

Forests for Tomorrow Update – November 23, 2007 Quarterly Reports/Amendments/Tendering and First Nation Target Reporting

Quarterly Reports

For the first half of the 2007/08 fiscal year, PricewaterhouseCoopers (PwC) has required Quarterly Reports to be submitted within 15 calendar days of the end of each quarter. This process was in place to ensure the Administrator was periodically notified of project status.

To assist with the budgeting process, Quarterly Reports will be replaced by the Amendment process described below. Amendments have a distinct budgeting advantage over Quarterly Reports, as any budget changes are free for other projects once the Amendment is approved. This will aide the Administrator in prioritizing and redirecting budget surpluses as these come available, resulting in earlier release of funding for subsequent projects such as surveys and impeded stands work.

Amendments

When completing amendments, Recipients must revise the Outputs/Funding table to include the proposed quarterly budget and units of output. To facilitate the Investment Manager's review, the Recipient must provide a description rationalizing all changes proposed. Recipients should place this description in the "Recipient Comments" text box. In addition, the tendering percentage and First Nation participation value must be updated to reflect the proposed budget change.

Further First Nation information-sharing will be required **if** the scope of the amended work is outside of the area included in the original information sharing process and subsequent District Manager approval.

The following is a list of factors for which an amendment must be submitted (amendments must be completed within 15 calendar days of becoming aware of the changes):

- i) A project is expected to vary from the approved project budget by greater than 25%;
- ii) Quarterly spending varies from the approved budget by greater than 25% (e.g. project work is postponed until the following quarter).
- iii) The unit price (e.g., \$/ha, \$/seedling, etc) varies by greater than 10% ;
- iv) Work not completed as approved in the project plan;
- v) The amended work is not in the same location as the approved project plan;
- vi) Any change to the approved project standard(s); or,
- vii) Any changes to an innovative project.

If the project is finished at the time this information becomes available, a completion report may be submitted instead of an amendment. When amending/completing a project, any changes in the project outcome (including those that fall outside the list above) must be rationalized for the Investment Manager's review and approval. Completion reports are required within thirty days of project completion.

As Quarterly Reports are no longer required, the "Actual" columns in the Budget/Output table must be filled in at project completion.

Tendering and First Nation Target Report

As per the Recipient Agreement, for each Investment Schedule over \$50,000, 50% of all sub-contracted funding must be tendered and for all Investment Schedules a target of 25% of the funded amount should be completed by First Nation contractors or employees. Attached is a worksheet designed to demonstrate adherence to these two criteria. Please submit one completed sheet per Investment Schedule to the Investment Manager no later than March 15, 2008.

Please call your Investment Manager at (604) 484-3490 if you have any questions or need further clarification in regards to any aspect of the Forest for Tomorrow Program.