

Region: Intermountain Region (R4)

Reporting Instructions: This is the Integrated Resource Restoration (IRR) Pilot Program report template for fiscal year (FY) 2014 (FY14). It incorporates slight changes from the FY13 template and may be modified in subsequent years of the pilot program. This template will be used to compile information for the final FY14 IRR Report to be posted to the Forest Service’s Restoration Website. Regional responses are **due to the Washington Office by November 14, 2014**.

The Secretary of Agriculture’s vision recognizes the role of healthy forests in enhancing water resources and maintaining resiliency within a changing climate. The Forest Service is aligning the budget structure to focus landscape scale restoration across deputy areas to support and accelerate the pace of a wide spectrum of restoration and resiliency enhancing activities. This emphasis merges programs previously separated out as forest products; vegetation and watershed management; fish and wildlife habitat management; non-WUI hazardous fuels; post-fire restoration and rehabilitation; and legacy roads and trails (including road decommissioning). Regions 1, 3, and 4 were selected as part of an Agency pilot program to demonstrate the advantages of merging multiple budget line items (BLIs) into one—National Forest Resource Restoration (NFRR).

The regions participating in the IRR Pilot (Regions 1, 3, and 4) will report on program achievements at the end of each FY. The FY14 reports will include overall perspectives on pilot implementation of IRR to date as well as annual accomplishments. Specific template changes for FY14 include edits to reduce repetition, elimination of case studies, and addition of responses describing lessons learned.

A. Accomplishment Reporting – Performance

1. FY14 Accomplishments

Table 1 – IRR Performance Measures (These numbers will be pulled from PAS by the Washington Office)

Performance Measure	Unit of measure	Target ¹	Total Units Accomplished ²	Percent Accomplished
Acres treated annually to sustain or restore watershed function and resilience	Acres	372,614	300,000	124%
Number of watersheds moved to an improved condition class	Number	3	2	67%
Miles of road decommissioned	Miles	263	255	97%
Volume of timber sold	ccf	230,000	227,346	99%
Miles of stream habitat restored or enhanced	Miles	278	295	106%

2. Priority Watersheds and Watershed Action Plans

a) How many priority watersheds have been identified in the Region as of FY14?

The region has identified 44 identified since 2011. Five watersheds have had all essential projects completed for an outcome of change of condition class.

¹ Target should match the target recorded in the Databases of Record.

² Units accomplished should match the accomplishments recorded in the Databases of Record.

- b) List the FY14 accomplishments for restoration activities identified in the Watershed Restoration Action Plans. (i.e. acres/miles of aquatic habitat improvement, acres of fuel treatments (thinning), acres of fuel treatments (prescribed burning), acres of meadow restoration, miles of road maintenance, miles of road improvement, acres of erosion control, miles of trail maintenance or realignment, acres of non-native plant removal.)

This information cannot be accurately provided as the required databases of record (Workplan, FACTS, RAR) do not include an identifier for watershed action plans by output measures nor by watershed HUC code.

- c) What kind of progress has your Region made in completing restoration activities leading to improved watershed conditions since IRR pilot authority was initiated in 2012? Did IRR contribute to these improvements or the process? If so, please give examples.

Five watersheds have moved to an improved condition class. IRR has been used for moving toward changing condition class in some watersheds but it was not responsible for the 5 that have already changed condition class. The R4 IRR implementation has provided some focused regional funding to assist forests in completing essential projects to move watersheds to a change in condition class but not all projects have been completed. Only watersheds with all projects completed can be claimed for a change in condition class. There are currently no measures to show progress toward completing a watershed that identifies if it is 50%, 70% or 98% completed.

B. Accomplishment Reporting – Regional Summary

The intent of consolidating multiple BLIs into NFFR is to provide the Agency the flexibility to focus maintenance, enhancement, and restoration activities on priority watersheds and/or other priority locations using a more efficient, integrated approach. Regions 1, 3, and 4 were selected to participate in the IRR Pilot Program to test this hypothesis. The focus on integrating various programs complements other ongoing efforts such as the Planning Rule revision, Collaborative Forest Landscape Restoration projects, travel management, and the Watershed Condition Framework, which are similarly anticipated to promote integration of various resource activities. The other regions were not authorized to consolidate BLIs but will continue to integrate programs within the existing limits of authority.

The following questions are designed to help evaluate whether the Pilot Regions gained flexibility, efficiencies, enhanced outcomes, and increased internal and external collaboration; and to highlight and understand any potential consequences or adverse impacts.

Narrative: Describe the decision-making process used to formulate priorities for FY14's program of work.

1. Why and Where on the Landscape –

The Regional Forester continued use of the Regional Office (RO) organization established in FY2012 relative to managing IRR and the NFRR BLI. The Director of Natural Resources is responsible for coordination with other affected staffs, principally Engineering and Fire. The Region made allocation decisions based on recommendations from the Budget Advice and Review Team (BART).

The RO gave specific direction that all units were to focus use of NFRR funds on implementation of essential projects in Watershed Restoration Action Plans. The RO expected field units to direct funding to achieve priority work in the most important places at the most meaningful scale. The RO recognized that not all IRR objectives could be met in each project and not all NFRR funds would be spent on direct restoration actions. The RO direction intended NFRR to give land managers increased flexibility to accomplish priority resource objectives while still maintaining or performing other necessary program work accomplished with the traditional BLIs.

The Region allocated \$39M in NFRR funds to Forests. The RO directed \$2.25M to focused investment projects selected through a competitive process. Successful Forests were awarded funds in FY 2013 and FY2014 funds in order to better commit to accomplishing multi-year work.

Forests adapted around Regional direction and guidance depending upon individual unit needs, using a variety of approaches. One Forest allocated funds based on traditional (legacy) BLIs, primarily because recent active fire seasons (FY2012 and FY2013) have not allowed the Forest time to reorganize around an IRR model. A few Forests allocated funds using existing planning documents, such as Forest Plans, 5-year action plans, Aquatic and Wildlife Conservation Strategies, and Collaborative Forest Landscape Restoration Plans

Priorities, Outcomes, and Outputs –

- a) How were priorities for on-the-ground work formulated in comparison to FY 12? (Consider how to incorporate funding of base programs in the response.)

Forests were better positioned in FY2014 to set priorities more in line with IRR goals and objectives because they were able to make program and staff assignment adjustments in FY2012 and early FY2013 as they learned from and adapted to IRR implementation. In FY2014, all Forests used a team approach that varied from a few to several members. Team recommendations were typically shared with and approved by Forest Leadership Teams. All Forests capitalized on partnership opportunities and targeting landscapes or watersheds where there were opportunities to accomplish multiple objectives.

Forests have noted they are moving from legacy BLI approaches to more integrated, teaming efforts. They also noted though that their NFRR program is still heavily driven by the five assigned NFRR targets, that base program needs consume a major part of available funds, that it is hard to fund non-target base program needs, and that reductions in other program area BLIs, with associated hopes and desires to tap into NFRR to make up for the losses, is having negative effects. The most notable example of this is a decision at the national level that NFRR is to be used for maintenance of Level I and II roads because of significant drops in CMRD funds.

- b) What were the expected outcomes (accomplishments)?

The overarching expected outcome was moving watersheds to a better condition class through implementation of essential projects in priority watersheds. Other expected outcomes included:

- Improve terrestrial and aquatic habitat conditions to provide for habitat connectivity.
- Retain and/or create local forest products jobs and businesses in rural communities.
- Improve forest health and resiliency at a watershed/landscape scale.
- Improve the efficiency with which outcomes and outputs are realized.
- Increase commitment of partnerships to reach restoration goals at a landscape/watershed scale.
- Collaboration forums and existing partnerships are functioning and other indications of social capacity exist.

- a. Were these outcomes achieved? To what extent?

All Forests were successful in implementing essential projects in priority watersheds. The Region moved two watersheds to better condition class. The Region however did not meet the assigned WTRSHD-CLS-IMP-NUM target of three. Several Forests expect to be able to

move one or more watersheds to a better condition class in FY2015, in part because they were able to implement numerous essential projects in FY2014.

Forests reported they were able to focus restoration work in concentrated areas rather than having a more shot-gunned approach that was typical of the legacy BLIs. They also reported they were able to complete much larger projects due to contracting efficiencies, working with partners, and focusing the workforce and funding.

- b. In terms of outcomes vs. outputs, were efficiencies realized and activities effective?

Forests generally reported they met or overachieved in terms of target accomplishment. Efficiency was realized on some Forests but not on others. No efficiency was realized relative to NEPA workload and timelines, but efficiency was realized relative to being able to work on landscape rather than individual project level scales. The five assigned BLI targets were a major driver relative to outputs, which had both negative and positive effects on outcomes.

- c. Were the priority programs and/or priority work (targets/outputs) achieved? If not, why?

For the most part, priority programs and work were achieved. Some Forests were unable to meet timber volume target but for reasons outside of IRR, while other Forests under-achieved due to an active fire season.

As noted in previous reports, the Region continues to have concerns with using NFRR for road maintenance and with no longer having the NFN3 BLI, particularly in-light of experiencing large landscape-size fire seasons the last few years. Many post-fire recovery needs simply are not being satisfied due to lack of funding, resulting in ecosystem and social/economic concerns. Forests that received Focused Investment Funds were better positioned to complete priority work than were Forests that did not receive these funds, which was an expected result of the Focused Investment process we used in R4.

- d. Were there projects that were completed in FY 2014 that would not have been funded without the IRR authority?

Most Forests answered affirmative to this question but a few answered in the negative. Some Forests were able to fund larger, more integrated or more expensive projects through IRR. Other Forests were better able to capitalize on partner funding or other sources of funding. At the same time, it was noted that needed projects outside of priority areas were not completed due to the focused watershed emphasis.

2. Flexibility, Advantages, and Disadvantages

- a) Did the IRR Authority increase or decrease flexibility in developing integrated projects? In what way?

Most Forests reported greater flexibility but the amount depended on several factors. Factors include how much of the available funds go to base, whether or not Focused Investment funds, and the priorities of Line Officers. We have found that the increased IRR flexibility has created two general approaches to developing integrated projects. We here the fewest complaints from units that develop projects with multiple benefits and try to maintain sustained support for all NFRR affected programs. We seem to have the biggest issues where the spending flexibility tends to shut out non-target resources from project development, and when funds are used to shore up unfunded programs and individuals.

- b) Describe the advantages and disadvantages of a single, consolidated BLI (NFRR). Has this resulted in efficiencies? If so, please describe.

Most Forests report that a single BLI has advantages, but that describing efficiencies in terms of outputs is difficult if not impossible to measure. The advantages are typically described in terms of budgeting processes, not in what is produced on the ground. Many units report the single BLI has created challenges in tracking spending on specific programs or actions.

- c) Did you find cost savings under IRR? If so, where and how would you quantify them?

Most Forests reported they are not necessarily realizing cost savings but it is easier to plan fixed costs and develop work plans for projects, there are fewer budget meetings, whole projects can be done at once allowing for implementation to occur in a single year versus being spread out over a number of years, and it is easier to incorporate partners.

There are several concerns as well. There is little ability to use financial data to track expenditures so many managers have to use cuff records, which is inefficient. The large percentage of funds that goes to overhead and fixed costs is a concern. Additionally, tradeoffs exist, and a handful of reductions in one or two BLIs have a ripple effect that negates any benefits or opportunities available when NFRR funds are used to shore those programs up.

- d) For outcomes that are not well reflected by traditional output targets, was meaningful progress made? If so, how was this determined?

We continue to hear that Forests NFRR programs are still heavily driven by the five assigned NFRR targets and that base program needs consume a major part of available funds.

- e) Under IRR, what advantages and disadvantages did your forest find when working internally and/or with partners? How have partners responded to IRR funding authority? To the emphasis on more integrated

planning? To more focus on landscape scale restoration? Did the IRR approach increase or decrease collaborative understanding with existing/new partners?

Internally, advantages of IRR are a NFMA planning format that more readily includes multiple output projects, flexibility to meet target priorities via multiple activities, and better understanding of linkages between resource issues on a landscape level. Disadvantages include ensuring base funding of traditional programs that need to continue such as air, water rights, and invasive plant control, program specific projects, commitments to matching outside sources of funding, , and receiving mixed messages from program managers at the Regional and National level.

Externally, IRR provides for better collaborative efforts in some situations but decreased efforts in others, depending upon the nature of the collaborative effort and the intent of special interests. As with other BLIs that allow for external collaboration, e.g., CFLRP, partnerships can be a double-edged sword. Partners allow for increased access to knowledge of an area and the ability to stretch funds to accomplish more work. But, collaborative efforts can also result in conflicting goals and disparate understanding of issues between them and the agency. Also, training and organizing partners is often difficult due to schedules and timing.

- f) Describe any reasons that the FY14 IRR report does not reflect planned accomplishments or the work plan. Were there any challenges that caused actual accomplishments to differ from those previously outlined in the work plan?

Regionally, this report reflects that planned accomplishments were met. Some Forests were able to overachieve while others under achieved, but the net effect was near or above 100% accomplishment in all target areas. The Forests that underachieved on any one particular target did so for reasons outside their control, such as having an active fire season, limited timber product markets, and NEPA appeals and litigation.

Additionally, Forests expressed concern with having either too many databases to report to or databases that do not communicate across each other, output assignments are not decreasing consistent with funding decreases, and fire borrowing precludes target accomplishment and commitments and trust with partners. We are particularly concerned that accomplishments (stream miles improved and terrestrial acres improved) reported in the Wildlife, Fish, and Rare Plants database (WFRP) in 2014 may be under reported because of the implementation of the new version of WFRP in the Watershed Inventory Tracking database..

3. Addressing Challenges Associated with IRR Implementation

- a) Were there any new or continuing issues or difficulties in tracking funds and reporting accomplishments?

Forests continue to find it difficult to track funds unless they keep cuff records and meet often. Tracking funds and outputs to specific activities is particularly difficult because of issues with FMFI implementation and corporate databases such as WFRP and WCATT not always being available when needed.

- b) What cultural shifts are happening and what further changes should be considered to bring units in more alignment with IRR concepts?

IRR and NFRR are beginning to be accepted has the status quo. Units and program managers are beginning to understand that for the near term, IRR is not going away and are adjusting to this reality. Most line officers enjoy the flexibility NFRR gives them in funding programs, projects, individuals and priorities. However, program managers at both the Regional Office and Forests have the most concern with the NFRR BLI and what they see as the loss of influence over their programs. Reviewing and including additional legacy targets as mandatory under IRR would help align units and managers with IRR. Also, continuing to communicate a consistent message from upper management is critical.

- c) How are units ensuring that priorities drive accomplishments while simultaneously meeting traditional outputs? Please give examples of successful programs.

Forests that were practicing integration prior to IRR have adjusted to IRR much better than Forests that were not practicing integration. Even with that however, there is concern with the dominating effect the "Big 5" targets are having on driving priorities and overall accomplishments. Addressing program management needs and restoration priorities are important factors in setting priorities as well as attaining target accomplishments.

4. Other Measurable Activities Contributing to IRR

It is important to emphasize programs that are outside of the current IRR performance measures, but are funded through NFRR. In a short narrative, please highlight those activities that do not currently fall under an IRR performance measure, but whose performance is tracked by the Agency. In addition to the narrative, please list those activities and their FY 14 accomplishments. Below is a list of suggested activities. Add rows to the table below, as necessary, to accommodate all activities.

Table 2 – Additional Activities Contributing to IRR with trackable measures.

Performance Measure	Total Units Accomplished ¹
Miles of high clearance system roads improved	133
Miles of high clearance system roads maintained	2,006
Miles of passenger car system roads improved	139
Miles of passenger car system roads maintained	3,557
Miles of system trail improved to standard	105
Miles of system trail maintained to standard	7,805
Stream crossings constructed or reconstructed for aquatic organism passage	13
Acres of lake habitat restored/enhanced (unified accomplishment)	3,075
Acres of water/soil resources protected/maintained/improved (unified accomplishment)	84,152
Acres of terrestrial habitat restored/enhanced (unified accomplishment)	276,013
Acres of forest vegetation improved (unified accomplishment)	10,964
Acres of forestland vegetation established (unified accomplishment)	12,572
Acres of range vegetation improved (unified accomplishment)	66048
Acres treated for noxious weeds/invasive plants on NFS lands (unified accomplishment)	53,778
Acres of hazardous fuels outside the WUI to reduce the risk of catastrophic wildland fire (unified accomplishment)	80,345
Number of threatened or endangered species with recovery actions completed.	12

¹ Units accomplished should match the accomplishments recorded in the Databases of Record.

In a short narrative, please highlight those activities that do not currently fall under an IRR performance measure, and whose performance is **not tracked** by the Agency (i.e. water rights acquisition, Instream flows, air quality monitoring, water yield monitoring, pre-NEPA survey work to support Range NEPA grazing decisions, implementation of Best Management Practices, T&E occurrences, vegetation conditions, biological diversity, etc.)

As mentioned in the 2013 report, one performance measure that has been challenging to address under the IRR program is Miles of High Clearance Roads Receiving Maintenance (RD-HC-MAINT). In the Program Direction for IRR this performance measure was not identified as one that would be assigned a target to measure accomplishments under IRR. However, each year the Region is assigned a RD-HC-MAINT target.

Forests are being directed that this target cannot be accomplished using CMRD funding due to CMLG being put into NFRR and the allocation for CMRD being significantly reduced over the last several years. NFRR allocations are woefully inadequate to cover Level I and II road maintenance needs. This CMRD budget direction needs to be addressed.

On another note, projects that are not tracked in NFRR but are accomplished through NFRR include: Water right acquisition, pre-NEPA survey work to support range Rescission Act grazing decisions, implementation of the National Best Management Practices Program, recovery actions for threatened and endangered species, wildlife surveys, vegetation condition surveys, wetland assessments, outreach and hiring, and public education. Volunteer programs are also very active and are partially funded out of NFRR.

A good example of the effect IRR has on programs funded through NFRR, but not tracked with a target is the threatened and endangered (T&E) species program. In 2012 and 2013, the WO assigned IRR pilot Regions T&E targets (T&E-ACT-COMPLT) under the NFWF BLI program direction. Despite not being a target under IRR, the Region assigned those targets to the Forests and accomplished 100% of the assigned target. Consistent with IRR, the WO did not assign T&E-ACT-COMPLT to R4 in 2014. In FY 2014, the number of T&E species the Region completed recovery actions for dropped by 30% (from 18-12) compared with FY 2012 and 2013. Without an assigned target, T&E recovery actions seem to have a reduced priority outside of integrated projects that achieve multiple objectives.

5. Feedback from Partners – What, if any feedback did you receive from partners?

We have received little feedback from partners as we have moved to implement IRR. Initially some partners were concerned that not having specific program dollars may impact their ability to partner with us to achieve their priorities. Some projects have not been funded despite having willing partners because of the shift to IRR priorities, but in general we have not had a huge amount of feedback for or against IRR.

C. Lessons Learned

Narrative: Each pilot region is expected to draw on experiences to date to describe lessons learned since beginning the IRR Pilot Program in 2012. Please provide narrative responses to the following questions and include specific examples:

1. Describe how IRR has affected project planning. Include information on internal and external collaboration and public engagement. Did the activities have greater impact on resource outcomes?

Project planning has shifted in general to projects that best implement the Watershed Condition Framework and the accomplish IRR targets. However, the extent of this shift is depends on the unit and the emphasis placed by line officers in implementing IRR as intended. Generally, fewer single resource type activities are being planned and accomplished with more projects being implemented that integrate around specific IRR objectives and targets.

2. How has the way activities/projects were selected for funding changed since the IRR pilot was established?

IRR has deemphasized funding for single resource or activity based projects and has emphasized projects that accomplish multiple objectives. The majority of projects selected for funding center around activities that generate timber volume, treat fuels, or decommission or maintain roads, or improve fish passage. Other activities must “tag” on to these types of projects for accomplishments. Some units report increased collaboration in the project selection process while many report decreased collaboration as only certain activities are emphasized.

3. Has the use of consolidated BLIs under IRR enabled projects to be completed more efficiently or effectively to meet the desired resource goal(s)? If so, how?

The consolidated BLIs have enabled easier accounting and planning with fewer BLIs to worry about. But, we have no metrics to indicate that other efficiencies have been achieved.

4. Based on your experience, how could use of IRR authority be improved?

IRR could be improved by doing the following:

- Reexamine targets associated with IRR. For example, it has been our experience that the timber volume target does not necessarily correspond with highest restoration priorities.
- Implement some level of base funding for programs funded under NFRR, but do not contribute to NFRR target accomplishments.

5. Illustrate the pros/cons of the IRR pilot from different team member perspectives. Are perceptions different for Regional Office program managers, staff officers on the forests, or technical staff on the districts?

We have found that the perspective of IRR differ dramatically among positions and levels in the Region. Typically line officers at all levels generally appreciate the flexibility of IRR and the ability to establish priorities without as many primary purpose concerns. Those units where line officers are more engaged seemed to have

the highest regard for IRR and tend to realize its integration potential. Where line officers are less engaged, IRR tends to result in less program integration.

In R4, Forest staff officers appear to be the main drivers of IRR priorities and NFRR spending. Forest staff officers appear to set the tone for how IRR is implemented, which programs are emphasized and how NFRR money is allocated. Depending on the unit, Forest and District technical staffs have varying perspectives of IRR. Some appreciate the increased integration where it occurs; others indicate they are routinely left out of the priority process.

Regional program managers have had to adjust from directing single programs to helping field staff adjust to IRR and finding ways to maximize their programs under IRR concepts. It has been a challenge for program managers without hard IRR targets to emphasize and integrate their programs under IRR. It has also been a struggle for the RO to manage WO expectations for programs that RO program managers no longer directly control.

6. What are the greatest benefits you have seen associated with IRR authority?
 - The increased flexibility to accomplish large scale restoration where opportunities exist.
 - The emphasis of the Watershed Condition Framework (WCF). Rarely does the Forest Service develop an initiative that has a funding mechanism to accomplish it. NFRR does just that for the (WCF).
7. What have been the biggest challenges in implementing IRR?
 - Because NFRR is flexible, it can quickly and easily be mismanaged and accountability difficult to track.
 - IRR targets tend to deemphasize those programs that do not directly contribute target accomplishments.
 - Current IRR targets do not necessarily imply or generate integrated restoration. IRR priorities are often supplanted to meet IRR targets.
 - The use of NFRR to supplement budget decreases in other program BLIs (e.g., in R4 the use of NFRR to maintain level 1 and 2 roads as CMRD has decreased).
 - Incongruent IRR expectations from WO and RO program managers to the field.
8. What guidance would you offer non-IRR regions in moving toward integrated resource restoration with or without IRR?
 - Understand that accomplishments of targets drive the majority of funding decisions. Syncing programs, targets and budgets is imperative.
 - IRR inertia is difficult to maintain without constant care and feeding by line.
 - You cannot continue to operate under the same paradigm and implement IRR.
 - If programs are important, they need to have some mechanism to set priorities, fund, and implement actions to achieve program objectives.

D. Planning Future Accomplishments – FY15 Accomplishments and Future NFRR Program Emphasis

1. FY15 Planned Accomplishments

Table 3 –FY15 IRR Planned Performance

Performance Measure	Unit of measure	Total Units Planned ¹
Total acres treated annually to sustain or restore watershed function and resilience	Acres	300,000
Number of watersheds move to an improved condition class	Number	1
Miles of road decommissioned	Miles	260
Volume of timber sold	ccf	230,000
Miles of stream habitat restored or enhanced	Miles	278

2. Based on FY14 Experiences, how would you anticipate IRR affecting FY15 planning and accomplishments?

We expect IRR to affect planning and accomplishments similar to FY 14. We will continue to see an emphasis in trying to implement the watershed condition framework. We anticipate that Forest will emphasize those projects and programs that achieve IRR targets in the easiest and most efficient way possible. We can anticipate that generally programs such as wildlife, fisheries, and rare plants will continue to achieve accomplishments through integrating with other programs.

¹ Units planned should match the planned accomplishments recorded in the Databases of Record.