

AUDIT OF RANGE PLANNING AND PRACTICES

Range Agreement for Grazing - RAN077219

Quesnel Natural Resource District

APRIL 2022
FPB/ARC/247



**Forest
Practices
Board**

BC'S INDEPENDENT
WATCHDOG FOR
SOUND FOREST &
RANGE PRACTICES

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Introduction

The Forest Practices Board is the public's watchdog for sound forest and range practices in British Columbia. One of the Board's roles is to audit the planning and practices of range agreement holders to ensure compliance with the *Forest and Range Practices Act* (FRPA).

As part of the Forest Practices Board's 2021 compliance audit program, the Board randomly selected the Quesnel Natural Resource District as the location for a full scope compliance audit. Within the district, the Board randomly selected three range agreements for grazing (RAN076466, RAN077302, and RAN077219) and one range agreement for hay cutting (RAN077303) for audit.

This report explains what the Board audited and the findings for **RAN077219**. The range agreement area is located northwest of Quesnel (Figure 1). Results for the other range tenures are reported separately. Detailed information about the Board's compliance audit process is provided in Appendix 1.

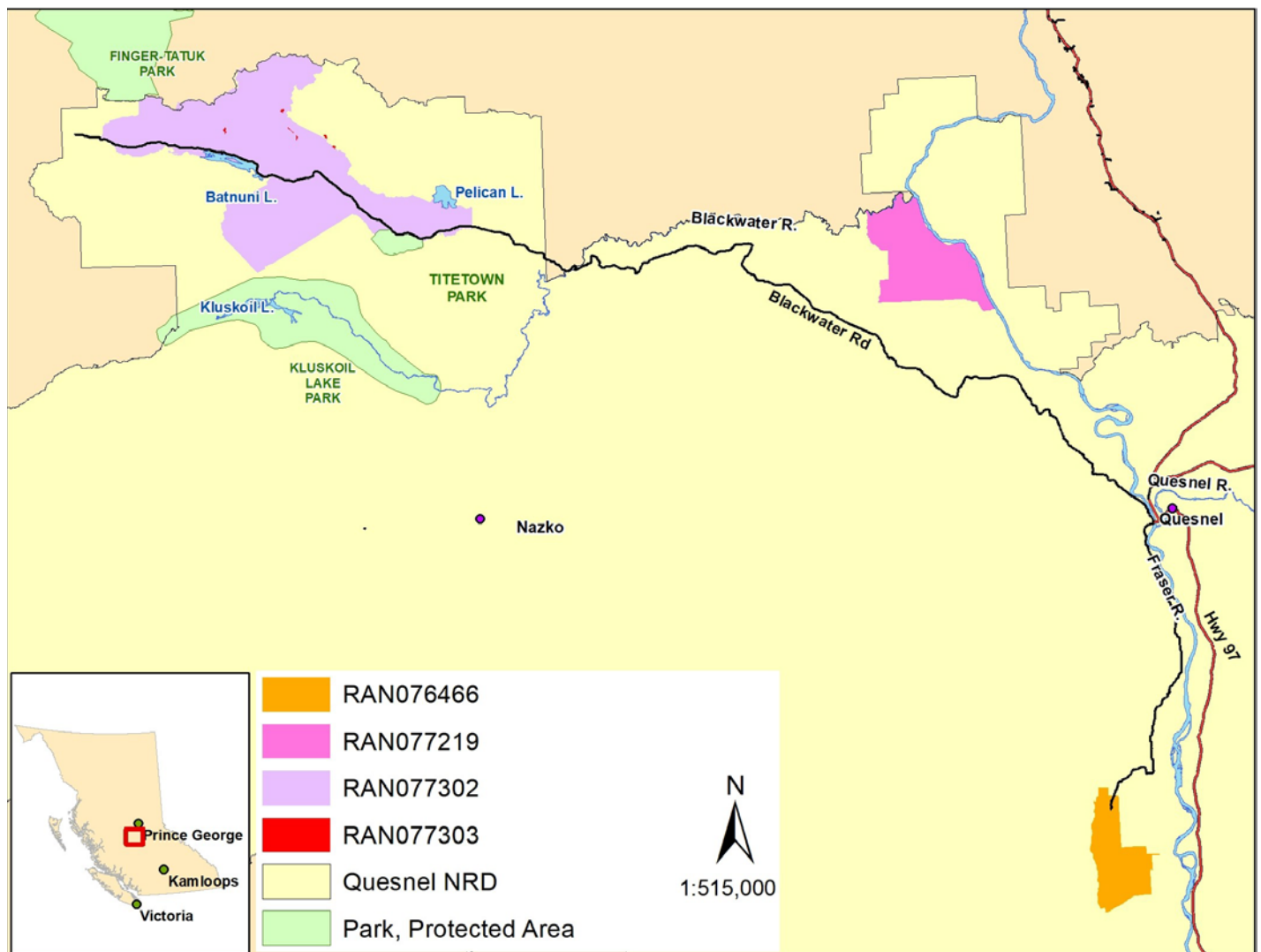


Figure 1. Map of the audited range agreement areas

Common Terms

Below are definitions of some common terms used in the audit report.

Animal unit month (AUM) – The quantity of forage consumed by a 450 kilogram cow (with or without calf) in a 30-day period. Because bulls consume more forage than cows, they account for 1.5 AUMs for each 30-day period of grazing.

Riparian areas – Areas adjacent to classified streams, lakes, and wetlands. FRPA requires tenure holders to ensure range practices protect riparian areas. Riparian vegetation adjacent to other non-classified waterbodies, like a seepage, are not included in FRPA's definition of riparian area.

Range readiness criteria – These criteria in the range use plan (RUP) are used to determine when Crown range is ready for grazing to begin. These criteria were not assessed because the audit took place towards the end of the grazing season.

Audit Results – RAN077219

Background

Located 30 kilometres northwest of Quesnel (Figure 1), RAN077219 is held by Daniel Storey and is 9738 hectare in size. The range agreement area is within the territories of the Tsilhqot'in National Government, Lhtako Dene Nation, and Nazko First Nation, and the Forest Practices Board recognizes their deep connection with the land that continues to this day

The range agreement authorizes 620 AUMs for grazing between June 1st and September 28th. It is managed as one pasture (i.e., one area with no livestock movement patterns required within the grazing schedule) and is bordered by private land to the west, the Fraser River to the east, and the Blackwater River to the north.

Audit Approach and Scope

The audit examined range planning and practices for compliance with FRPA and the *Range Planning and Practices Regulation* (RPPR). This included an examination of:

- Compliance with range use plans (RUPs) and any amendments, including maps and the grazing schedule, which identifies the period of use, number of livestock and AUMs authorized for grazing.
- Records maintained by range agreement holders (if applicable) and the Ministry of Forests.
- Compliance with range practice requirements on the range tenures, with a focus on requirements to protect riparian areas, upland areas, drinking water quality, licensed waterworks, fish habitat, and maintenance of range developments. (Note: auditors did not assess compliance with range readiness criteria as the auditors were not onsite at the start of the grazing season, when range readiness could be measured).

The standards and procedures used to carry out this audit are set out in the Board's *Compliance Audit Reference Manual, Version 7.1, July 2016*. Auditors' work involved interviewing the range agreement holder and ministry staff, reviewing the RUP and maps from within the two-year audit period of September 1, 2019, to September 30, 2021, and field activities that occurred in 2021.

A professional agrologist/forester, a professional biologist, and a chartered professional accountant made up the audit team. Fieldwork took place on September 28 and 30, 2021.

Planning and Practices Examined and Findings

Required Content of Range Use Plan

The approved RUP included all required content. The plan is valid for the period January 1, 2021, to December 31, 2025.

Compliance with the Range Use Plan and Practice Requirements

Auditors found that the tenure holder met the requirements in the RUP with regards to the grazing schedule and management plan. In addition, field assessments included the review of 650 metres of riparian and 26 hectares of upland areas. There are no range developments on this range agreement. All practice requirements related to protection of water quality, riparian areas, fish habitat, and upland areas were met.

Audit Opinion

In my opinion, the range planning and practices carried out under range agreement RAN077219, held by Daniel Storey, between September 1, 2019, and September 30, 2021, complied in all significant respects with the requirements of the *Forest and Range Practices Act* and the *Range Planning and Practices Regulation*, as of September 2021. No opinion is provided regarding range readiness criteria.

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 *Planning and Practices Examined and Findings* 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 including adherence to the auditor independence standards and the ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Such an audit includes examining sufficient range planning and practices to support an overall evaluation of compliance with FRPA.



Christopher R. Mosher CPA, CA, EP(CEA)
Auditor of Record

Victoria, British Columbia
March 15, 2022

Appendix 1:

Forest Practices Board's Compliance Audit Process

Background

The Forest Practices Board conducts audits of government and agreement-holders under section 122 of the *Forest and Range Practices Act* (FRPA) and section 68 of the *Wildfire Act*. Compliance audits examine forest or range planning and practices to determine whether or not they comply with the applicable requirements of FRPA and the *Wildfire Act*. The Board conducts 6-8 compliance audits annually. Most of these are audits of agreement holders. The Board also audits the government's BC Timber Sales Program (BCTS).

Selection of Auditees

To begin with, auditors randomly select an area of the Province, such as a natural resource 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 the Board's strategic priorities, and the type of audit is determined. At this stage, auditors choose the auditee(s) that best suit(s) the selected risk and priorities.

For example, in 2016, the Board randomly selected the Dawson Creek portion of the Peace Natural Resource District as a location for an audit. After assessing the activities within the area, auditors noted that there were two community forest agreements that had not yet been audited by the Board. As the Board strives to audit an array of licence types and sizes each year, these two community forest agreements were selected for audit.

For BCTS audits, a district or timber supply area within 1 of the 12 BCTS business areas in the province is selected randomly for audit. The audit selections are not based on past performance.

Only those licensees or BCTS operations that have not been audited by the Board in the past five years are eligible for selection.

Audit Standards

The audits are conducted in accordance with auditing standards developed by the Board. These standards include adherence to the auditor independence standards and the ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and are consistent with Canadian 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, replanting, road construction, road deactivation). 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.

The auditors select a separate sample 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. For smaller audits, the sample will include the full population. Auditors also consider factors such as geographic distribution and values potentially affected by activities to ensure an adequate sample.

Auditors' work includes interviewing licensee staff, reviewing the auditee's applicable plans, reviewing applicable government orders, assessing some features from helicopters and measuring specific features like riparian reserve zone widths using ground procedures. The audit teams generally spend three to five days in the field.

Evaluating the Results

The Board recognizes that compliance with the requirements of FRPA and the *Wildfire Act* 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 legal 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 FRPA and *Wildfire Act* requirements.

Unsound Practice – where the auditor identifies a significant practice that, although in compliance with FRPA or the *Wildfire Act*, is not considered to be sound management.

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 generally worthy of reporting. However, in certain circumstances, these events may be reported as an area requiring improvement.

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 more non-compliance events.

If a significant breach of the legislation has occurred, the auditor is required by the *Forest Practices Board Regulation* to immediately advise the Board, the party being audited, and the responsible Minister(s).

Reporting

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

The Board reviews the draft report 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 opportunity to make representations allows parties that may potentially be adversely affected to present their views to the Board.

The Board reviews representations from parties that may potentially be adversely affected, makes any necessary changes to the report, and decides if recommendations are warranted. The report is then finalized and released: first to the auditee and then to the public and government seven days later.



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