

Environment and Natural Resources Trust Fund 2010 Request for Proposals (RFP)

LCCMR ID: 151-E2

Project Title:

Evolving Forest Certification: Rare Features Identification and Management

LCCMR 2010 Funding Priority:

E. Natural Resource Conservation Planning and Implementation

Total Project Budget: \$ \$572,000

Proposed Project Time Period for the Funding Requested: 3 years, 2010 - 2013

Other Non-State Funds: \$ \$0

Summary:

Funds increased audit-related costs, completion of an analysis to identify rare features and ecosystems, and the incorporation of stakeholder input into subsequent planning and management processes. Results in conservation benefits.

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Sponsoring Organization: DNR

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Location:

Region: Statewide

County Name: Statewide

City / Township:

_____ Knowledge Base	_____ Broad App.	_____ Innovation
_____ Leverage	_____ Outcomes	
_____ Partnerships	_____ Urgency	_____ TOTAL

MAIN PROPOSAL

PROJECT TITLE: Evolving Forest Certification: Rare Features Identification and Management

I. PROJECT STATEMENT

Forest Certification is a voluntary, third-party, independent process that recognizes sustainable, responsible forestry and procurement practices. DNR holds a dual forest management certificate from The Forest Stewardship Council (FSC) and The Sustainable Forestry Initiative (SFI). For DNR, dual certification has resulted in increased interdisciplinary coordination, continuous process improvement, an added focus on the identification and protection of rare species/communities, greater stakeholder support and recognition for the DNR's management, and a strategic marketing advantage for MN forest-based products. Achieving renewed dual certification for 4.9 million acres of DNR-administered forestlands is vital for the sustainability, diversity and health of Minnesota's forests and the forest products industry.

While domestic and international demand for FSC and SFI certificate products continues to grow, the expectation that certification would result in tangible economic benefits, such as price premiums, has yet to be fully realized. Without DNR's supply of certified fiber, many MN-based forest product industries would struggle to meet the demand for certified products. Furthermore, both FSC's and SFI's Forest Management Standard have recently undergone significant, unforeseeable changes. DNR expects that meeting these new standards will result in increased operational and auditing costs. If DNR is forced to drop its certificate due to insufficient funding, forest certification's future in MN will be jeopardized.

In anticipation of the new requirements in the FSC-US revised standard, and as a result of recent Certification Audit findings, DNR plans to focus additional attention on sites that contain rare features and sites that are representative of ecosystem types not currently protected on other ownerships. DNR plans to address these new focuses with a two-pronged approach:

- One approach involves identifying sites with rare values or features and creating plans to appropriately manage and monitor such sites. An important aspect of this approach is obtaining, and considering stakeholder input. Due to the sensitivity surrounding the management of rare species and the identification and protection of important cultural values, DNR believes it would be beneficial to hire an outside qualified consultant to help lead and facilitate this stakeholder consultation process. The overall goal is an open dialogue with stakeholders to build trust, a shared understanding, and to create opportunities for new partnerships to work towards achieving shared interests.
- The second approach is a greatly expanded initiative to complete a collaborative state-wide analysis to identify ecosystem types in need of protection or special management. For other certified land managers, this approach will result in significant cost savings, improved data accessibility and quality, and increased accountability. The statewide impact will be greater protection of representative ecosystems and rare features.

II. DESCRIPTION OF PROJECT RESULTS

Result 1: Re-certification assessment of DNR lands for dual certification **Budget:** \$ 125,000
DNR expects increased costs in order to meet more rigorous, expansive certification standards.
Deliverable **Completion Date**
1. Completion of re-certification assessment & receipt of new certificate December, 2010

Result 2: Annual FSC and SFI Surveillance Audits of DNR lands **Budget:** \$ 80,000
Annual audits are required to assess progress and compliance with the FSC and SFI standards.

Deliverable	Completion Date
1. 2011 Annual Surveillance Audit & Annual Fees	December, 2011
2. 2012 Annual Surveillance Audit & Annual Fees	December, 2012

Result 3: Specialized Training for MN DNR's internal auditors **Budget: \$ 40,000**
 Internal audits gauge DNR's compliance with the standards and internal policies. Training for continuing and new internal DNR auditors will ensure auditor competency and consistency.

Deliverable	Completion Date
1. Training for new & continuing internal auditors (2 nd term)	December, 2010
2. Training for new & continuing internal auditors (3 rd term)	June, 2013

Result 4: Stakeholder Consultation Process (Rare Features ID & Mngt.) **Budget: \$ 112,000**
 The final plan that results from the stakeholder consultation process will represent the Department's public commitment to maintain the values/features present on the identified sites.

Deliverable	Completion Date
1. Develop an interdisciplinary oversight committee and define project plan	December, 2010
2. Hold public review/input meetings during various stages of the project.	Ongoing
3. Identify final sites and key management approaches	June, 2013

Result 5: Collaborative State-wide Gap-analysis **Budget: \$ 215,000**
 Identify sites representative of ecosystems not currently protected on the landscape and create appropriate management and monitoring plans for the scale/scope of the representative sites.

Deliverable	Completion Date
1. Complete state-wide analysis & identify sites in need of protection	June, 2011
2. Develop a collaborative plan to monitor and manage the identified sites	June, 2012

III. PROJECT STRATEGY

A. Project Team/Partners

DNR Forest Certification Implementation Team: Interdisciplinary team of DNR staff which oversees the Certification process and responds to Corrective Action Requests.

DNR Internal Audit Team: Interdisciplinary team of trained DNR staff who conduct the annual internal audits and reports findings and opportunities for improvement to FCIT.

FSC & SFI Third-Party Auditors (Contract): Accredited auditors responsible for evaluating and assessing MN DNR's forest management operations against the FSC and SFI standards.

Internal Auditor Training (Contract): Provide training for DNR staff on the internal audit team.

Stakeholder Consultation Consultant (Contract): Help lead and facilitate the stakeholder consultation process for the identification and management of sites with rare features or values.

B. Timeline Requirements

Three years of funding will allow for successful completion of the proposed results, including: completion of a rare features identification analysis and development of a strategic planning, management, and monitoring process that incorporates broad stakeholder input.

C. Long-Term Strategy

This is a component of a longer-term effort and will require additional investment by the DNR. DNR will continue to fund staff's time for certification-related activities and will continue to work with partners to help guide the direction of certification. DNR plans to become more engaged in outreach, education and marketing activities to increase consumer's awareness of certification to help create market premiums for certified fiber. DNR expects costs to decrease as third-party auditors and staff become familiar with the new standards and process.

Project Budget

IV. TOTAL PROJECT REQUEST BUDGET (3 years)

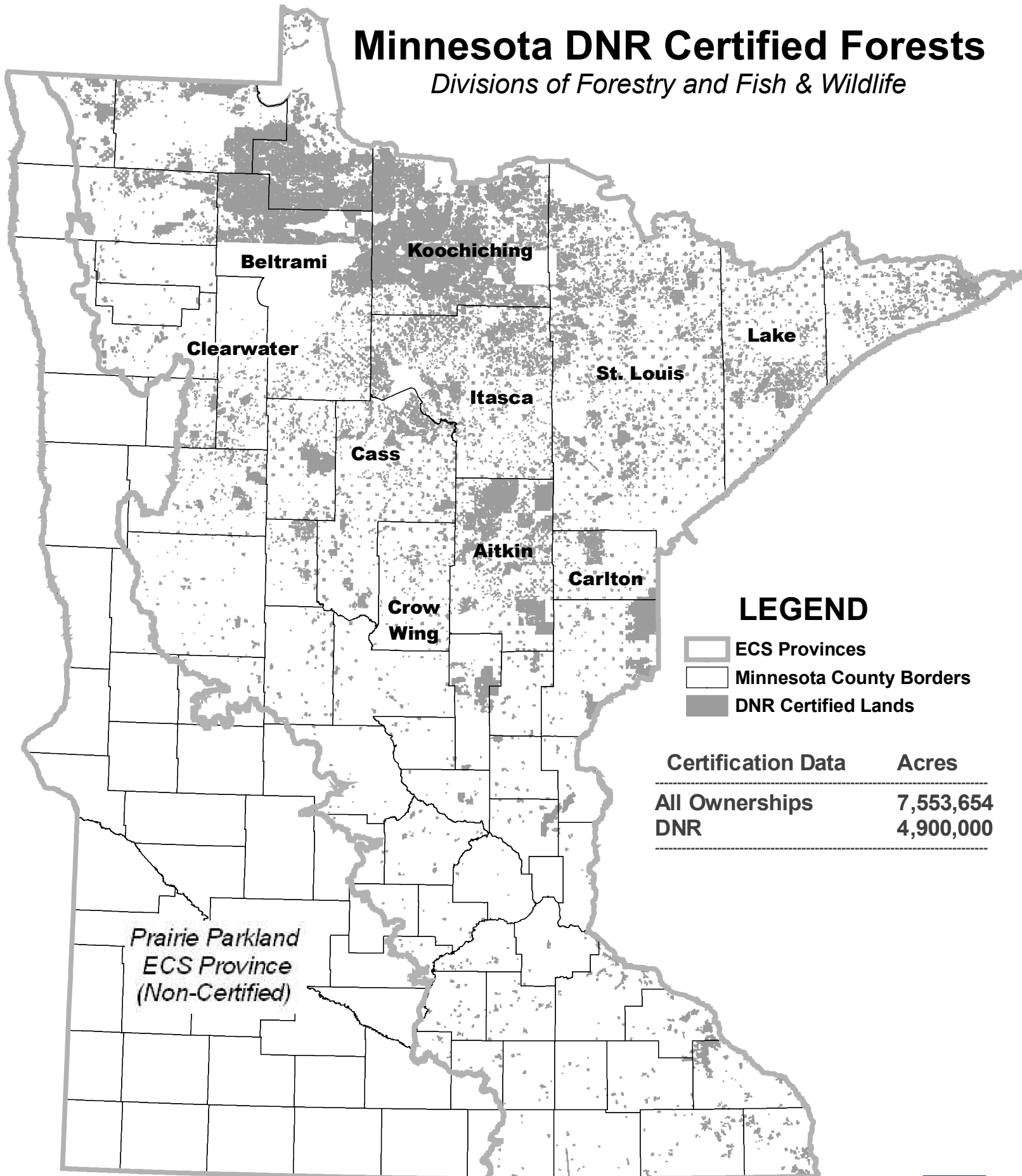
BUDGET ITEM	AMOUNT
Personnel - GIS Analyst/Conservation Planner: 2-year unclassified position. Responsible for result 5 and may assist with result 4. Responsibilities will include completing and analyzing data from the collaborative state-wide analysis, identifying sites in need of protection or special management, working to coordinate the development of a plan to designate and appropriately protect/manage the sites, and assisting with the development of long-term monitoring plans for sites on DNR-administered lands.	\$ 200,000
Personnel: Additional, temporary staff will be needed to compliment existing DNR staff in order to achieve results 4 and 5, which are new or greatly expanded initiatives. DNR is working to figure out the best staffing configuration.	\$ 40,000
Contract - FSC & SFI Third-party Auditors: Covers the annual fees and auditing costs for the 5-year re-certification assessment and subsequent annual audits. <i>(Results 1 & 2)</i>	\$ 205,000
Contract - Internal Auditor Training: Covers the costs of specialized training for DNR staff appointed to serve 3-year terms as internal auditors. DNR's internal auditing process promotes continuous internal improvement and has contributed to DNR's continued certification success.	\$ 40,000
Contract - Stakeholder Consultation Consultant: Help lead and facilitate the stakeholder consultation process for the identification and management of sites containing significant rare features on DNR-administered forestland. <i>(Result 4)</i>	\$ 60,000
Equipment/Tools/Supplies: Specialized spatial analysis software and specialized field equipment will be required to facilitate data collection, sharing, and analysis between stakeholders. <i>(Result 5)</i>	\$ 15,000
Travel: Significant in-state travel will be required for new, temporary personnel. <i>(Result 4 & 5) (Estimated costs for 10-15 statewide stakeholder meetings + field visits: (4,100 miles @ \$.55/mile) x 2 = \$4,500 + (20 nights lodging @ \$90/night) x 2 = \$3,600 + (40 days per diem @ \$31.00/day) x 2 = \$2,500. Total = \$11,000. Added \$1,000.)</i>	\$ 12,000
TOTAL PROJECT BUDGET REQUEST TO LCCMR	\$ 572,000

V. OTHER FUNDS

SOURCE OF FUNDS	AMOUNT	Status
In-kind Services During Project Period: Includes DNR staff time and business expenses, funded out of the general fund. Also includes in kind services provided by DNR's partners for the stakeholder consultation project and the state-wide rare features analysis. <i>(Result 4 & 5 = \$25,000)</i>	\$ 340,000	
Remaining \$ from Current Trust Fund Appropriation: DNR received a grant from the legislature, per LCCMR's recommendation, for \$250,000 for 2005-2009. <i>(2005. Chp. 1, Art. 2, Sec. 11, Subd. 09(a); Extended in 2009)</i>	\$ 30,308	<i>Obligated</i>
Funding History: DNR funds staff time and business expenses for certification-related activities out of state general fund dollars. Prior to 2005, DNR spent approximately \$42,000 for the certification of Aitkin County DNR forestlands. Since 2005, DNR Division of Forestry spent an average of \$105,000 per year towards obtaining and maintaining dual certification. The total shown to the right are costs funded by the Division of Forestry. Total Department-wide costs are likely to be 10-15% higher and would include costs to the Ecological Resources Division for staff time spent completing a representative ecosystem analysis for the SE subsection in FY2008-9. The information gained from this gap-analysis will be included in the state-wide analysis. <i>(Result 5)</i>	\$ 575,000	DNR - Division of Forestry

Minnesota DNR Certified Forests

Divisions of Forestry and Fish & Wildlife



LEGEND

-  ECS Provinces
-  Minnesota County Borders
-  DNR Certified Lands

Certification Data	Acres
All Ownerships	7,553,654
DNR	4,900,000

*Prairie Parkland
ECS Province
(Non-Certified)*

Date: April 27, 2009
By: Rebecca Barnard &
Bud Kincaid
MnDNR Forestry



Project Manager Qualifications and Organization Description

PROJECT TITLE: Achieving Renewed Third-Party Certification of DNR Forestlands.

PROJECT MANAGER: Rebecca Barnard

Degrees & Professional Certificates:

- **MBA – Management Emphasis**, National American University, Rapid City, SD. 2007.
- **BS - Forest Ecosystem Restoration & Management**, University of Wisconsin - Stevens Point. Minors in Spanish & Conservation Biology. 2005
- **ISA Certified Arborist**, Certificate number MW-4747A. 2007.

Professional Experience:

- **Forest Certification Coordinator** for Minnesota's Department of Natural Resources (DNR), Division of Forestry. April, 2008-present. Lead and facilitate the Forest Certification Implementation Team (FCIT), an interdisciplinary team that oversees the implementation and progress of the Certification program. Lead and oversee the Internal Audit Team (IAT), an interdisciplinary team that conducts annual internal reviews of the communication and implementation of Department policies and guidelines. Additional duties include analyzing audit reports and assisting FCIT and Division Directors in responding to corrective action requests (CARs), and writing report summaries, position letters, internal communication memos, and newsletter articles.
- **Professional Forester** for Minnesota's Department of Natural Resources (DNR), Division of Forestry. July 2007-April, 2008. Assisted with fire suppression activities. Managed state-owned forest land by conducting stand inventories, Native Plant Community (NPC) analyses, and preparing and administering timber sales. Supervised contract planting and development crews. Developed local plant identification and NPC guides. Assisted with community outreach and education activities.
- **Urban Forester** for South Dakota's Department of Agriculture (SD DOA), Resource Conservation and Forestry Division (RCF). July 2006-July 2007. Coordinated landscape beautification projects. Conducted hazard tree inventories. Performed community outreach. Helped establish an urban forestry program. Assisted with writing strategic plans, goals and objectives, grant criteria, etc.
- **Service Forester** in the Black Hills for SD's RCF Division. January-June 2006. Planned and implemented forest management projects. Identified bug infested trees. Wrote stewardship & cost share plans for private land owners. Represented RCF at interagency and stakeholder meetings.
- **Foundation Intern** for the National Association of State Foresters, NASF (nonprofit organization). Summer 2005. Worked on forest policy issues in Washington, DC. Represented NASF members (State Foresters), tracked the development of legislation, attended interagency and stakeholder meetings, interacted with policy makers, and assisted with general office duties.
- **Habitat Typist Technician** in NW WI for Lumberjack RC&D. Summer 2004.

ORGANIZATION DESCRIPTION:

The Minnesota Department of Natural Resources is a state agency that employs approximately 2,500 employees. The Department is responsible for the sustainable management of over 5 million acres of state-owned forestlands. The Division of Forestry is one of six operational divisions, employing more than 530 full-time employees. The Division of Forestry's mission is to 1) Promote the conservation, enjoyment, and use of Minnesota's forest; 2) Provide a long-term, sustainable yield of forest resources from state forest lands; 3) Improve the health and productivity of other public, private forest and community forest lands; 4) Protect life, property, and natural resources from wildfires.