieved;
- Reviewing and commenting on the Lead Auditor's Technical Summary; and
- Participating in the development, implementation and monitoring of the CAP.

2.5.5 Observers

Observers do not participate in the audit process, but may attend the audit. Observers may include local stakeholders, licensee customers, SE representatives, representatives of other license holders, etc. Attendance by observers must be determined in advance of the audit and agreed upon by both the Lead Auditor and the Auditee.

The Lead Auditor and the Auditee will define the extent of any observer involvement and may limit the involvement of observers where necessitated by audit logistics, such as transportation (e.g. helicopter access).



3.0 Audit Process

3.1 Timeline of Licensee Responsibilities

Under *The Forest Resource Management Regulations*, Section 35 and 36, a licensee holding a forest management agreement is responsible for undertaking an independent sustainable forest management audit prior to the extension of the license or the date a forest management plan is due, whichever is earlier (see Appendix E).

3.2 Pre-Audit Information Review

At the beginning of the audit process, the Lead Auditor will schedule a pre-audit visit to the Auditee's office. This visit should include both the Lead Auditor and the Auditor of Record. The purpose of this visit is to collect and review background information for the audit, assess the quality of that information and develop the audit plan. Prior to the visit, the Lead Auditor will provide the Auditee with a preliminary information request. Information to be reviewed at the pre-audit stage includes:

- The Auditee's Forest Management Agreement.
- The Forest Management Plan for the license.
- All Annual Operating Plan(s) for the audit period.
- Any assessments required under the *Environmental Assessment Act*.
- Information on the nature and extent of forestry activities on the license during the audit period (e.g. number of blocks and area harvested).
- Any other information that would be relevant to the audit and needed for planning the audit.

In addition, the Lead Auditor will meet with Auditee staff and SE representatives to get a preliminary understanding of the license area and any key issues that may be present. The Lead Auditor will determine the timing for the various phases of the audit and make a preliminary assessment of audit risk. The results of this review will be used in the development of the Audit Plan.

3.3 Audit Plan

An audit plan must be developed in advance of the audit and approved by the minister. *The Forest Resource Management Regulation* state an audit plan must be provided to the minister at least one year before the date of the license extension or revised forest management plan is due, however, for practical purposes this guideline suggests two years. This will provide enough time for the results of the audit to be built into the next planning cycle thereby facilitating continuous improvement of forest management plans.

Following the pre-audit information review the Lead Auditor will develop an audit plan (see Appendix B for an acceptable format). The Lead Auditor should review the plan with the Auditee to confirm feasibility of the plan.

The audit plan must be submitted for approval by SE and the Auditor of Record, and address the following topics:

- The plan needs to fulfill the relevant clauses of this manual (3.3.1 to 3.3.5);
- Include a signed “declaration of independence” form from each member of the audit team; and
- Include a signed copy of the confidentiality agreement between the Auditor and the Auditee.

3.3.1 Methodology

Timelines

The audit plan should identify the dates for the audit and the timelines for reporting.

Scope

The scope of the audit including the audit period should be clearly documented in the audit plan (e.g., all woodlands functions from the approval date of the current 20 year FMP until the date of the pre-audit visit).

Audit population

A description of the nature and extent of forestry activities completed during the audit period (e.g. AOP preparation, area and volume harvested, number of silviculture, roads, and harvesting activities, etc.)

Sampling methodology

Audit evidence will be collected using sampling to ensure that the audit is carried out efficiently and cost effectively. The purpose of sampling is to focus audit efforts on the areas of potential risk of noncompliance.

The audit plan should include a brief description of the sampling approach to be taken by the audit team, including a discussion of the overall risk assessment and the identification of any risk areas for specific focus during the audit.

Sampling

The level of sampling should be determined by the level of audit risk. The audit plan should provide a preliminary assessment of the level of sampling that will be required for the audit (see 3.4.2).

Collecting Evidence

Audit planning will determine which portions of the audit protocols are to be completed and the extent and type of sampling that will be required. The audit plan should include an overview of how audit evidence will be obtained (e.g. observation, inspection, computation, measurement, inquiry and confirmation) in relation to key elements of the audit (see 3.4.2).

3.3.2 Standards

The audit plan should briefly describe the criteria against which the planning and practices will be assessed. The plan should consider and refer to the following:

- *Forest Resource Management Act and Regulations.*
- The Auditee's Forest Management Agreement, including a brief description of the agreement area.
- An overview of the Forest Management Plan objectives and approval conditions.
- Specific Operating Plan approval conditions that may impact the scope of the audit and composition of the audit team.
- *Environmental Assessment Act* approval conditions.

The audit plan should provide background information on the operation being audited, including a description of the operating area, any special resource features of significance to the audit and any other relevant information

3.3.3 Adequacy of Information Assessment (Pre-audit)

The audit plan should include a brief description of the information reviewed and an assessment of the quality of the information highlighting any areas where additional information will be required for review at the time of the audit.

3.3.4 Audit Team

The audit plan should identify each member of the audit team and describe each individual's role in the audit, degree of independence and qualifications.



Auditor Independence

The audit plan must include sufficient information to demonstrate that the auditors are independent of the Auditee and the activities they audit and that they are objective and free from bias and conflict of interest (see Appendix D: Declaration of Independence).

Auditor Qualifications

The audit plan should provide background information on each auditor to demonstrate that each individual has sufficient knowledge, skills and experience to carry out his or her role in the audit. The qualifications that should be described are detailed under section 2.5.1.

3.3.5 Audit Plan Approval

The licensee and the Auditor of Record will select the audit team members jointly based on the auditor qualifications described in this manual and the subject areas being audited.

Once the plan is completed, the Lead Auditor forwards the plan to the Auditor of Record for review and approval. Upon approval from the Auditor of Record, the plan is submitted to the Director of Forest Ecosystems Branch, SE who will review the audit plan and approve it subject to any terms considered appropriate, or require that the plan be amended prior to approval. SE will reply within thirty days of the submission date.

3.4 Conducting the Audit

3.4.1 Opening Meeting

The Opening Meeting is the first step of the field audit and should last approximately 30 minutes. This meeting is attended by the audit team under the direction of the Lead Auditor, as well as pertinent Auditee representatives, particularly those with management responsibility. It is essential that the management, or their representatives, be present at both the Opening and Closing meetings. The purpose of the opening meeting is to:

- Introductions of both the audit team and Auditee representatives;
- Review of the audit scope and objectives and audit plan;
- Summary of methods and procedures;
- Explanation of the sampling process used during the audit;
- Confirmation of resources/facilities and interview/meeting times with client staff;

- Explain noncompliances;
- Describe how results will be documented;
- Describe reporting process;
- Describe the follow-up process (i.e. CAP);
- Confirmation of confidentiality;
- Clarify any questions; and
- Agree on date and time for Closing Meeting.

An attendance sheet should be completed for the audit records. Field guide(s) for the audit team should be identified at the Opening Meeting. At the time of the Opening Meeting, it is beneficial to schedule initial interviews with important contacts who will be attending the meeting.

Following the Opening Meeting, the audit team will select a preliminary field sample based on the risk assessment and sampling methodology described in the audit plan. With the Auditee's assistance, the audit team will plan the field audit and determine field logistics and necessary field guides. The Auditee will collect and provide the audit team with any relevant documentation needed for the site visits.

3.4.2 Field Audit

The independent sustainable forest management audit requires examining, on a sample basis, audit evidence to support conclusions on:

- The licensee's compliance with legal requirements;
- The implementation and achievement of the forest management plan objectives; and
- The effectiveness of forest management activities in achieving the audit criteria and forest management objectives.

Sampling ensures that the audit is carried out efficiently and cost effectively. The purpose of sampling is to focus audit efforts on the areas of potential risk of noncompliance.

Sample Selection

In determining the level of sampling, the Lead Auditor should consider the level of audit risk, focusing audit efforts on those areas that present a higher degree of risk, while ensuring that the audit sampling covers the breadth of forest management activities, geographic locations, site conditions, and seasons of operation.

While there are no hard fast rules around the necessary sampling intensity, a sample size of 10 to 20% is generally appropriate. Should potential issues be identified during field sampling or review of the supporting documentation, the Lead Auditor may adjust the sampling strategy to increase sampling of those areas to ensure that sufficient audit evidence is collected for the audit team to reach a conclusion on the audit.

Collecting Evidence

Sufficient appropriate audit evidence must be collected to support the conclusions reached by the auditor and documented in the Audit Report. Audit planning determines which portions of the audit protocols are to be completed and the extent of sampling that will be required. Audit evidence will be obtained through:

- Observation.
- Inspection.
- Computation.
- Measurement.
- Inquiry and Confirmation.

The task of the auditor is to make observations - through interviews, site visits, inspections of documents, historical data and records, and other means - to acquire the necessary evidence.

Audit Finding: A statement of fact made during an audit and substantiated by audit evidence.

Audit Evidence: Qualitative or quantitative information, records, or statements of fact pertaining to the audit criteria, which is based on observation, measurement, or test, and which can be verified.

Audit evidence takes many forms. By far, the most important in assessing compliance with legal requirements and effectiveness of management practices are the results of forest practices in the field. Therefore, site visits are vital to the audit process. Other important forms of evidence include documents (e.g. operational plans, inspection reports, etc.)

Evidence collected during the audit should be documented in the audit working papers, either as written documentation (e.g. records of observations and field inspections by the auditor) in the audit protocols, or as copies of the original documents (e.g. maps, operating plans, etc.)

3.4.3 Update Meetings

Regular team meetings allow the team to be kept up to date with any issues that may be emerging during the audit, particularly where there may be findings of a consistent nature. This allows the Lead Auditor to reassess areas of risk and adjust the focus of the audit if necessary.

In addition to the team meetings, the Lead Auditor should maintain regular updates with the Auditee. This communication ensures that the Auditee is fully aware of all potential findings and provides the Auditee with the opportunity to provide additional information to the Audit Team.

3.4.4 Closing Meeting

The main purpose of the closing meeting is to present preliminary audit findings to the Auditee in such a manner so as to ensure that they clearly understand the outcome of the audit.

Preparation

In preparation for the Closing Meeting, the Lead Auditor should pull together the audit findings and organize them in order to make a logical presentation at the Closing meeting.

At this point, the Audit Team will make a preliminary assessment of the degree of compliance/noncompliance. In assessing compliance, the team will review the evidence collected and conclude on whether or not the licensee complied with legal requirements (e.g. legislation, forest management agreement, etc.) In addition, the team may assess some areas of compliance as opportunities for improvement.

Assessing Significance

Once the Audit Team has concluded that a noncompliance exists, the team must evaluate the significance of that noncompliance and classify it as either minor noncompliance or major noncompliance.

A **minor noncompliance** exists when the auditor determines that the noncompliance event or condition, or accumulation of a number of noncompliances, is minor in nature. To determine that the noncompliance is minor, the auditor considers the consequences, individually or cumulatively, of the noncompliance and determines that they are minor.

A **major noncompliance** exists when the auditor determines that the noncompliance event or condition, or accumulation of a number of minor noncompliances, is major. In this situation, the consequences, individually or cumulatively, of the noncompliance is significant.

In categorizing the noncompliance, the auditor should consider:

- The legal requirements;
- The magnitude of the event(s) or condition(s) leading to the noncompliance;
- The severity of the consequences, potential or real; and
- The frequency of occurrence.

Determining significance requires professional judgment on the part of the audit team and ultimately, the Auditor of Record makes the final decision.

It is important to review the audit findings with the Auditee prior to the official Closing Meeting.

Conducting the Closing Meeting

The Closing Meeting normally takes place at the end of the audit to close the audit in a conclusive and professional manner. It should involve the same people who attended the Opening Meeting.

At the Closing Meeting, the Lead Auditor should:

- Thank the Auditee;
- Review the audit methodology (i.e. risk focus, sampling, etc.);
- Confirm the key documents/standards against which the audit was performed;
- Present an overall summary of the audit;
- Discuss preliminary noncompliances and observations;
- Explain reporting process;
- Agree on date of submission of the auditor's report;
- Explain follow-up and closure;
- Invite questions; and
- Close the meeting.

Records of the Closing Meeting should be kept, including minutes and an attendance sheet. Any disagreements resulting from the Closing Meeting should be resolved, if possible, before the Lead Auditor issues the report.

Final decisions on the significance and description of the findings ultimately rest with the Auditor of Record, *even though the Auditee still may disagree with these findings*. While it is appropriate for them to comment and challenge the accuracy of any statements, do not let the Auditee edit the final report.

3.5 Standard Audit Forms

- Audit Protocol (see Appendix A).
- Lead Auditor's Technical Summary (see 4.1).
- Audit Plan (see Appendix B).
- Audit Report (see Appendix C).
- Declaration of Independence (see Appendix D).



4.0 Reporting

4.1 Lead Auditor's Technical Summary

The Lead Auditor's Technical Summary consists of the completed audit protocol and a summary of the audit finding with supporting audit evidence. The purpose of this summary is to present the findings and results of the audit in a way that the Auditee and SE can understand the results. The summary is prepared under the direction of the Auditor of Record, who is responsible for its accuracy and completeness.

The summary contains the audit findings which were presented at the Closing Meeting. Specific topics addressed in the audit report are determined by the audit scope identified in the audit plan.

The summary should be issued as soon as possible after the audit. If, for any reason, it cannot be issued by the deadline set in the audit plan, an explanation for the delay should be provided to the Auditee and a revised issue date established.

In order to initiate, plan, implement, and report an effective audit, members of the audit team should understand the type of information that will go into the audit report, and the uses of the information that they provide the Auditee and client.

Tone and Language

The tone and language used in the report set the stage for future improvement. It is important that report is not overly negative, but clearly describes the issues in simple language.

Technical Summary Content

Audit Scope and Methodology

The summary should include the following:

- Identification of the Auditee and license audited;
- The scope and objectives of the audit, including:
 - the operational plans and forest practices subject to audit,
 - the audit period (dates which audit covers historically),
 - the legislation and criteria against which the plans and practices were assessed,
 - the audit population and sample sizes, and
 - any scope limitations;
- Identification of the audit team members and the Auditee's representatives;

- Audit dates and length of audit; and
- A summary of the audit process including any obstacles encountered and on site changes to the audit plan.

Details of Audit Findings

This is the list of all audit items, findings, and audit conclusions. Findings should be organized for easy review by subject and item category. This section should include a description of:

- The plans and forest practices examined in the audit;
- An assessment of how well the licensee has implemented and met the objectives of the forest management plan;
- Any compliance issues, including an assessment of significance, identified during the audit referencing the related legal requirements;
- An assessment of the effectiveness of forest management activities in achieving audit criteria and forest management objectives;
- Any opportunities for improvement identified during the audit; and
- Reference to the applicable audit evidence for each finding.

Audit Evidence

The audit evidence (i.e., working papers, completed audit protocols, copies of records, photographs, etc.) supports the conclusion for each noncompliance finding and opportunity for improvement.

Summary Distribution

The summary is delivered to the Auditor of Record who will review and approve the summary before distributing it to the Auditee and SE for review and comment.

4.2 Auditee Comment

Once provided with the Lead Auditor's Technical Summary, the Auditee has 30 days in which to review the summary and supporting documentation and provide written comments to the Auditor of Record.

4.3 Saskatchewan Environment Comment

Once provided with the Lead Auditor's Technical Summary, SE has 30 days in which to review the summary and supporting documentation and provide written comments to the Auditor of Record.

4.4 Auditor of Record Report

The Auditor of Record Report should be able to stand alone, summarizing the independent audit and identifying the important aspects which require action. The Lead Auditor's Technical Summary and comments from the Auditee and SE provide the basis for the Auditor of Record's conclusions. The audit report should be signed and dated by the Auditor of Record before distribution. The report should include:

- A description of the audit scope (including the standards referenced), plan, and description as well as Auditee and license description;
- Documentation of findings which have a critical or major effect, such as major noncompliance, or patterns of minor noncompliance; and
- Audit conclusions, such as:
 - overall compliance with the audit criteria, and
 - effectiveness of the practices in meeting the management objectives.

Audit Scope and Methodology

The audit report should include the following:

- Identification of the organization and license audited;
- The scope and objectives of the audit, including:
 - the operational plans and forest practices subject to audit,
 - the audit period (dates which audit covers historically),
 - the legislation and criteria against which the plans and practices were assessed,
 - the audit population and sample sizes, and
 - any scope limitations; and
- Audit dates and length of audit.

Audit Findings

This is a description of all audit findings and conclusions. This section should include a description of the plans and forest practices examined in the audit and any compliance issues, including an assessment of significance, identified during the audit referencing the related legal requirements.

Audit Opinion

This section provides the Auditor of Record's opinion on the Auditee's compliance with the legal requirements, how well the Auditee has implemented and met the objectives of the forest management plan, and the effectiveness of the forest management activities.

4.5 Coordinated Action Plan (CAP)

In response to the audit findings, the Auditee and SE may wish to work together to prepare a Coordinated Action Plan (CAP). The purpose of this plan is to identify actions to address the findings identified in the audit report and assign responsibilities and timeframes for completing the actions. The action plan should be prepared within two months of the date of the Auditor of Record Report. The CAP may be forwarded to the minister for use in the development of the public report.

4.6 Minister's Public Report

The Minister's Public Report provides a public summary of the audit findings and conclusions based on the audit findings, the Auditee and SE comments, the Auditor of Record Summary Report and if appropriate a summary of the CAP.

5.0 CAP Implementation and Continuous Improvement

To facilitate and assess improvements in Crown land forest management in Saskatchewan, this manual proposes a process of monitoring and assessing the implementation of the CAP.

5.1 CAP Implementation

Following mutual agreement of the terms of the CAP, the licensee and SE will implement their respective actions.

5.2 CAP Monitoring

Both the licensee and SE are responsible for monitoring the implementation of the CAP. By mutual agreement in preparation for submission of the auditee's next 20 year FMP, SE representatives and the licensee will meet periodically to assess progress in implementing the CAP.

Appendix A
Detailed Audit Protocol



Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
1 COMMITMENTS			
1.1 Management Plan			
<p><u>\$26 FRM Reg.</u> <u>\$38 & \$39(1) FRM Act</u></p> <p>Does the licensee have an approved forest management plan?</p>	<p><u>Documentation:</u> Review the <u>forest management plan</u> to verify that it has been approved for the licensee's operating area.</p> <hr/> <p><u>Interviews:</u> Interview staff responsible for preparing forest management plans at the Operation and confirm the licensee's operating area is covered under an approved forest management plan.</p> <hr/> <p><u>Field:</u> N/A</p>		
1.2 Operating Plan			
<p><u>\$26 and \$34 FRM Reg.</u> <u>\$38 & \$39(1) FRM Act</u></p> <p>Does the licensee have an approved operating plan?</p>	<p><u>Documentation:</u> Review the <u>operating plan</u> to verify that it has been approved for the licensee's operating area.</p> <hr/> <p><u>Interviews:</u> Interview staff responsible for preparing operating plans at the Operation and confirm the licensee's operating area is covered under an approved operating plan.</p> <hr/> <p><u>Field:</u> N/A</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
<p>1.5 Independent Audit</p> <p>1.5.1 Audit Report</p>			
<p><u>§35 FRM Reg.</u></p> <p>Has an independent sustainable forest management audit report been prepared by the licensee that meets the requirements of the FRM Regulations?</p>	<p><u>Documentation:</u></p> <p>(1) Review the latest independent <u>audit report</u> prepared by the licensee as well as any documentation available on <u>operating standards, guidelines, objectives, or procedures</u> to be followed when preparing the audit report or any applicable <u>standards</u> (e.g., ISO 14001) to which the licensee is certified to assess the report's conformance with the procedures/guidelines/standards and compliance with the following Regulation requirements:</p> <ul style="list-style-type: none"> (a) submission to the Minister on or before the mandated date; (b) contains an audit plan that was approved by the Minister; (c) contains an assessment of how well the licensee has implemented and met the objectives of the <u>forest management plan</u>, identified in the <u>audit plan</u> and, where an objective has not been met, an explanation of the reason for the differences between the results and the objectives; and (d) contains an assessment of how well the licensee has complied with terms of the forest management agreement, the Act, the Regulations and any ministerial approval issued pursuant to the Environmental Assessment Act. <p>(2) Review any <u>action plans</u> designed to eliminate actual and potential non-compliance or non-conformance incidents identified in the <u>audit report</u> to assess completeness (i.e., action plans developed for each identified non-compliance or non-conformance) and expected effectiveness (i.e., expectation that action plan will eliminate non-compliance or non-conformance).</p> <p><u>Interviews:</u> Interview staff responsible for preparing the audit report and action plans for the Operation and determine whether processes are in place and adequate resources committed to ensure the accuracy, quality, conformance and legal compliance of the report and the completeness and effectiveness of any action plans.</p> <p><u>Field:</u></p> <p>(1) Conduct an assessment of the extent to which the audit findings in the audit report reflect non-conformances and non-compliances on the ground. During the field audit of the sample of specific functional areas or management activities (see Section 3), assess that the audit is effective in capturing most incidents and that no systemic omissions are present.</p> <p>(2) Conduct an assessment of the extent of action plan implementation on the ground for a sample of action plans that relate to specific functional areas to be field audited (see Section 3). Compare the results to action plan tracking reports. Field evidence must exist that action plans are being implemented according to schedule and that action plan tracking and implementation reports accurately reflect the state of implementation on the ground.</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
1.5.2 Audit Plan			
<p><u>§36 FRM Reg.</u></p> <p>Has an audit plan for the independent sustainable forest management audit report been prepared by the licensee that meets the requirements of the FRM Regulations?</p>	<p><u>Documentation:</u> Review the latest <u>audit plan</u> prepared by the licensee as well as any documentation available on <u>operating standards, guidelines, objectives, or procedures</u> to be followed when preparing the audit plan to assess its conformance with the procedures/guidelines and compliance with the following Regulation requirements:</p> <ul style="list-style-type: none"> (a) submission to the Minister on or before the mandated date; (b) contains a description of the methods and standards to be used for the audit; (c) contains an assessment of the adequacy of information available to proceed with the audit; and (d) contains a description of the qualifications and role of each person conducting the audit, including information that establishes that the persons conducting the audit (1) are independent of the activities they audit and will be objective and free from bias and conflict of interest throughout the audit process and (2) possess the knowledge, skills and experience necessary to carry out the audit. <p><u>Interviews:</u> Interview staff responsible for preparing the audit plan for the Operation and determine whether processes are in place and adequate resources committed to ensure the accuracy, quality and legal compliance of the plan.</p> <p><u>Field:</u> N/A</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
1.6 Reporting			
1.6.1 Achievement of Plan Objectives			
<p><u>§39(2)(e) FRM Act</u> <u>§28 FRM Reg.</u></p> <p>Has the licensee developed a monitoring, assessment and reporting process that will enable the licensee to adequately demonstrate the degree to which all the objectives of the forest management plan and operating plan are being achieved as required under the Act and Regulations?</p>	<p><u>Documentation:</u> Review the latest final <u>forest management plan</u>, <u>operating plan</u>, <u>ministerial approval</u>, <u>letter(s)</u> and <u>licence agreement</u> to examine the licensee's specific monitoring, assessment and reporting commitments and obligations and the statement of management objectives around which the monitoring program has been/will be designed. Include in this review an examination of any <u>frameworks, standards and methodologies</u> that the licensee will use in its design of the monitoring program (e.g., monitoring frameworks being developed for SE by the Saskatchewan Forests Impacts Monitoring Scientific Advisory Board; SE Planning Manual). Review documented monitoring, assessment and reporting procedures developed by the licensee and any affiliated documentation and data to assess whether monitoring, assessment and reporting procedures have been designed to ensure that the licensee:</p> <p>(1) can effectively measure, track and report on its level of conformance to all of the forest management objectives/targets identified in the forest management plan and operating plan; and</p> <p>(2) is meeting its tracking and data reporting responsibilities as required by SE for its development of a provincial monitoring program.</p> <p><u>Interviews:</u> Interview staff responsible for developing the monitoring program as well as a sample of staff and contractor supervisors responsible for the supervision and monitoring of specific operations and determine whether processes are in place and adequate resources committed to ensure the effectiveness, quality and legal compliance of the program as specified directly above.</p> <p><u>Field:</u> N/A (field auditing of monitoring implementation and effectiveness covered under Section 3 for specific planning and functional areas)</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
1.6.2 Self-inspection			
<p><u>§32(e) FRM Reg.</u></p> <p>Has the licensee adequately specified the licensee's plans for self-inspection and reporting for the purpose of demonstrating compliance with the Act, Regulations, the licence and any plans prepared pursuant to the licence?</p>	<p><u>Documentation:</u> Review the latest final <u>forest management plan, operating plan, ministerial approval letter(s)</u> and <u>licence agreement</u> to examine the licensee's specific self-assessment and reporting commitments and obligations pertaining to statutory compliance. Include in this review an examination of any <u>frameworks, standards and methodologies</u> that the licensee will use in its design of the compliance self-assessment and reporting program (e.g., SE Compliance Manual). Review documented self-assessment and reporting procedures developed by the licensee and any affiliated documentation and data to assess whether the self-assessment and reporting program meets the requirements of the Act, Regulations, licence, plans and requisite frameworks, standards and methodologies and the terms and conditions set in ministerial approval letter(s). Evidence must exist to show that the licensee has completed all self-assessment and reporting documentation described in its operating plan and that this documentation complies with the following regulatory requirements (as per §32(e) FRM Reg.):</p> <ul style="list-style-type: none"> (1) sets out the form and frequency of reports; (2) describes the unit of land reported on; (3) describes the measures taken to correct non-compliances; and (4) includes a final report when operations on the operating area are completed. <p><u>Interviews:</u> Interview staff responsible for developing the compliance self-inspection and reporting program as well as a sample of staff and contractor supervisors responsible for the supervision and monitoring of specific operations and determine whether processes are in place and adequate resources committed to ensure the effectiveness, quality and legal compliance of the program as specified directly above.</p> <p><u>Field:</u> N/A (field auditing of self-inspection program implementation and effectiveness covered under Sections 3 for specific planning and functional areas)</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
<p>2 PLANNING</p>			
<p>2.1 Linkage Between Plans</p>			
<p><u>§39(3)(a) FRM Act</u></p> <p>Does the operating plan adequately propose how the forest management plan is to be implemented over the five years to which the operating plan relates?</p> <p>Is there general consistency between the various planning levels, including between site-specific assessments and prescriptions (e.g., pre-harvest assessment and silviculture prescription), operating plans and management plans?</p>	<p><u>Documentation:</u> Review the <u>operating plan</u> and <u>site-specific assessments and prescriptions</u> (e.g., PHA and PHSP) for consistency with each other and with the forest management plan, including consistency with proposals for managing activities and consistency with forest management plan objectives. Also review plans in context of conforming to any existing <u>operating standards, guidelines, objectives, or procedures</u> directing the linkage between plans.</p> <p><u>Interviews:</u> N/A</p> <p><u>Field:</u> N/A</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
2.2 Inventories and Mapping			
<p><u>§27(b) FRM Reg.</u> <u>§39(2)(a) FRM Act</u></p> <p>Has the licensee developed and implemented inventory and mapping programs, including long-term strategies, that comply with the Act, Regulations, forest management plan, licence agreement, and any relevant MOU's?</p>	<p><u>Documentation:</u> Review the <u>forest management plan</u>, the <u>licence agreement</u>, and <u>any relevant MOU's</u> to determine the licensee's commitments and obligations regarding the implementation, development, evaluation, information collection and reporting of information for the inventory and mapping programs.</p> <p>Review <u>documentation developed by the licensee in support of it's and/or the province's inventory and mapping programs</u> (including affiliated strategies, surveys, inventory data, methodologies, models, protocols and assumptions) to evaluate conformance to its commitments and obligations, including to existing standards (e.g., Saskatchewan Forest Vegetation Inventory (SFVI) standards). Include in this review any <u>objectives, operating standards, procedures, or guidelines</u> providing guidance to the development, implementation and evaluation of the inventory and mapping programs.</p> <p>Depending on the licensee's obligations, inventory data and program components to review could include:</p> <ul style="list-style-type: none"> (1) GIS; (2) classification and mapping of various resources and activities; (3) field survey and plot data (e.g., TSP/PSP feeding vegetation, soils and ecology data into province's emerging SFVI; site-specific surveys in which data is collected for site assessments (PHA)); and (4) growth and yield information (survey and plot data, compilations, program, models, assumptions, curves). <p><u>Interviews:</u> Interview staff responsible for developing and implementing the inventory, mapping and resource analysis programs at the Operation and determine whether processes are in place to ensure the accuracy, quality and conformance of the programs to existing requirements, standards, procedures and guidelines.</p> <p><u>Field:</u> N/A</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
<p>2.3 Resource Supply Analyses and Harvest Scheduling</p>			
<p><u>§5, 28 and §32(c) FRM Reg., §39(2)(a) FRM Act</u></p> <p>Has the licensee developed and implemented resource supply analyses and harvest scheduling methodologies that support projected forest and associated resource objectives and complies with the Act, Regulations, forest management plan, ministerial approval letter(s) and licence agreement?</p>	<p><u>Documentation:</u> Review the <u>forest management plan</u>, <u>ministerial approval letter(s)</u> and the <u>licence agreement</u> to determine the licensee's commitments and obligations regarding (1) the achievement of specific future resource objectives (see Section XX - XX) and (2) the implementation, development, evaluation, information collection and reporting of information for the resource supply analysis and harvest scheduling programs designed to meet these objectives in future.</p> <p>Review <u>documentation developed by the licensee in support of its resource supply management program</u> (including affiliated strategies, data, methodologies, models, protocols and assumptions) to evaluate conformance to its commitments and obligations. Include in this review any management, planning and practices <u>operating standards, guidelines, objectives, or procedures</u> having relevance to resource supply analyses and harvest scheduling.</p> <p>Depending on the licensee's obligations, resource supply analysis / harvest scheduling data and program components to review could include:</p> <p>(1) long-term harvesting strategies and methods (e.g., to simulate natural disturbance patterns and achieve long run sustainable yield objectives);</p> <p>(2) harvesting and other activity impact analyses (i.e., impacts of harvesting, renewal, maintenance, protection, road decommissioning and reclamation activities and slash disposal methods on future forest age-class distribution, seral stage spatial distribution, species associations, etc.); and</p> <p>(3) associated timber supply and other ecosystem-based (i) models (e.g., wildlife habitat supply, forest succession, fire behavior and impact, landscape diversity, etc.), (ii) inputs (e.g., resource inventories, yield curves, harvest schedule) and (iii) assumptions (e.g., landbase or volume netdowns using reserve factors or resource constraints, utilization standards, etc.) used to simulate sustainable timber and other resource supplies.</p> <p>Review the harvest volume schedule to ensure it has accounted for the requirements of §5 of the FRM Reg.</p> <p><u>Interviews:</u> Interview staff responsible for developing and implementing the resource supply management program at the Operation and determine whether processes are in place to ensure the accuracy, quality and conformance of the program to existing requirements, standards, procedures and guidelines.</p> <p><u>Field:</u> N/A</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
2.4 Forest Condition			
2.4.1 Current Conditions			
<p>§27(b) FRM Reg.</p> <p>Has the licensee prepared and implemented a forest management plan that adequately and accurately describe current forest conditions?</p>	<p><u>Documentation:</u> Review the <u>forest management plan</u>, <u>site-specific assessments (PHAs)</u>, <u>ministerial approval letter(s)</u> and the <u>licence agreement</u> to determine the licensee's commitments and obligations regarding describing the current state of the forest (including forest health, productivity, structure, stocking classes, species composition, age class distribution, ecological land classification, growth types, etc.).</p> <p>Review information assisting the licensee in its provision of an accurate representation of current site, stand and forest conditions (including maps, classifications, inventories, surveys and affiliated data and data collection strategies, as indicated in Section 2.2) to evaluate the licensee's ability to provide accurate descriptions of current site, stand and forest conditions in the forest management plan.</p> <p><u>Interviews:</u> Interview staff responsible for developing and implementing the inventory program and preparing the forest management plan at the Operation and determine whether processes are in place to ensure the accuracy, quality and conformance of the program, plan and assessments to existing requirements, standards, procedures and guidelines.</p> <p><u>Field:</u> N/A (field auditing to examine forest conditions resulting from the implementation of the forest management plan and assessments are covered under Section 3 for specific functional areas)</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
2.4.2 Predicted Future Conditions			
<p><u>§28(a)(c)(h) & §32(c) FRM Reg. §39(2)(a) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives relating to the description, planning and management of future structure, composition, and condition?</p>	<p><u>Documentation:</u> Review the <u>forest management plan</u>, <u>operating plan</u>, <u>site-specific prescriptions (PHSPs)</u>, <u>ministerial approval letter(s)</u> and the <u>licence agreement</u> to determine the licensee's commitments and obligations regarding (1) describing predictions of and achieving objectives pertaining to future site, stand and forest conditions (including sustainable yield projections, forest health, productivity, structure, stocking classes, species composition, age class distribution, ecological land classification, growth types, etc.) and (2) developing and implementing strategies for achieving these forest condition objectives.</p> <p>Review information, guidelines, procedures and methodologies assisting the licensee in its provision of realistic predictions of short-term (in the case of the operating area-level operating plan and block-level PHSPs) and medium- to long-term (in the case of the management plan) future forest conditions, including associated strategies, management activity impact analyses and associated operating procedures/guidelines and modeling designed to predict and achieve those objectives (i.e., harvest schedule planning and resource analysis program, as indicated in Section 2.3) to evaluate the licensee's ability to meet its commitments and obligations respecting the following:</p> <p>(1) preparing and implementing a forest management plan that adequately and realistically describe objectives and strategies respecting future forest conditions;</p> <p>(2) successfully implementing programs and strategies designed to achieve forest condition objectives;</p> <p>(3) preparing an operating plan that adequately and realistically describe the structure and condition of the forest in the operating areas that are expected to result from management activities and methods; and</p> <p>(4) preparing site-specific, silviculture prescriptions (PHSPs) that adequately describe predicted forest cover types at rotation.</p> <p><u>Interviews:</u> Interview staff responsible for developing and implementing the timber supply management program and preparing the forest management plan, operating plan and PHSPs at the Operation and determine whether processes are in place to ensure the accuracy, quality and conformance of the program, plan and assessments to existing requirements, standards, procedures and guidelines.</p> <p><u>Field:</u> N/A (field auditing to examine forest conditions resulting from the implementation of the plans and prescriptions are covered under Section 3 for specific functional areas)</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
2.5 Biodiversity and Wildlife Habitat			
<p><u>§27(b), §28(a)(d)(h) & §32(c)</u> FRM Reg. and §39(2)(b) FRM Act</p> <p>Has the licensee met its obligations, commitments and objectives relating to the identification, management and protection of biodiversity, wildlife habitat and species of special management concern?</p>	<p><u>Documentation:</u> Review the <u>forest management plan, operating plan, site-specific assessments (PHAs) and prescriptions (PHSPs), ministerial approval letter(s)</u> and the <u>licence agreement</u> to determine the licensee's commitments and obligations regarding describing current and predicted future conditions of and achieving objectives pertaining to biodiversity (at genetic, species and ecosystem levels), wildlife habitat (coarse grain species management) and species of special management concern (fine grain species management, particularly for species at risk).</p> <p>Review information, guidelines, procedures and methodologies assisting the licensee in providing accurate identification of current (i.e., via inventory, mapping and analysis tools indicated in Section 2.2) and realistic predictions of future biodiversity, wildlife habitat and species levels, features and conditions (i.e., via resource supply analysis and harvest scheduling indicated in Section 2.3) to evaluate the licensee's ability to meet its commitments and obligations respecting the following:</p> <p>(1) preparing and implementing a forest management plan and pre-harvest assessments (PHA) that adequately and accurately describe current conditions and states relating to biodiversity, wildlife habitat and species of special management concern;</p> <p>2) preparing and implementing a forest management plan that adequately and realistically describe objectives and strategies respecting future conditions relating to biodiversity, wildlife habitat and species of special management concern;</p> <p>(3) preparing silviculture prescriptions (PHSPs) that adequately prescribe methods for identifying and addressing biodiversity, wildlife habitat and species concerns;</p> <p>(4) successfully implementing programs and strategies designed to achieve biodiversity, wildlife habitat and species objectives; and</p> <p>(5) preparing an operating plan that adequately and realistically describe the structure and condition of the forest in the operating areas that are expected to result from management activities and methods</p> <p><u>Interviews:</u> Interview staff responsible for developing programs, procedures, guidelines, strategies and plans for managing and protecting biodiversity, wildlife habitat and species at the Operation (including their consideration and inclusion in the forest management plan, operating plan, PHAs and PHSPs) and determine whether processes are in place to ensure the accuracy, quality and conformance of programs, strategies, plans, assessments and prescriptions to existing requirements, standards, procedures and guidelines.</p> <p><u>Field:</u> N/A (field auditing to examine the impact on biodiversity, wildlife habitat and species on the ground resulting from the implementation of the plans, assessments and prescriptions are covered under Section 3 for specific functional areas)</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
2.6 Riparian and Water Resources			
<p>§28(d) FRM Reg. §39(2)(b) FRM Act</p> <p>Has the licensee met its obligations, commitments and objectives relating to the identification, management, protection and monitoring of riparian areas and water resources?</p>	<p>Documentation: Review the <u>forest management plan</u>, <u>operating plan</u>, <u>ministerial approval letter(s)</u>, <u>PHAs</u>, <u>PHSPs</u>, <u>FMA provisions</u>, <u>shoreline alteration permit (as per EMP Act)</u> and <u>any prepared guidelines or operating procedures</u> to determine the licensee's commitments and obligations regarding the protection and management of riparian features, structures and functions (including protection of fisheries resources) and water resources, the planning of forest management activities in riparian areas and watersheds and the consequential monitoring of activities in riparian areas and watersheds to assess the achievement of riparian and watershed protection objectives.</p> <p>Review information, guidelines, procedures and standards assisting the licensee in identifying and protecting riparian resources and aquatic ecosystems, including water resources, to evaluate conformance to the following requirements:</p> <ul style="list-style-type: none"> (1) providing accurate identification, descriptions and locations of current riparian areas and resources (consultations, inventory and mapping); (2) planning the management and conduct of its activities in riparian areas in accordance with the forest ministerial approval letter(s); (3) preparing riparian areas management guidelines and/or operating procedures/ standards in accordance with ministerial approval letter(s) to guide the conduct of its activities; (4) carrying out its forest management practices in accordance with the plans, approval letter(s), management guidelines and operating procedures / standards; and (5) preparing a riparian areas monitoring plan (if required by the minister), implementing the plan as required and consequently monitoring its activities in riparian areas to evaluate adherence to the requirements in accordance with the monitoring plan? <p>Interviews: Interview staff responsible for developing programs, procedures, guidelines, strategies and plans for managing and protecting riparian areas and features at the Operation (including their consideration and inclusion in the forest management plan, operating plan, PHAs and PHSPs) and determine whether processes are in place to ensure the accuracy, quality and conformance of programs, strategies, plans, assessments and prescriptions to existing requirements, standards, procedures and guidelines.</p> <p>Field: N/A (field auditing to examine the impact on riparian areas, features and resources and watersheds on the ground resulting from the implementation of the plans, assessments and prescriptions are covered under Section 3 for specific functional areas)</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
2.7 Visual Quality and Recreation			
<p><u>§28(d) FRM Reg.</u> <u>§39(2)(b) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives relating to the identification, management, protection and monitoring of scenic and recreation resources?</p>	<p><u>Documentation:</u> Review any existing <u>land use plans</u>, the <u>forest management plan</u>, <u>operating plan</u>, <u>PHAs</u>, <u>PHSPs</u>, <u>FMA provisions</u>, <u>ministerial approval letter(s)</u> and <u>any prepared guidelines or operating procedures</u> to determine the licensee's commitments and obligations regarding the identification, protection and management of recreation and scenic resources and planning, management and monitoring of activities to maintain or achieve specified recreation and visual quality objectives.</p> <p>Review information, guidelines, procedures, standards and consultation findings assisting the licensee in identifying, protecting and managing recreation and scenic resources, to evaluate conformance to the following requirements:</p> <p>(1) providing accurate identification, descriptions and locations of current recreation, scenic resources and recommended visual quality objectives (based on consultations (e.g., with FMACs, LSACs), government agency information, inventory and mapping) and local and provincial user groups;</p> <p>(2) planning the management and conduct of its activities in order to minimize or mitigate visual and recreation impacts and achieve desired objectives in accordance with the forest management plan, operating plan and ministerial approval letter(s);</p> <p>(3) preparing recreation and scenic resource management guidelines and/or operating procedures/standards for assessing, minimizing or mitigating impacts of activities on scenic and recreational resources in accordance with ministerial approval letter(s) to guide the conduct of its activities;</p> <p>(4) carrying out its forest management practices in accordance with the plans, approval letter(s), management guidelines and operating procedures / standards; and</p> <p>(5) preparing a scenic and recreation resources monitoring plan (if required by the minister), implementing the plan as required and consequently monitoring its activities to evaluate adherence to the requirements in accordance with the monitoring plan, including evaluating if desired objectives are being achieved?</p> <p><u>Interviews:</u> Interview staff responsible for developing programs, procedures, guidelines, strategies and plans for managing and protecting scenic and recreation resources at the Operation (including their consideration and inclusion in the forest management plan, operating plan, PHAs and PHSPs) and determine whether processes are in place to ensure the accuracy, quality and conformance of programs, strategies, plans, assessments and prescriptions to existing requirements, standards, procedures and guidelines.</p> <p><u>Field:</u> N/A (field auditing to examine the impact on scenic and recreation resources on the ground resulting from the implementation of the plans, assessments and prescriptions are covered under Section 3 for specific functional areas)</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
<p>2.8 Traditional, Cultural or Other Special Resource Values</p>			
<p><u>§27(c)(d), §28(d) and 32(d) FRM Req.</u> <u>§39(2)(b)(c)(d) and (1) (b) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives relating to the identification, management, protection and monitoring of traditional, cultural and other resources in the licence area identified as having special value?</p>	<p><u>Documentation:</u> Review any existing <u>land use plans</u>, the <u>forest management plan</u>, <u>operating plan</u>, <u>PHAs</u>, <u>PHSPs</u>, <u>FMA provisions</u>, <u>HRIAs</u>, <u>ministerial approval letter(s)</u>, and <u>any prepared guidelines or operating procedures</u> to determine the licensee's commitments and obligations regarding the identification, protection and management of traditional, cultural or other special resources/sites (i.e., resources or sites of significant ecologic, geologic, historic, archeologic or heritage value) and planning, management and monitoring of activities to maintain or achieve specified special resource value objectives.</p> <p>Review information, guidelines, procedures, standards and consultation findings assisting the licensee in identifying, protecting and managing special resources/sites to evaluate conformance to the following requirements:</p> <p>(1) consulting with aboriginal and other people using land within the licence area or having an interest in the licensee's activities to identify special resources, sites and concerns and incorporating significant issues raised through consultations into plans, standards, procedures and/or guidelines as specified by the requirements;</p> <p>(2) providing accurate identification, descriptions and locations of current special resources (e.g., based on consultations (with FMACs, LSACs), government agency information, inventory and mapping) and local and provincial user groups;</p> <p>(3) planning the management and conduct of its activities in order to protect, minimize or mitigate impacts on and achieve desired objectives pertaining to special resource values in accordance with the forest management plan, operating plan and ministerial approval letter(s);</p> <p>(4) preparing management guidelines and/or operating procedures/standards for assessing, minimizing or mitigating impacts of activities on special resources in accordance with ministerial approval letter(s) to guide the conduct of its activities;</p> <p>(5) carrying out its forest management practices in accordance with the plans, approval letter(s), management guidelines and operating procedures / standards; and</p> <p>(6) preparing a special resources monitoring plan (if required by the minister), implementing the plan as required and consequently monitoring its activities to evaluate adherence to the requirements in accordance with the monitoring plan, including evaluating if desired objectives are being achieved?</p> <p><u>Interviews:</u> Interview staff responsible for developing programs, procedures, guidelines, strategies and plans for managing and protecting traditional, cultural or other resource values identified as having significant or special qualities at the Operation (including their consideration and inclusion in the forest management plan, operating plan, PHAs and PHSPs) and determine whether processes are in place to ensure the accuracy, quality and conformance of programs, strategies, plans, assessments and prescriptions to existing requirements, standards, procedures and guidelines.</p> <p><u>Field:</u> N/A (field auditing to examine the impact on special resources on the ground resulting from the implementation of the plans, assessments and prescriptions are covered under Section 3 for specific functional areas)</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
<p>2.9 Forest Protection</p>			
<p><u>§27(b), §28(f) and §32(g) FRM Reg.</u> <u>§39(2)(a) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives relating to the protection of the forest within the licence area from fire, insects, disease and other damaging agents?</p>	<p>Documentation: Review any existing <u>land use plans</u>, the <u>forest management plan</u>, <u>operating plan</u>, <u>PHAs</u>, <u>PHSPs</u>, <u>FMA provisions</u>, <u>ministerial approval letter(s)</u>, any <u>protection plans</u> (e.g., fire plan) prepared pursuant to the licence and <u>any prepared guidelines or operating procedures</u> to determine the licensee's commitments and obligations regarding the protection of the forest from damaging agents and the associated planning and management designed to protect forests and promote forest health and productivity objectives.</p> <p>Review information, guidelines, procedures and standards assisting the licensee in planning and managing forests in order to protect them from significant identified forest health risks to evaluate conformance to the following requirements:</p> <p>(1) providing accurate identification of current and potential forest health risks from such damaging agents as fire, windthrow, insects and disease (inventory and mapping);</p> <p>(2) planning the management and conduct of its activities and protection measures in order to prevent, reduce or mitigate the risk of damage to forests and forest health from damaging agents in accordance with the forest management plan, operating plan and ministerial approval letter(s);</p> <p>(3) preparing protection guidelines and/or operating procedures/standards for (i) assessing, preventing, reducing or mitigating impacts of activities and damaging agents on forest health and (ii) protecting and promoting forest health through implementation of protection measures in accordance with ministerial approval letter(s) to guide the conduct of its activities and protection measures;</p> <p>(4) carrying out its forest management practices in accordance with the plans, approval letter(s), management guidelines and operating procedures / standards; and</p> <p>(5) preparing a forest protection/health monitoring plan (if required by the minister), implementing the plan as required and consequently monitoring its activities and protection measures to evaluate adherence to the requirements in accordance with the monitoring plan, including evaluating if desired forest health objectives are being achieved?</p> <p>Interviews: Interview staff responsible for developing programs, procedures, guidelines, strategies and plans for managing and protecting forests from damaging agents at the Operation (including their consideration and inclusion in the forest management plan, operating plan, PHAs and PHSPs) and determine whether processes are in place to ensure the accuracy, quality and conformance of programs, strategies, plans, assessments and prescriptions to existing requirements, standards, procedures and guidelines.</p> <p>Field: N/A (field auditing to examine the impact on forest health on the ground resulting from the implementation of the plans, assessments and prescriptions are covered under Section 3 for specific functional areas)</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
<p>3 FUNCTION AREAS</p> <p>3.1 Harvesting</p> <p>3.1.1 Planning</p> <p>3.1.1.1 Landscape Level Planning</p>			
<p><u>§27(b) and §28(e) FRM Reg.</u> <u>§39(2)(a) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives in its planning of harvesting activities across the licence area?</p>	<p>Documentation: Review the licence agreement, forest management plan, operating plan, and ministerial approval letter(s) to determine the licensee's commitments and obligations regarding development and implementation of harvesting programs (e.g., Forest Management Effects Monitoring Reports), <u>objectives, operating standards, procedures, and guidelines</u> (and affiliated inventory and mapping requirements) at the landscape level.</p> <p>Assess that all landscape-level planning commitments and objectives pertaining to harvesting have been met as required and specified, including any required analysis and reporting on how the licensee proposes to develop, model, consult on and implement strategies and methods to manage and achieve objectives for such landscape-level issues as (1) ecosystem-based forest management, (2) harvest scheduling and long-term sustainable yield, (2) forest age-class distribution, spatial distribution of seral stages and species associations (and other forest conditions), (3) biodiversity and wildlife habitat (fragmentation and connectivity), (4) scenic and recreation resources and (5) watersheds (see Sections 2.3 to 2.7).</p> <p>Interviews: Interview staff responsible for developing landscape-level harvesting programs, procedures, guidelines, strategies or plans for the Operation and determine whether processes are in place and adequate resources committed to ensure the accuracy, quality and conformance of the harvesting program documentation, inventories, models and maps to the requirements of the Minister, the objectives in the forest management plan and the needs of the Operation.</p> <p>Field: N/A</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
3.1.1.2 Stand Level Planning			
<p><u>§32(a)(h) FRM Reg.</u></p> <p>Has the licensee met its obligations, commitments and objectives in its preparation of stand level harvest plans, assessments and prescriptions?</p>	<p><u>Documentation:</u> Review the licence agreement, operating plan, ministerial approval letter(s), PHAs, PHSPs and any guidelines and associated operational procedures (e.g., Forest Management Effects Monitoring Reports) developed for the purpose of providing standards for guiding harvesting and associated activities to assess the licensee's obligations, commitments and objectives pertaining to stand-level harvest planning.</p> <p>If guidelines and operating procedures have been developed and approved by SE, assess that plans and maps prepared subsequent to this approval have incorporated the standards specified in the guidelines.</p> <p>Assess that all plans and reports requested by the Minister have been prepared as required and that there is consistency between the various planning levels in terms of specifications for harvest activities (i.e., locations of current and planned structures and activities, standards, objectives).</p> <p><u>Interviews:</u> Interview staff responsible for administering the harvest program at the Operation and determine whether processes are in place and adequate resources committed to ensure the accuracy, quality and conformance of stand level plans, inventories and maps to the requirements of the Minister, the objectives in the forest management plan and the needs of the Operation.</p> <p><u>Field:</u> N/A</p>		
3.1.2 Implementation			
3.1.2.1 Landscape Level Practices			
<p><u>§27(b) and §28(e) FRM Reg.</u> <u>§39(2)(a) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives at the landscape level in its implementation of harvesting practices on the ground?</p>	<p><u>Documentation:</u> Review harvest planning documentation developed to meet the licensee's landscape-level planning commitments and objectives for comprehensiveness in comparison to the requirements and effectiveness of implementation. Also review such documentation as maps, air photos, orthophotos, etc. depicting existing landscape patterns (i.e., sizes, shapes and stages of stands, including recent harvest blocks) and proposed harvest activities over the life of the operating plan, as well as affiliated inventories and annual depletion reports, to assess whether landscape-level objectives and long-term strategies are being managed and implemented as planned.</p> <p><u>Interviews:</u> Interview staff responsible for administering the harvesting program for the Operation and determine whether processes are in place and adequate resources committed to ensure that the program can be effectively implemented on the ground and that landscape-level commitments, obligations and objectives can be met.</p> <p><u>Field:</u> When conducting overview flights of the operation, determine whether activities and key features, conditions and patterns observed across the landbase are accurately depicted in the plan maps and reflect management plan intentions.</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
3.1.2.2 Stand Level Practices			
<p><u>§32(a)(h) FRM Reg.</u></p> <p>Has the licensee met its obligations, commitments and objectives at the stand level in its implementation of harvesting practices on the ground?</p>	<p><u>Documentation:</u> Review harvesting programs, <u>operating standards, guidelines, objectives, or procedures, and self-inspections</u> developed by the licensee, PHAs and PHSPs and any existing specifications and standards for managing harvesting and related activities to assess if the licensee has developed and effectively implemented its approaches for managing its harvesting practices and meeting its stand-level commitments and objectives.</p> <p><u>Interviews:</u> Interview staff responsible for administering the harvesting program for the Operation and determine whether processes are in place and adequate resources committed to ensure that the program can be effectively implemented on the ground and that commitments and obligations can be met.</p> <p><u>Field:</u> For a sample of harvest blocks identified in stand level plans, prescriptions, assessments and maps, assess during the site visit that descriptions, assessments and activities and measures identified in the documents match conditions and implemented actions on the ground. Ensure that specifications and standards have been adhered to (including those specified in operating procedures) and objectives met by the licensee in its carrying out of harvesting activities, including (but not limited to) provisions pertaining to recommended harvesting equipment and methods, cut control (e.g., boundaries, cut and leave blocks) season of operation, sensitive site protection (i.e., steep slopes, unfrozen soils sensitive to rutting, erosion or compaction, etc.), soil disturbance limits, utilization standards, slash and debris piles abatement and dispersion, stand level biodiversity and wildlife habitat protection, understory and other tree retention and protection, in-block roads and landings specifications, riparian zone protection, protection of other identified resources, etc.</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
3.1.3 Self-inspection			
<p><u>§32(e) FRM Reg.</u> <u>§39(2)(e) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives in its monitoring and inspection of harvesting activities and impacts?</p>	<p><u>Documentation:</u> Review the licence agreement, forest management plan, operating plan, ministerial approval letter(s), self-inspection reports, and any applicable existing monitoring frameworks, standards and methodologies (e.g., monitoring frameworks being developed for SE by the Saskatchewan Forests Impacts Monitoring Scientific Advisory Board; SE Planning Manual) to assess the licensee's obligations, commitments and objectives relating to monitoring, inspecting and measuring of potential impacts arising from harvesting practices, including impacts on defined forest ecosystem structures and functions, soils, water, other resources and associated values and indicators.</p> <p>Review documentation pertaining to the monitoring, inspecting and reporting (including any requisite reporting of the results of inspection programs and mitigative work prescribed and carried out on harvest blocks and landings) of the impacts from harvesting to evaluate adherence to harvest monitoring requirements, methodologies and standards.</p> <p><u>Interviews:</u> Interview staff responsible for administering the harvest inspection program and developing guidelines and procedures designed to direct harvesting practices and monitoring/inspection activities for the Operation to determine whether processes are in place and adequate resources committed to monitor, measure and report on the level of achievement of its commitments and objectives relating to the licensee's harvesting program and practices.</p> <p><u>Field:</u> For a sample of blocks and landings on which monitoring and inspections were conducted, assess that there is general consistency between the information collected and measures prescribed for the harvest block and actual conditions and requirements on the block.</p>		
3.2 Post-Harvest Activities			
3.2.1 Forest Product Removal			
<p><u>§39(1) FRM Reg.</u></p> <p>Has the licensee ensured that harvested forest products are removed from staging areas within 90 days after being harvested or within a timeframe otherwise authorized by the FRM Regulations, a licence, an approved operating plan or an officer?</p>	<p><u>Documentation:</u> Confirm whether the 90 day limit applies to the licensee by reviewing if an alternative timeframe has been authorized in applicable documentation (i.e., the licence, operating plan, approval letter). Once time limit is established, review a sample of records accounting for timber harvested and timber delivered from particular blocks to assess compliance with the time limit.</p> <p><u>Interviews:</u> Conduct follow up interviews with responsible staff where discrepancies or questions surface during the document review.</p> <p><u>Field:</u> Through inspection of staging areas and on-ground interviews, assess whether the time limit is being respected for a sample of the harvest blocks being field audited.</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
3.2.2 Forest Product Transport			
<p><u>§85(1)(2) FRM Reg.</u></p> <p>Are transported forest products which are harvested pursuant to the licence accompanied by properly completed forest product shipping and receiving reports or similar documentation satisfactory to the minister?</p> <p>Has one copy of the shipping and receiving report or equivalent been submitted to the minister within 30 days after completing it and a copy retained for a minimum of three years?</p>	<p><u>Documentation:</u> Assess compliance to the Regulations by reviewing a selection of shipping and receiving documentation accompanying transported forest products. For a sample of harvest records on older blocks (2 to 3 years old), assess whether shipping and receiving documentation is being retained for 3 years.</p> <hr/> <p><u>Interviews:</u> N/A</p> <hr/> <p><u>Field:</u> N/A</p>		
<p><u>§85(3)(4) FRM Reg.</u></p> <p>Have recipients of transported forest products obtained a copy of the forest product shipping and receiving report or equivalent?</p> <p>Has the recipient retained one copy of the shipping and receiving report or equivalent for a minimum of three years?</p>	<p><u>Documentation:</u> Assess compliance to the Regulations by reviewing a selection of shipping and receiving documentation retained by the recipient. For a sample of harvest records on older blocks (2 to 3 years old), assess whether shipping and receiving documentation is being retained for 3 years.</p> <hr/> <p><u>Interviews:</u> N/A</p> <hr/> <p><u>Field:</u> N/A</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
3.2.3 Forest Product Storage			
<p><u>§47 FRM Reg.</u></p> <p>Has the licensee piled or placed forest products in a manner that facilitates an accurate scale, check scale or measurement in accordance with the Saskatchewan Scaling Manual (the scaling manual)?</p> <p>Has the licensee received written authorization from an officer before storing forest products in a processing facility yard or timber storage area prior to scaling or measuring?</p> <p>Where an officer has provided written authorization for storage before scaling or measuring, has the licensee piled forest products in a manner that will allow the forest products to be identified according to (1) the licence authorizing harvest and (2) the area from which they were harvested?</p>	<p><u>Documentation:</u> Review the scaling manual to determine the manner in which the licensee is to pile and store products prior to scaling and any written authorization from an officer pertaining to forest product piling and storage to determine authorized storage and scaling locations. Assess that authorization has been given prior to forest product storage.</p> <p><u>Interviews:</u> N/A</p> <p><u>Field:</u> Check during the field audit of the scaling location that forest products are being piled and stored in a manner which would allow accurate scales and easy identification as indicated in the scaling manual and required by Regulation.</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
<p>3.2.4 Forest Product Scaling</p>			
<p>3.2.4.1 Scaling Location</p>			
<p><u>§46 FRM Reg.</u></p> <p>Unless otherwise authorized by an officer or the minister, does the licensee scale all its forest products (1) at defined staging areas before transport or (2) at the entrance of a timber storage area or processing facility prior to unloading the forest products from the transport vehicle?</p>	<p><u>Documentation:</u> Review applicable documentation (e.g., authorization letter) to assess the location(s) at which the licensee is authorized to scale or measure forest products.</p> <hr/> <p><u>Interviews:</u> Interview responsible personnel during the field audit of the scaling location to determine whether all forest products are being scaled at authorized locations.</p> <hr/> <p><u>Field:</u> Check during the field audit of the scaling location that all forest products are being scaled at authorized locations.</p>		
<p>3.2.4.2 Scaling Plan</p>			
<p><u>§11(b) & §44 FRM Reg.</u></p> <p>Has a scaling plan been prepared as required and does the scaling plan include all mandatory information?</p>	<p><u>Documentation:</u> Review current scaling plan and check if the following required information is included:</p> <ul style="list-style-type: none"> (a) a description of scaling methods to be used; (b) allowable deductions respecting quality and form; (c) a list of sites where scaling will be conducted; (d) estimates of volume of forest products to be harvested; (e) a description of the sampling procedure to be followed (including objectives, intensity, initial coefficients, methodology and stratification requirements); (f) how and when sampling results will be applied to the calculation of dues and fees; (g) reporting requirements; and (h) any other information required by the minister. <hr/> <p><u>Interviews:</u> N/A (see Section 3.2.4.3)</p> <hr/> <p><u>Field:</u> N/A (see Section 3.2.4.3)</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
3.2.4.3 Conducting Scale			
<p><u>§43(1) FRM Reg.</u> <u>§51 & §52 FRM Act</u></p> <p>Has the licensee scaled all forest products in accordance with the scaling manual and approved scaling plan?</p>	<p><u>Documentation:</u> Review the scaling manual and scaling plan to assess the procedures and standards to be used by the licensee when scaling and sample scaling forest products. Review the procedures and systems in place to ensure compliance with the approved plan.</p> <p><u>Interviews:</u> Interview scalers during the field audit of the scaling location to determine whether all forest products are being scaled according to the specifications in the scaling manual and scaling plan. Check appropriate current scaling licenses to ensure that scalers are licenced.</p> <p><u>Field:</u> Check during the field audit of the scaling location that all forest products are being scaled in accordance with the scaling plan.</p>		
3.2.4.4 Scaling Returns to Chief Scaler			
<p><u>§52 FRM Reg.</u></p> <p>Are scaling returns and other documentation consistently submitted by the licensee to the chief scaler according to the scaling manual and requirements as set out in the approved scaling plan?</p>	<p><u>Documentation:</u> Review scaling manual and approved scaling plan to determine requirements and format in which returns are to be submitted to the chief scaler. Review a sample of scaling returns to assess compliance with the scaling plan/manual's format specifications. Review submission dates to check that scaling returns are consistently submitted within the required time frame.</p> <p><u>Interviews:</u> N/A</p> <p><u>Field:</u> N/A</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
<p>3.3 Road Activities</p>			
<p>3.3.1 Planning</p>			
<p>3.3.1.1 Landscape Level Planning</p>			
<p><u>§28(g) FRM Reg.</u> <u>§39(2)(a) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives in its planning of access management control across the licence area?</p>	<p><u>Documentation:</u> Review the licence agreement, forest management plan, operating plan, and ministerial approval letter(s) to determine the licensee's commitments and obligations regarding development and implementation of a road access management control program, <u>operating standards, guidelines, objectives, or procedures</u> (and affiliated inventory and mapping requirements).</p> <p>Assess whether the licensee has fulfilled its commitments in preparing the road access management control documentation to specified standards and within specified time frames by reviewing its content in relation to the statutory requirements and the needs of the Operation (e.g., assessments undertaken on old roads, landings, culverts and bridges; measures taken to regulate access and mitigate potential impacts on specific populations of target species; consultations that have taken place with stakeholder groups; etc.).</p> <p><u>Interviews:</u> Interview staff responsible for developing the road access management control program, procedures, guidelines, strategies or plan for the Operation and determine whether processes are in place and adequate resources committed to ensure the accuracy, quality and conformance of the road access management control documentation, inventories and maps to the requirements of the Minister, the objectives in the forest management plan and the needs of the Operation.</p> <p><u>Field:</u> N/A</p>		
<p>3.3.1.2 Stand Level Planning</p>			
<p><u>§32(b) FRM Reg.</u></p> <p>Has the licensee met its obligations, commitments and objectives in its preparation of road plans, assessments and prescriptions?</p>	<p><u>Documentation:</u> Review the licence agreement, forest management plan, operating plan, ministerial approval letter(s), PHAs, PHSPs and any guidelines and associated operational procedures developed for the purpose of providing standards for guiding road and other access structure construction, maintenance and deactivation to assess the licensee's obligations, commitments and objectives pertaining to road-related planning.</p> <p>If <u>operating standards, guidelines, objectives, or procedures</u> have been developed and approved by SE, assess that plans and maps prepared subsequent to this approval have incorporated the standards specified in the guidelines.</p> <p>Assess that all plans and reports requested by the Minister have been prepared as required and that there is consistency between the various planning levels in terms of specifications for road and other access structures and works (i.e., locations of current and planned structures and activities, standards, objectives).</p> <p><u>Interviews:</u> Interview staff responsible for administering the roads program at the Operation and determine whether processes are in place and adequate resources committed to ensure the accuracy, quality and conformance of stand level plans, inventories and maps to the requirements of the Minister, the objectives in the forest management plan and the needs of the Operation.</p> <p><u>Field:</u> N/A</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
3.3.2 Implementation			
3.3.2.1 Landscape Level Practices			
<p><u>§28(g) FRM Reg.</u> <u>§39(2)(a) and 58(1) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives at the landscape level in its implementation of access management control on the ground?</p>	<p><u>Documentation:</u> Review the road access management control program, procedures, plan, guidelines or strategies developed by the licensee to meet its commitments and objectives regarding managing access control issues for comprehensiveness in comparison to the requirements and effectiveness in implementation. Review any documented requests from the Minister requiring particular road closures to assess the licensee's obligations in this regard.</p> <p><u>Interviews:</u> Interview staff responsible for administering the roads program for the Operation and determine whether processes are in place and adequate resources committed to ensure that the program can be effectively implemented on the ground and that commitments and obligations can be met.</p> <p><u>Field:</u> For a sample of roads, culverts and bridges identified in the road access management control program, assess during the site visit that descriptions, assessments and road access control measures identified in the program match conditions and implemented actions on the ground. For roads on which the Minister has requested closure to restrict access under §58(1) of the FRM Act, assess during the site visit that the licensee has complied with the request by erecting suitable barriers and signs restricting and informing vehicular traffic.</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
3.3.2.2 Stand Level Practices			
<p><u>§32(b) and §38 FRM Reg.</u> <u>§57(1) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives at the stand level in its implementation of road construction, maintenance and deactivation practices on the ground?</p>	<p><u>Documentation:</u> Review road programs, procedures, plan, guidelines or strategies developed by the licensee, PHAs and PHSPs, any existing road agreements that the licensee has entered into (e.g., road use agreement with another party or person) and any existing specifications and standards for managing roads and other access structures and related activities to determine if the licensee has developed and effectively implemented approaches for meeting its commitments and objectives in managing and using access structures (including the use of roads and the construction, maintenance and reclamation/decommissioning of roads, culverts, permanent and temporary bridges and in-block roads).</p> <p><u>Interviews:</u> Interview staff responsible for administering the roads program for the Operation and determine whether processes are in place and adequate resources committed to ensure that the program can be effectively implemented on the ground and that commitments and obligations can be met.</p> <p><u>Field:</u> For a sample of roads, culverts and bridges identified in stand level plans, prescriptions, assessments and maps, assess during the site visit that descriptions, assessments and road activities and measures identified in the documents match conditions and implemented actions on the ground. Ensure that specifications and standards have been adhered to in the construction/installation, maintenance and deactivation of roads, bridges and culverts (including soil, water and riparian protection provisions). Assess during the field visit of the sample of roads, culverts and bridges that the licensee in its use, construction, development and maintenance of the access structures is complying with the provisions specified in the licence agreement, and any road use agreements pertinent to the audited sample.</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
3.3.3 Self-inspection			
<p><u>§32(e) FRM Reg.</u> <u>§39(2)(e) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives in its monitoring and inspection of road and other access-related structures, activities and impacts?</p>	<p><u>Documentation:</u> Review the licence agreement, forest management plan, operating plan, self-inspection reports, shoreline alteration permits (as per EMP Act), ministerial approval letter(s) and any applicable existing monitoring frameworks, standards and methodologies (e.g., monitoring frameworks being developed for SE by the Saskatchewan Forests Impacts Monitoring Scientific Advisory Board; SE Planning Manual) to assess the licensee's obligations, commitments and objectives relating to monitoring, inspecting and measuring of potential impacts arising from road-related practices, including road, bridge and culvert construction/installation, maintenance and deactivation (reclamation and rehabilitation).</p> <p>Review documentation pertaining to the monitoring, inspecting and reporting (including any requisite reporting of the results of inspection programs and mitigative work prescribed and carried out on roads and/or other access structures) of the impacts from access-related activities and structures to evaluate adherence to road monitoring requirements, methodologies and standards.</p> <p><u>Interviews:</u> Interview staff responsible for administering the roads and road inspection program and developing guidelines and procedures designed to direct access development, maintenance, deactivation and monitoring/inspection activities for the Operation to determine whether processes are in place and adequate resources committed to monitor, measure and report on the level of achievement of its commitments and objectives relating to the licensee's road program and practices.</p> <p><u>Field:</u> For a sample of chosen lengths of road (and affiliated culverts) and a sample of bridges on which monitoring and inspection was conducted, assess that there is general consistency between the data collected and measures prescribed for the access structures and actual conditions and required work on and around the access structures.</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
<p>3.4 Silviculture</p>			
<p>3.4.1 Planning</p>			
<p>3.4.1.1 Landscape Level Planning</p>			
<p><u>§37 FRM Reg.</u> <u>§27 and §39(2)(a) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives in its planning of renewal activities in order to maintain the long-term productive capacity of the forest and the integrity of ecosystem processes in the licence area?</p>	<p><u>Documentation:</u> Review the licence agreement, forest management plan, operating plan, and ministerial approval letter(s) to determine the licensee's commitments and obligations regarding development and implementation of a renewal program, <u>operating standards, guidelines, objectives, or procedures</u> (and affiliated mapping requirements).</p> <p>Assess whether the licensee has fulfilled its commitments in preparing the renewal program documentation to specified standards and within specified time frames by reviewing its content in relation to the statutory requirements and the needs of the Operation (e.g., comparison assessments undertaken to determine actual growth rates vs. predicted growth rates, etc.).</p> <p><u>Interviews:</u> Interview staff responsible for developing and implementing the renewal program for the Operation and determine whether processes are in place and adequate resources committed to ensure the accuracy, quality and conformance of the renewal program documentation to the requirements of the Minister, the objectives in the forest management plan and the needs of the Operation.</p> <p><u>Field:</u> N/A</p>		
<p>3.4.1.2 Stand Level Planning</p>			
<p><u>§28(e), §32(a) and §37 FRM Reg.</u> <u>§27 and §39(2)(a) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives in its preparation of silviculture plans, assessments and prescriptions?</p>	<p><u>Documentation:</u> Review the licence agreement, forest management plan, operating plan, ministerial approval letter(s) and any silvicultural guidelines and associated operational procedures developed for the purpose of providing standards for guiding silvicultural practices to assess the licensee's obligations, commitments and objectives relating to silviculture planning, including responsibility for preparing site specific plans (PHAs and PHSPs) and affiliated silviculture maps.</p> <p>If guidelines and operating procedures have been developed and approved by SE, assess that PHSPs and maps prepared subsequent to this approval have incorporated the standards specified in the guidelines (e.g., regeneration standards; free to grow standards; well spaced trees and stocking standards specific to ecosite type or stand type; stock and tree types appropriate to ecosite; soil disturbance limits from silviculture activities; etc.).</p> <p>Assess that there is consistency between the various silviculture planning levels / licence agreement requirements in terms of silviculture specifications (i.e., locations of planned activities, standards, objectives).</p> <p>Review a sample of silviculture maps to assess that treatment types and planned silviculture activities for blocks (e.g., site preparation method, regeneration, stand tending, thinning, regeneration and free-to-grow surveys, etc.) are depicted as specified in ministerial approval letter(s).</p> <p><u>Interviews:</u> Interview staff responsible for administering the silviculture program, preparing PHAs, PHSPs and silviculture maps and developing silvicultural guidelines and procedures for the Operation to determine whether processes are in place and adequate resources committed to ensure the accuracy, quality, compliance and consistency of silviculture plans, assessments and prescriptions to the Minister's specifications.</p> <p><u>Field:</u> N/A</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
3.4.2 Implementation			
3.4.2.1 Landscape Level Practices			
<p><u>§28(g) FRM Reg.</u> <u>§39(2)(a) and 58(1) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives at the landscape level in its implementation of renewal activities in the licence area?</p>	<p><u>Documentation:</u> Review the licence agreement, forest management plan, operating plan, and ministerial approval letter(s) to determine the licensee's commitments and obligations regarding development and implementation of a renewal program, operating standards, guidelines, objectives, or procedures (and affiliated mapping requirements).</p> <p>Assess that the licensee has met its silviculture obligations, commitments and objectives. Assess that the sampling approach taken, the data collected and the results of surveys meet the requirements specified in <u>operating standards, guidelines, objectives, or procedures</u>.</p> <p><u>Interviews:</u> Interview staff responsible for administering the renewal program for the Operation and determine whether processes are in place and adequate resources committed to ensure that the program can be effectively implemented on the ground and that commitments and obligations can be met.</p> <p><u>Field:</u> For a sample of surveys identified in the renewal program, assess during the site visit that plot data and affiliated forest cover mapping reasonably match conditions on the ground.</p>		
3.4.2.2 Stand Level Practices			
<p><u>§28(e), §32(a) and §37 FRM Reg.</u> <u>§27 and §39(2)(a) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives in implementing silvicultural practices on the ground?</p>	<p><u>Documentation:</u> Review the licence agreement, forest management plan, operating plan, ministerial approval letter(s), PHAs and PHSPs to assess the licensee's obligations, commitments and objectives relating to the implementation of silvicultural activities.</p> <p>Assess that the licensee has met its silviculture obligations, commitments and objectives (including such reforestation standards as stocking, acceptable seedlings, approved species, height, etc.) by reviewing such silviculture documentation as sample plot data from regen, free-to-grow and other post-harvest surveys. Assess that the sampling approach taken, the data collected and the results of the survey meet the requirements specified in the licence agreement, PHA, PHSP and/or operating procedures/guidelines.</p> <p><u>Interviews:</u> Interview staff responsible for administering the silviculture program, preparing PHAs, PHSPs and silviculture maps and developing silvicultural guidelines and procedures for the Operation to determine whether processes are in place and adequate resources committed to ensure that the silviculture program can be effectively implemented on the ground and its commitments and objectives achieved.</p> <p><u>Field:</u> For the sample of silviculture blocks selected for the field audit, assess whether site conditions on the ground (e.g., soil characteristics and regimes; ecosystem classification; estimates of protected advance regeneration) and silviculture techniques and standards employed (e.g., slash abatement/dispersal; site preparation; artificial regeneration; planting of particular species and stock types to specific densities in particular locales; competition control; proposed stand tending practices) match site conditions and silviculture practices, specifications/standards and timeframes described for the blocks in PHAs, PHSPs and/or other relevant site specific plans and depicted on silviculture maps.</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
3.4.3 Self-inspection			
<p><u>§32(e) FRM Reg.</u> <u>§39(2)(e) FRM Act</u></p> <p>Has the licensee met its obligations, commitments and objectives in its monitoring of the effectiveness of silvicultural practices on the ground?</p>	<p>Documentation: Review the licence agreement, forest management plan, operating plan, ministerial approval letter(s), self-inspection reports, PHAs, PHSPs and any applicable existing monitoring frameworks, standards and methodologies (e.g., monitoring frameworks being developed for SE by the Saskatchewan Forests Impacts Monitoring Scientific Advisory Board) to assess the licensee's obligations, commitments and objectives relating to monitoring and measuring the effectiveness of silvicultural activities.</p> <p>Review silviculture monitoring and reporting documentation, including silviculture surveys (e.g., waste, quality/survival, regen, free to grow, stocking) and any prepared summary reports documenting silviculture achievements (e.g., areas harvested by stand type; areas site prepared for natural regeneration; areas planted and number of seedlings planted by species) to evaluate adherence to silviculture monitoring requirements, methodologies and standards.</p> <p>Interviews: Interview staff responsible for administering the silviculture program, preparing PHAs and PHSPs, developing silvicultural guidelines and procedures and designing/conducting silviculture surveys for the Operation to determine whether processes are in place and adequate resources committed to monitor, measure and report on the level of achievement of its commitments and objectives relating to the licensee's silviculture program and practices.</p> <p>Field: For a sample of silviculture blocks on which monitoring was conducted, assess that there is general consistency between the data collected in the survey for the particular block and silviculture attributes on the block.</p>		
4 RESEARCH			
<p><u>§32(f) FRM Reg.</u></p> <p>Has the licensee met its research obligations, commitments and objectives?</p>	<p>Documentation: Review the licence agreement, management plan, operating plan and ministerial approval letter(s) to determine the licensee's obligations, commitments and objectives pertaining to forest research. Assess adherence to the documented requirements by reviewing any programs, procedures, plans and/or guidelines developed by the licensee to guide research activities for comprehensiveness, effectiveness in implementation and feedback and incorporation of research results into programs, procedures, plans and guidelines.</p> <p>Interviews: Interview staff responsible for administering research programs and developing guidelines and procedures designed to direct research activities for the Operation to determine whether processes are in place and adequate resources committed to ensure effective development and implementation of and feedback from the licensee's research program and practices.</p> <p>Field: Conduct an on-site inspection of a sample of the research trials being conducted in the field to assess adherence to the requirements specified in the licence agreement, plans and ministerial approval letter(s) and to the specifications stipulated in any research documentation developed by the licensee to direct its research efforts.</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
<p>5 SOCIO-ECONOMIC</p>			
<p>5.1 Consultation</p>			
<p><u>§27(c) and §32(d) FRM Reg.</u> <u>§39(2)(c)(d) FRM Act</u></p> <p>Has the licensee in consulting with other forest users met its obligations, commitments and objectives?</p>	<p><u>Documentation:</u> Review the licence agreement, management plan, operating plan and ministerial approval letter(s) to determine the licensee's obligations, commitments and objectives pertaining to public consultation, including the identification of forest users and how proposed activities affect these forest users, the types of consultations conducted to inform the public and solicit input into the planning decision making process (including any requirements for establishing and maintaining Forest Management Advisory Committees (FMACs) and supporting the efforts of Local Stakeholder Advisory Committees (LSACs)) and the manner in which this input will be addressed.</p> <p>Assess adherence to the requirements by reviewing records documenting the results of aboriginal and other public consultations conducted to solicit input into and provide updates on the preparation and implementation of forest management and operating plans and provide public information about the Company's forest management practices (including summary reports of FMAC and LSAC activities), including how the public was consulted, what concerns and issues were raised and what the licensee proposes to do in response to address the concerns and issues raised.</p> <p>Assess whether meaningful and effective public involvement was supported at the necessary and key stages of the planning cycle. Also assess whether proposed courses of action designed to address and accommodate the concerns and issues raised by forest users, including any revisions to forest management or operating plans and associated activities, are reasonable proposals and have been developed and implemented as proposed.</p> <p><u>Interviews:</u> Interview staff responsible for preparing management plans and operating plans or otherwise responsible for establishing, implementing and maintaining public consultation processes at the Operation to determine whether processes are in place and adequate resources committed to ensure that the required information is communicated to all appropriate forest users when required and that these forest users are provided with the opportunity to review and comment on plans, and, to the extent possible, have their concerns and raised issues addressed in planning decision making prior to the commencement of operations.</p> <p><u>Field:</u> N/A</p>		

Statutory Reference Key Questions	Audit Methodology	Audit Findings	Rating
5.2 Economic and Employment			
<p><u>§28(c) FRM Reg.</u></p> <p>Has the licensee met its social and economic obligations, commitments and objectives in the carrying out of its operations?</p>	<p><u>Documentation:</u> Review the licence agreement, management plan, operating plan and ministerial approval letter(s) to determine the licensee's obligations, commitments and objectives respecting social and economic considerations, including (1) sustainable harvest volume schedules supporting the licensee's processing facilities and other licensees in the area, (2) employment and business opportunities designed to enhance the social and economic health of communities in and around the licence area and (3) the health and safety of employees, contractors and the public.</p> <p>Review the licensee's strategies for addressing economic and social issues to assess their prospective merit and effectiveness in achieving the established economic and social objectives. Review documentation recording economic and social achievements (i.e., aboriginal and community members participation in forestry businesses, contracting and employment opportunities; employee and contractor safety records; records of timber volumes delivered to mills; etc.) to assess the level of achievement of the established economic and social objectives.</p> <p><u>Interviews:</u> Interview staff responsible for designing and implementing programs and strategies to achieve particular economic and social objectives to determine whether processes are in place and adequate resources committed to ensure effective development and implementation of the programs and strategies.</p> <p><u>Field:</u> N/A</p>		

Appendix B
Acceptable Format for an Audit Plan

**INDEPENDENT SUSTAINABLE FOREST
MANAGEMENT AUDIT PLAN**

"AUDITEE'S LEGAL NAME"

Approved for

Audit Firm

Auditee

Auditor of Record

Company Representative

Date

A. Audit Methodology, Scope, and Timing

- Auditee contact information
- Timelines
- Scope
- Audit population
- Sampling methodology

B. Standards

- Appendix A- Audit Protocol
- The Forest Resources Management Act
- The Forest Resources Management Regulations
- List relevant agreement, license, forest management plan, and any other relevant provisional or approval conditions

C. Adequacy of Information Assessment

Briefly describe information reviewed; highlighting any areas where additional information may be required for review at the time of the audit.

D. Audit Team

The audit team and their responsibilities are as follows:

Name	Key Role
	Auditor of Record (role as per requirements listed in audit manual)
	Lead Auditor (role as per requirements listed in audit manual)
	Audit Team Member (role as per requirements listed in audit manual) (list specific area of responsibility- e.g., harvesting, etc.)
	Specialist (if required, describe responsibilities)

E. Declaration of Independence

Include sufficient information to demonstrate that the auditors are independent of the Auditee and the activities they audit and that they are objective and free from bias and conflict of interest (see Appendix D of audit manual – Declaration of Independence).

F. Confidentiality

All members of the audit team are bound by strict confidentiality requirements not to disclose any information acquired during the audit (e.g., include a signed copy of the confidentiality agreement between the audit firm and the Auditee).

Appendix C
Acceptable Format for the Auditor of Record's
Final Report

**Independent Audit of
Sustainable Forest Management**

Auditee's Legal Title

Month Year

Report from the Auditor

1.0 Introduction

As part of the Saskatchewan Environment compliance audit program, the activities and obligations of *Auditee (common name)* on Saskatchewan Crown lands were audited as required by Section 35 and 36 of the *Forest Resources Management Regulations* (the Regulations). The Regulations require a periodic independent sustainable forest management audit to be conducted for each licensee who holds a license respecting a forest management agreement.

The audit covered *Auditee's* current operations under the Forest Management Agreement (*the effective date and name of the Agreement*) as well as *associated approval conditions*. The allowable annual cut for the license ranges between *x and x cubic metres* for each year of the five-year agreement.

The managed lands are located in and around the *geographic description*, which is approximately *x kilometres and direction* of the City of Prince Albert. *Auditee's* current operating area is fairly well defined, with the primary areas of operation being *geographic description (see attached map)*.

Forestry-related conditions of the license include *forest cover constraints; visual objectives for specific sites; requirements for local approval of harvesting in specific locations (e.g. harvesting within one kilometre of park) specific no harvest zones; etc.*

2.0 Audit Scope

The audit examined *Auditee's activities and obligations related to operational planning (including x forest management plan and x operating plans); timber harvesting; silviculture; fire protection; etc.* These activities were assessed for compliance with the *Forest Resources Management Act and related regulations, the Forest Management Agreement, and any related provisions or approval conditions. All activities, planning and obligations for the period "date to date", were included in the scope of the audit. The activities subject to audit, were:*

- *Harvesting of x cutblocks*
- *Construction of x new bridges and x kilometres of new roads*
- *Maintenance of x bridges and approximately x kilometres of road, involving activities such as road surfacing and cleaning culverts and ditches*
- *Silviculture activities and obligations, such as planting, brushing, and free-growing obligations on x cutblocks*
- *Protection activities including fire preparedness measures at active work sites*

Activities carried out by *Auditee* during the audit period were approved in its Forest Management Plan (*effective date*) and *x operating plans* for the license.

Section 3.0 describes the audit of these activities and the results. *The Saskatchewan Environment Independent Sustainable Forest Management Audit Manual, Version 1.0, July 2003*, sets out the standards and procedures that were used to carry out this audit.

3.0 Audit Findings

Planning and practices examined

The audit work on selected roads and cutblocks included ground-based procedures and assessments from the air using helicopters.

The audit examined:

- *Harvesting of x cutblocks*
- *Construction of x new bridges and x kilometres of new roads*
- *Maintenance of x bridges and approximately x kilometres of road, involving activities such as road surfacing, etc.*
- *Silviculture activities and obligations, such as planting, brushing, and free-growing obligations on x cutblocks*
- *Protection activities*

Findings

An example report on findings may include:

The audit found major non-compliance in the area of planning and harvesting practices in riparian areas. In all other significant respects, Auditee's operational planning, harvesting, silviculture, fire protection and road construction and maintenance were found to be in compliance.

The audit identified contraventions of riparian management requirements on x cutblocks examined. The key non-compliances identified were:

- *x cases were identified where portions of prescribed riparian buffers had been logged.
There was no damage to streams associated with these practices.*
- *x cases were identified where riparian features had not been identified and classified.*

One small stream and one small wetland had not been identified and classified. In each case, the practices that took place did not damage the feature and were within the range of practices acceptable for the correct riparian class.

The frequency of findings associated with riparian planning and practices indicates a problem in the planning and implementation of prescriptions that relates to three areas:

- *Field marking of buffers that is inconsistent with prescription requirements.*
- *On-the-ground practices that were not modified in situations where field marking was clearly inconsistent with the prescription (e.g. along one small fish stream logging had occurred within ten metres of the stream, yet the prescription required a 20 metre buffer).*
- *Identification and classification of streams.*

Although the findings were frequent in nature, the practices resulted in no specific damage to streams during the audit period.

Although each individual case of non-compliance was deemed to be not significant, the audit determined this non-compliance to be significant overall, due to the frequency of findings, and the related potential for further, more significant, damage to streams and riparian management areas in the future.

The main sections of the Act to which the non-compliance relates are sections x of the Forest Resources Management Act and section x of the Forest Resources Management Regulation. The practices did not comply with section x of the Forest Management Plan and section x of the approved operating plan.

It should be noted that subsequent to the audit, the Auditee moved to reduce the risk associated with these practices by initiating a review of operational plans to identify and amend plans that contained inconsistent or inaccurate information. Such an exercise should substantially reduce the potential for future environmental damage associated with existing plans.

4.0 Audit Opinion

In my opinion, describe how well the licensee has implemented and met the objectives of the forest management plan identified in the audit plan.

In my opinion, describe how well the licensee has complied with terms of the forest management agreement and the Act and Regulations. In reference to compliance, the term "in all significant respects" recognizes that there may be minor instances of non-compliance that either may not be detected by the audit, or that are detected but not considered worthy of inclusion in the audit report.

In my opinion, describe effectiveness of forest management activities in achieving audit criteria and objectives.

Sections 2 and 3 of this report from the auditor describe the basis of the audit work performed in reaching the above opinions. The audit was conducted in accordance with the auditing standards of Saskatchewan Environment.

Name
Auditor of Record

City, Province, Date

Appendix D
Declaration of Independence

Date, 20XX

Auditee Representative and Address

Re: Confirmation that “Auditor” (use one form for each auditor) is independent of the “Auditee” (use legal entity of Company).

Dear X:

I/We have been engaged to audit “Legal Entity’s” (the Auditee’s) forest management practices in regard to license X for the period month, year – month, year.

I/We are not aware of any relationships which have occurred from month, year – month, year between the Auditee and us that, in our professional judgment, may reasonably be thought to bear on our independence.

In determining which relationships to report, I/we reviewed such matters as:

- a) holding a financial interest, either directly or indirectly, in the Auditee;
- b) holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the forest management practices of the Auditee;
- c) personal or business relationships of immediate family and close relatives, either directly or indirectly, with the Auditee;
- d) economic dependence on the Auditee; and
- e) provision of services in addition to the audit engagement.

I/We will be prepared to answer any questions you may have regarding our independence as well as other matters.

Yours truly,

Individual Auditor’s name and signature

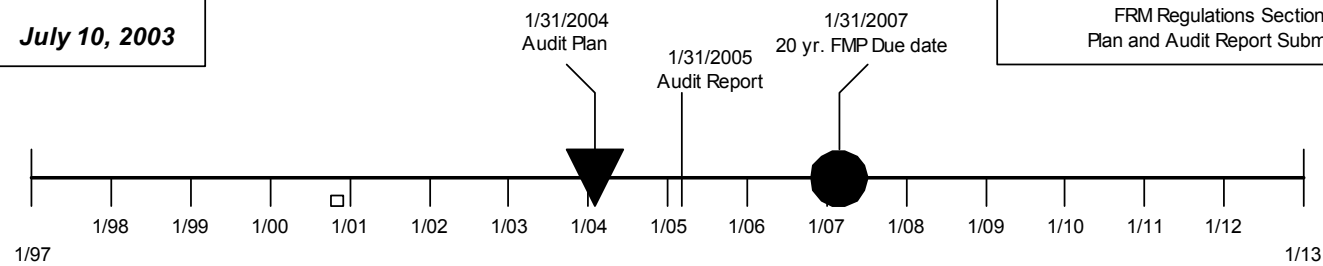
Audit Firm

CC: Saskatchewan Environment, Forest Ecosystems Branch

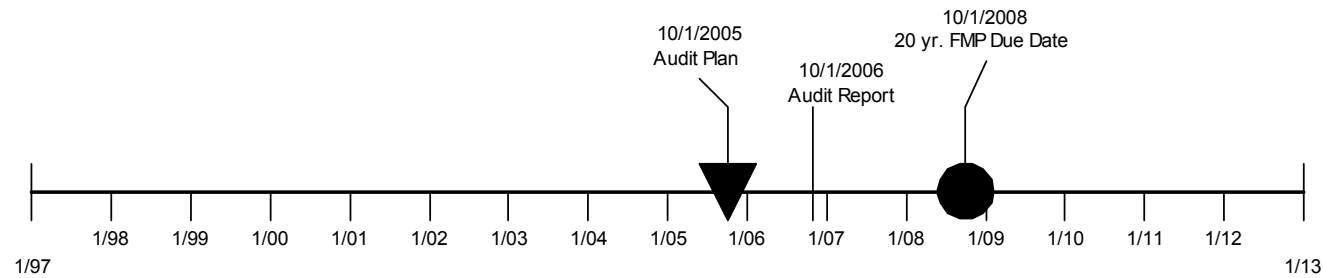
Appendix E
Audit Timeline

July 10, 2003

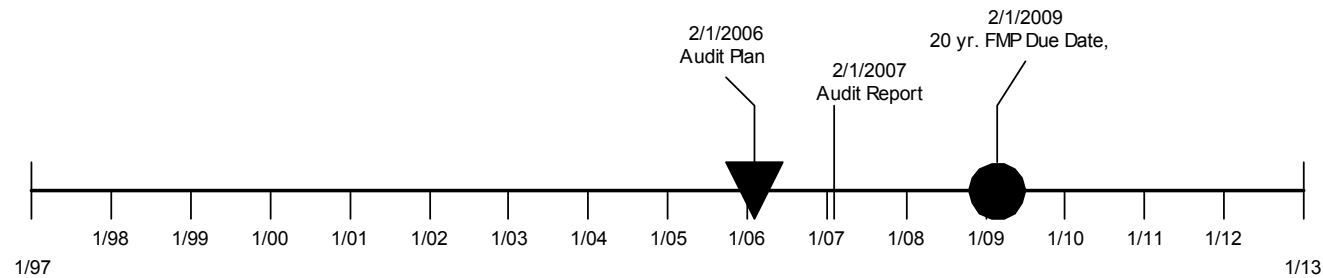
FRM Regulations Section 35,36 Sustainable Forest Management Audit Plan and Audit Report Submission Timelines for Saskatchewan FMA Holders



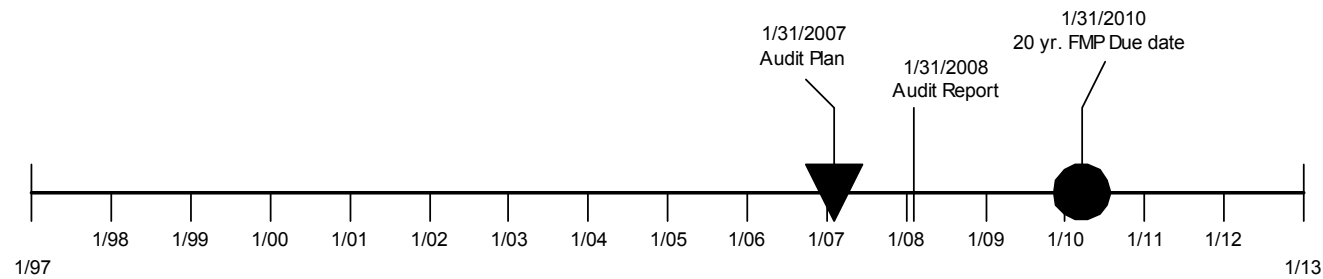
Mistik Management Limited
Meadow Lake



Weyerhaeuser Pasquia - Porcupine
- Hudson Bay



Weyerhaeuser Prince Albert



L & M - Glaslyn