



**Forest  
Practices  
Board**

**Audit of District Manager Obligations  
on Forest Service Roads in the Skeena  
Stikine Forest District**

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**FPB/ARC/105**

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# Audit Results

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## Background

As part of its 2008 compliance audit program, the Forest Practices Board randomly selected the Skeena Stikine Forest District as the location of a limited scope compliance audit. The Board chose to conduct an audit with a focus on forest service roads (FSRs) that are solely the responsibility of the Ministry of Forest and Range's (MFR's) district manager, as well as riparian area management and fish passage at fish stream crossings along these FSRs. After initiating the audit, it was determined that the district manager was solely responsible for only wilderness<sup>i</sup> FSRs within the audit area.

An FSR is a road, including bridges and major culverts, built and/or maintained by the MFR. The FSRs that are solely the responsibility of the district manager are not normally assessed in Board audits of forest companies or of British Columbia Timber Sales.

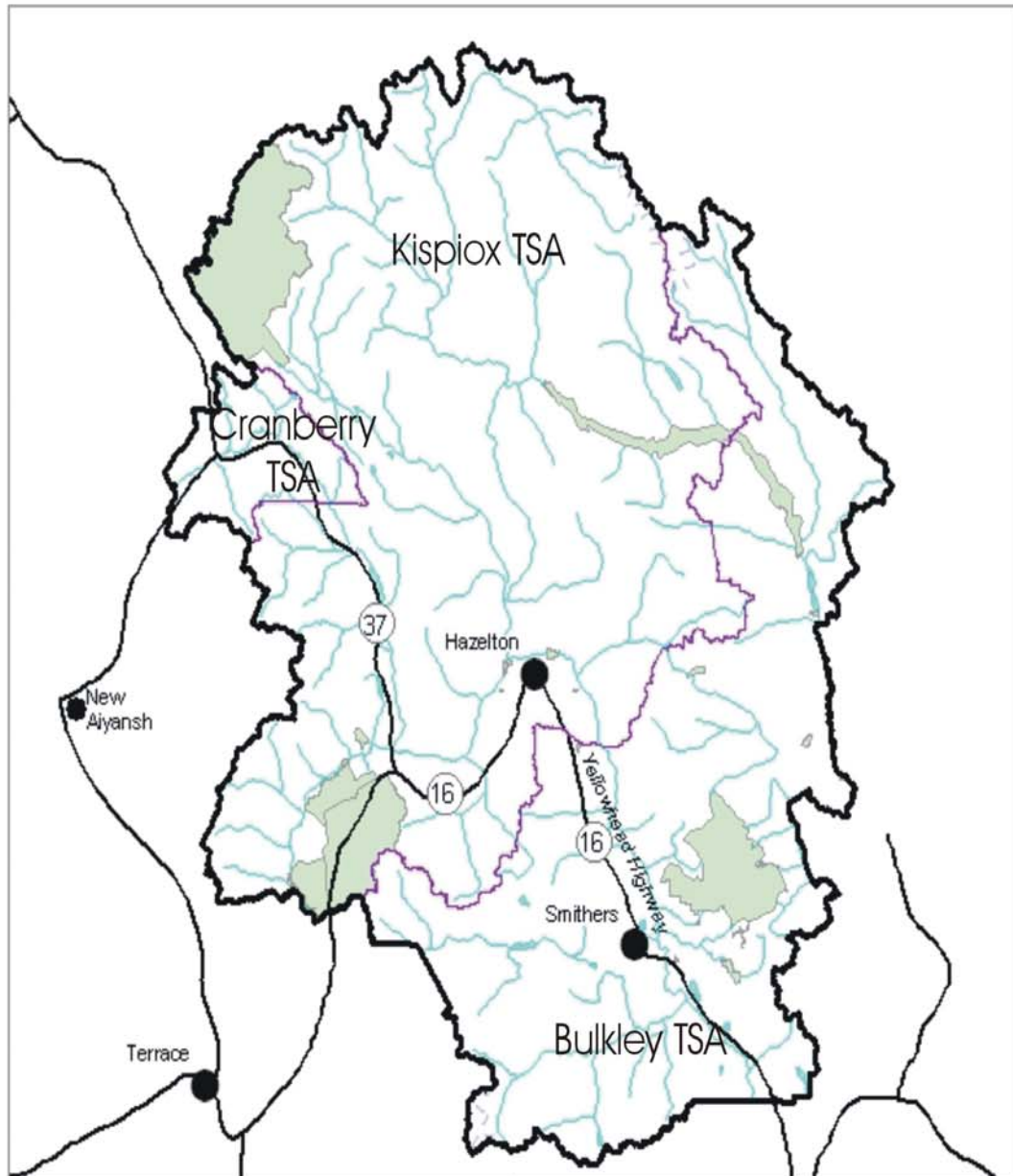


[A typical wilderness forest service road in the Skeena Stikine Forest District.](#)

The Board focused this audit on FSRs located in the Bulkley, Kispiox, and Cranberry Timber Supply Areas (TSAs) and chose not to include the large and remote Cassiar TSA. The audited TSAs include the towns of Smithers and Hazelton (see map on page 2). Information about the Board's compliance audit process is provided in Appendix 1.

The Board's audit fieldwork took place from July 21 to 25, 2008.

Audit of Forest Planning and Practices  
Skeena-Stikine Forest District  
Bulkley, Kispiox & Cranberry TSAs



-  Parks
-  District Boundary
-  Roads
-  TSA Boundaries



## Audit Approach and Scope

The audit examined activities and obligations of the district manager for maintenance and deactivation of the FSRs and bridges. The audit included emphasis on the requirement to maintain fish passage where FSRs cross fish-bearing streams, as well as on general practices around streams, such as erosion and sediment control, for the protection of fish and fish habitat.

These activities and obligations were assessed for compliance with the *Forest and Range Practices Act (FRPA)*,<sup>ii</sup> as well as certain transitional elements of the *Forest Practices Code of British Columbia Act* (the Code). All activities and obligations for the period July 1, 2006, to July 25, 2008, were included in the scope of the audit.

The Board's *Compliance Audit Reference Manual, Version 6.0, May 2003*, and the addendum to the manual for the 2008 audit season, set out the standards and procedures that were used to carry out this audit.

## Practices Examined

### Road Construction and Maintenance

- All roads audited were wilderness forest service roads.
- During the audit period, the district manager was responsible for maintaining 112 kilometres of FSRs, 15 bridges and 5 major culverts.<sup>iii</sup>
- Eight kilometres of FSR were deactivated during the audit period and no new FSRs or bridges were constructed.
- The Board audited 95 kilometres of FSR maintenance, 6 kilometres of deactivation, and maintenance all of the bridges and major culverts.

### Fish Passage

Most of the culverts observed during the course of the audit were installed prior to June 15, 1995 (pre-*Forest Practices Code*), and were not subject to legislative requirements to maintain fish passage. Three closed-bottom culvert, fish-stream crossings were constructed after June 15, 1995, and were included in the audit. They were assessed for fish passage and for protection of fish and fish habitat.

During the audit, it was noted that the former road permit holder had previously assessed fish passage at many of the pre-Code culverts and that several closed bottom structures had been replaced with open bottom structures, specifically to provide fish passage. It was also noted that bridges were used on the higher-value fish streams.

## Audit Opinion

In my opinion, the forest service road maintenance; deactivation; and bridge and major culvert maintenance practices carried out by the Skeena Stikine Forest District manager between July 1, 2006, and July 25, 2008, complied in all significant respects with the requirements of the *Forest and Range Practices Act* (FRPA), and related regulations, and certain transitional elements of the *Forest Practices Code of British Columbia Act* (the Code), as of July 2008. No opinion is provided regarding forest service road construction activities.

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.

The *Audit Approach and Scope* and the *Practices Examined* sections of this report describe the basis of the audit work performed in reaching the above conclusion. The audit was conducted in accordance with the auditing standards of the Forest Practices Board. Such an audit includes examining sufficient forest obligations and practices to support an overall evaluation of compliance with FRPA and the Code.



Christopher R. Mosher CA, CEA(SFM)  
Director, Audits

Victoria, British Columbia  
March 30, 2009

# Appendix 1

## Forest Practices Board Compliance Audit Process

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### Background

The Forest Practices Board conducts audits of government and agreement-holders under the *Forest and Range Practices Act* (FRPA), section 122, and the *Wildfire Act* (WA). Compliance audits examine forest or range planning and practices to determine whether or not they meet FRPA and / or WA requirements. (The transitional provisions of FRPA state that the Code continues to apply to forest practices carried out under a forest development plan, until there is an approved forest or range stewardship plan, at which point the requirements of FRPA apply.)

### Selection of auditees

The Board conducts about eight or nine compliance audits annually. Most of these are audits of agreement holders. The Board also audits the government's BC Timber Sales Program (BCTS). This section describes the process for selecting agreement holders to audit.

To begin with, auditors randomly select an area of the Province, such as a forest district. Then the auditors review the forest resources, geographic features, operating conditions and other factors in the area selected. These are considered in conjunction with Board strategic priorities (updated annually), and the type of audit is determined. At this stage, we choose the auditee(s) that best suits the selected risk and priorities. The audit selections are not based on past performance.

For example, in 2007, the Board randomly selected the Robson Valley Timber Supply Area as a location for an audit. After assessing the activities within that area, we discovered that two licensees had recently closed operations due to financial problems. As the Board has expressed concern in the past about financially strapped companies failing to meet outstanding obligations, such as reforestation, and road maintenance, the audit focused on the status of the outstanding obligations of these two licences.

For BCTS audits, a forest district within one of the 12 business areas within the province is selected randomly for audit.

### Audit Standards

Audits by the Board are conducted in accordance with the auditing standards developed by the Board. These standards are consistent with generally accepted auditing standards. The standards for compliance audits are described in the Board's *Compliance Audit Reference Manual*.

## Audit Process

### Conducting the Audit

Once the Board randomly selects an area or district and determines the scope of audit to be conducted and the licensee(s) to be audited, all activities carried out during the period subject to audit are identified (such as harvesting or replanting, and road construction or deactivation activities). Items that make up each forest activity are referred to as a population. For example, all sites harvested form the timber harvesting population and all road sections constructed form the road construction population.

A separate sample is then selected for each population (e.g., the cutblocks selected for auditing timber harvesting). Within each population, more audit effort (i.e., more audit sampling) is allocated to areas where the risk of non-compliance is greater.

Audit field work includes assessments of features using helicopters as well as ground procedures, such as measuring specific features like riparian reserve zone width. The audit teams generally spend one to two weeks in the field.

### Evaluating the Results

The Board recognizes that compliance with the many requirements of the Code, FRPA and WA, is more a matter of degree than absolute adherence. Determining compliance, and assessing the significance of non-compliance, requires the exercise of professional judgment within the direction provided by the Board.

The audit team, composed of professionals and technical experts, first determines whether forest practices comply with legislated requirements. For those practices considered to not be in compliance, the audit team then evaluates the significance of the non-compliance, based on a number of criteria, including the magnitude of the event, the frequency of its occurrence and the severity of the consequences.

Auditors categorize their findings into the following levels of compliance:

***Compliance*** – where the auditor finds that practices meet Code, FRPA and WA requirements.

***Not significant non-compliance*** – where the auditor, upon reaching a non-compliance conclusion, determines that one or more non-compliance event(s) is not significant and not worthy of reporting. Therefore, this category of events will not be included in audit reports.

***Significant non-compliance*** – where the auditor determines a non-compliance event(s) or condition(s) is or has the potential to be significant, and is considered worthy of reporting.

***Significant breach*** – where the auditor finds that significant harm has occurred, or is beginning to occur, to persons or the environment as a result of one or many non-compliance events.



If it is determined that a significant breach has occurred, the auditor is required by the *Forest Practices Board Regulation* to immediately advise the Board, the party being audited, and the Minister of Forests and Range.

## **Reporting**

Based on the above evaluation, the auditor then prepares a draft audit report. The party being audited is given a draft of the report for review and comment before it is submitted to the Board.

Once the auditor submits the draft report, the Board reviews it and determines if the audit findings may adversely affect any party or person. If so, the party or person must be given an opportunity to make representations before the Board decides the matter and issues a final report. The representations allow parties that may potentially be adversely affected to present their views to the Board.

The Board then reviews the auditor's draft report and the representations from parties that may potentially be adversely affected before preparing its final report. Once the representations have been completed, the report is finalized and released: first to the auditee and then to the public and government.

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<sup>i</sup> A wilderness road is a road that is not being used by industrial users (whether an FSR or other road on Crown land). On a wilderness road, there is no requirement to ensure that the road can be safely used by industrial users, or to ensure it is functional, except to ensure there is no material adverse effect on a forest resource.

<sup>ii</sup> Most of the *Forest Practices Code of British Columbia Act* (the Code) was repealed on January 31, 2004 and replaced with the *Forest and Range Practices Act* (FRPA). The transitional provisions of FRPA state that the Code continues to apply to forest practices carried out under a forest development plan. This continues until there is an approved forest stewardship plan, at which point, the requirements of FRPA apply. Therefore, although FRPA came into effect prior to the audit period, the legislated forest practices requirements that applied to the majority of the auditee's activities were the requirements of the Code.

<sup>iii</sup> A major culvert is defined in FRPA and includes pipes greater than 2,000 mm or arches greater than 2,130 mm.



**Forest  
Practices  
Board**

PO Box 9905, Stn Prov Govt  
Victoria, BC, Canada V8X 9R1

Tel. 250.387.7964 | Fax 250.387.7009 | Toll Free 1.800.994.5899

For more information on the Board, please visit our website at: [www.fpb.gov.bc.ca](http://www.fpb.gov.bc.ca)