Update on Budget Note 1  
FPA Compliance Audit

Presentation to the Eastern Oregon Regional Forest Practice Committee Meeting  
4 April 2012

Background – why do this?
● 2011 Legislative budget note
● Useful information
  o Agency Key Performance Measure (KPM)
  o ID Opportunities for operator training
  o Ensure consistency of FPA application in field
  o Examination of FPA (implementation, ease of use, etc.)
  o Supports certification
  o (NOT a Stewardship Forester performance evaluation!)
  o Add to body of information reported on in 2002

Budget Notes & Key Performance Measures
● Conduct compliance monitoring to support Legislative Key Performance Measure 26 (2009), *Percent of commercial forest operations that are in compliance with the Forest Practices Act*
● Budget Note 1:
  o The Department of Forestry shall report to the Joint Committee on Ways and Means at the next regular session of the Legislature (January 2013) on the process and results of contracting compliance monitoring.

Goals and Objectives
● Goal: Determine state-wide FPA compliance for private forests
● Objectives:
  o Statistically valid sampling
  o Determine compliance rates for industrial/non-industrial lands
  o Compliance rates for NWO/SWO/EOA
  o First year: harvest & roads rules
    → To be expanded in the future
Project Principles
- Design audit program to allow contracting of production phase to 3rd party
- ODF retains QA/QC in program
- Use external review committee to evaluate design of program
  - (Industrial & non-industrial landowners, stakeholders, certification systems)
- Internal review committee for protocol development, compliance assessment
- Capitalize on 2002 study design, protocols & lessons learned

General approach
- Sample ~200 units
- Stratify by area
- Within area, attempt to stratify by ownership (PI or PNI)
- QA/QC = 10% of units
  - ~5-10 units per area checked by SFs
- Unit = harvest; harvest with road construction/reconstruction
- Examine roads, streams in unit
- Focus on quantifiable rules

Plan and Accomplishments
- Phase I:
  - Recruit specialist to lead Effectiveness Monitoring Program (DONE)
    - Job: Design compliance audit (In progress)
  - Recruit training coordinator (Closes 4 April)
    - Operational experience to help develop RFP
- Phase II:
  - Convene external review team (Team convened, first meeting in March)
    - Evaluate project plan
  - Develop RFP
  - Use 2002 compliance monitoring design for rapid implementation
  - Focus on harvest operations (630) and road standards (625)
- Phase III:
  - Develop separate procedure for estimating compliance with reforestation rules
  - Determine way to include current reforestation inspections (non-random) with randomly sampled sites
  - Goal: statistically valid state-wide sample, save $$
  - Design underway with OSU StatNat contract
- **Ongoing Phase II Work**
  - Reviewing rules
  - Developing draft protocols
    - Using 2002 data sheets & protocols where we can
    - Using 2002 structure
  - Field protocol trials
  - Bring rule set & approach to Review Committee for discussion (preliminary done)
  - Report project status to Regional Committees

<table>
<thead>
<tr>
<th><strong>Timeline</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Convene External Review Committee</td>
<td>March 2012</td>
</tr>
<tr>
<td>Finalize rule set &amp; methods</td>
<td>March-May(?) 2012</td>
</tr>
<tr>
<td>Finalize analysis, reporting, QAQC approaches</td>
<td>May 2012</td>
</tr>
<tr>
<td>Develop RFP</td>
<td>April – June 2012</td>
</tr>
<tr>
<td>Contracting process</td>
<td>July – Sept 2012</td>
</tr>
<tr>
<td>Contractor/SF training</td>
<td>Sept-Oct 2012</td>
</tr>
<tr>
<td>Data collection</td>
<td>Nov 2012-2013</td>
</tr>
<tr>
<td>Report findings to Legislature</td>
<td>January 2013</td>
</tr>
<tr>
<td>(Process &amp; results of contracting out audit)</td>
<td></td>
</tr>
</tbody>
</table>