

# A Third-Party Evaluation of the IRR Pilot

## Report from Phase 3: Stakeholder Outreach and Engagement

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## Executive summary

**T**he Integrated Resource Restoration (IRR) budgeting tool combines “legacy” budget line items (BLIs) into a combined restoration BLI. It is meant to provide increased flexibility to conduct integrated restoration work, facilitate the identification and implementation of priority restoration work, support integrated project planning and implementation, and create budgetary efficiencies. Since mid-fiscal year 2012, the IRR approach is being piloted in Regions 1, 3, and 4 of the National Forest System.

At the request of the U.S. Forest Service, we are conducting an evaluation of the IRR pilot. This report summarizes findings from Phase 3 of our work, which involved in-person meetings, surveys, and interviews with external stakeholders to provide outreach and education and to gauge stakeholder opinions, perspectives, questions, and concerns about the IRR.

### Outreach

- We conducted outreach, including multi-stakeholder meetings, on 15 national forests across the three regions, reaching approximately 145 stakeholders directly. Representatives from all stakeholder groups (local government, state government, federal agency, environmental NGO,

community development/organizer, forest products/industry, and “other”) participated in the in-person workshops. Of the 63 individuals who took our in-person surveys, Environmental NGOs (20 percent of participants) and local government (26 percent of participants) were the most represented groups, with forest products/industry and community development/organizer each representing approximately 12 percent of survey participants.

- Due to low levels of knowledge among stakeholders about the IRR and its associated performance measures, meeting time was primarily spent providing information to stakeholders and facilitating dialogue between local Forest Service staff and stakeholders about the influence of the IRR on the agency’s restoration work.

### In-person meeting and interview themes

- Stakeholders felt it was important to understand Forest Service priorities, project design constraints, and prioritization processes in order to coordinate collaborative work more appropriately and increase competitiveness for funding.
- Some interviewees felt that agency restoration priorities are influenced more by the availability of timber in areas than areas with highest restoration priorities; others said this was not a concern.

- Stakeholders wanted more communication than they have received to date regarding the IRR, funding allocations, and targets.
- External stakeholders were optimistic about the increased integration associated with the IRR pilot. Some stakeholders indicated they had seen improvements to integrated planning and implementation.
- Most interviewees appreciated that forests were being rewarded for having active collaborative stakeholder groups and vision for large, integrated projects.
- Both stakeholders and Forest Service employees felt that with increased integration there was increased flexibility to choose and design integrated projects and allocate resources, which could result in both positive and negative outcomes.
- Stakeholders wanted to learn how targets were assigned, how they influenced priorities, and why specific targets were included or excluded under the IRR. Some were concerned that the mix of targets under the IRR will not adequately support integrated restoration. In particular, some interviewees expressed concern that the IRR does not include explicit targets for wildlife habitat, prescribed fire, or range work; these individuals felt work in these areas needs to be a clear priority.
- Some stakeholder groups reported that the IRR has led to greater funding for their collaboratively designed projects.
- Stakeholders on CFLRP projects said the IRR complemented the program; however, some stakeholders were concerned that both the IRR and CFLRP favor forests with wood byproducts of forest restoration.
- Stakeholders expressed concern that under the IRR's more integrated budget, tracking accomplishments in prior program areas is more difficult, and as a result forests are less accountable for accomplishments across multiple resource areas.
- Many participants felt there has not been enough time to truly evaluate the effects of the IRR on restoration outcomes in the pilot forests and regions.

### **National interview insights**

- Individuals who had experience with congressional budgeting were concerned that whenever budget lines are consolidated, overall budgets decrease.
- Some were pleased to hear that the IRR was improving integration and suggested the agency find ways to maintain the beneficial impacts of the IRR. Several people indicated that the IRR is not a necessary tool for achieving integrated project planning.
- Stakeholders observing the IRR from a regional and national perspective thought it was important to track and communicate costs, targets, and accomplishments for multiple resource areas more clearly under the IRR.
- Respondents felt it was important for the Washington Office to reach out to stakeholders and invite direct dialogue about the IRR pilot program.
- Stakeholders want to know if the agency is finding any efficiencies under the IRR, particularly because this was a selling point of the IRR to appropriators; they also want to see the agency explore and improve how efficiency is defined and measured and how restoration accomplishments are communicated.

### **Survey**

- Stakeholders said they want additional information on the IRR beyond what we offered.
- A majority of respondents said they felt that the IRR is the right direction for the Forest Service.
- While the surveys provide interesting information about stakeholder levels of knowledge and perceptions after our outreach effort, due to small sample size and uneven sampling, our survey responses cannot be used to make generalizations about how the agency's many stakeholders in the pilot regions perceive the IRR.

### **Issues to address going forward**

- It is important to inform stakeholders about this budgetary change because it has significant impacts on what types of projects are prioritized by the region and forests.



- Stakeholders want to be more involved in the process of setting priorities at the forest level in order to align their efforts more strategically with the Forest Service.
- Although a number of stakeholders like the strategic direction of the IRR and its emphasis on integrated planning, prioritization, and larger landscapes, others are concerned that increased flexibility and decreased accountability under the IRR will cause the agency to neglect certain types of resource work over time.
- With a system focused on competition and prioritization, it may be important to have a strategy for promoting success on forests that are less competitive or stuck in a losing cycle.
- Success under the IRR depends on consistent, strong leadership and communication among both agency personnel and stakeholders.
- Stakeholders would like to see the agency dig into the question of efficiency, explore various ways of defining efficiency (i.e., better work vs. more acres), and improve reporting strategies.
- Both agency staff and stakeholders in the pilot regions and forests felt that the effects of the IRR will continue to evolve, and understanding the true impact of the IRR pilot on restoration outcomes will require a longer evaluation period.
- It is worth identifying the positive outcomes that are coming out of the IRR and how these could be maintained, regardless of whether the IRR were to be adopted system-wide.





## Introduction

The Integrated Resource Restoration (IRR) budgeting tool brings together “legacy” budget line items (BLIs) into a combined restoration BLI and is meant to provide increased flexibility to conduct integrated restoration work, facilitate the identification and implementation of priority restoration work, support integrated project planning and implementation, and lead to budgetary efficiencies (see Appendix A for more information on the IRR pilot). Since mid-fiscal year 2012, the IRR approach has been piloted in the Northern, Southwestern, and Intermountain Regions (Regions 1,3, and 4 respectively) of the National Forest System.

At the request of the U.S. Forest Service, Courtney Schultz (Colorado State University) and Cassandra

Moseley (University of Oregon) have been conducting a third-party evaluation of the IRR pilot since 2013. This report, the third in a series, discusses findings from outreach and discussion with external stakeholders about their perceptions of the IRR pilot. Our evaluation of the IRR and its effects is intended to provide information for the Forest Service, Congress, and stakeholders as the pilot comes up for possible extension and expansion.

For Phase 3, our objectives were to communicate with external stakeholders about the IRR to: share our findings to date; help them to learn about and understand local effects of the IRR; hear about their experience with the IRR; and understand their concerns, questions, and perspectives on the approach.



## Summary of prior findings

The third-party evaluation was designed to provide an external review of the IRR pilot for the Forest Service, stakeholders, and Congress before it is considered for nationwide implementation. Our review began in August of 2013 and included two prior phases:

- Phase 1: Interviews with forest level, regional level, and Washington Office staff across the pilot regions between August 2013 and December 2013.<sup>1</sup>
- Phase 2: Web-based survey of 1,210 staff in the pilot regions during summer of 2014 to determine widespread agency perspectives on the IRR.<sup>2</sup>

## Overview of Phase 1 findings

In Phase 1, we found that the IRR pilot had: 1) changed regional and forest level strategic planning approaches; 2) resulted in greater emphasis and time spent on program integration and project prioritization at the regional and forest levels; 3) allowed regional staff to spend less time budgeting, while increasing flexibility; 4) allowed forests to focus on the highest priority work in any given year; and 5) concentrated decision making power with line officers, making these personnel central to the IRR's success. The primary concerns regarding the IRR revolved around the role of performance measures and targets. Staff indicated that the combined impact of integrated funding and declining budgets might result in the IRR funding being used primarily to reach hard targets at the expense of higher priority restoration work. Specifically, staff was concerned that: 1) activities that are not associated with hard targets, that are hard to measure, or that are relatively more expensive might be under-prioritized over time; and 2) the focus on priority landscapes and large projects may lead to less attention on smaller or less integrated projects, even when these are high priority projects for particular resource areas. In essence, because targets and performance measures significantly drive the work done under the IRR, there were concerns as to whether these measurements may work counter to the goals of the IRR, particularly over time.

## Overview of Phase 2 findings

In Phase 2, we found that responses from Forest Service staff ranged widely regarding the IRR pilot's overall effectiveness. Staff, on average: 1) was somewhat positive about the value of the IRR for complementing other restoration authorities; 2) did not feel the IRR had improved prioritization; 3) was on the fence as to whether integration across programs had improved; and 4) was somewhat positive about the value of the IRR for increasing flexibility to focus on high priority restoration work, move dollars between programs, address unexpected challenges, conduct larger projects, and enter into multi-year contracts. Line officers and regional staff on average had more positive views, and the majority of line officers indicated that since the beginning of the pilot in mid-2012 (two years prior to our survey) there had been improvements to prioritization and integration on their forests. A majority of line officers said the IRR was the right direction for the Forest Service to achieve its restoration goals, while staff as a whole was on the fence or neutral. No group of respondents indicated that the IRR was saving them time or money in any area.

Regarding performance measures, targets, and impacts to programs, staff as a whole was neutral with regard to whether the IRR performance measures supported the prioritization of restoration work. Staff, on average, said that sometimes the performance measures detracted from priority work and indicated that this was most true of the timber volume sold target. Staff in general felt that some program areas had been negatively impacted by the IRR, and all program areas were mentioned at least once. Line officers said the programs most significantly impacted included range management, noxious weeds/invasive species management, wildlife, and the legacy roads and trails programs.

Finally, surveys identified a need for greater communication about the IRR both internally and externally. Respondents on average said that external stakeholders do not understand or support the IRR, and nearly half of the Forest Service staff respondents either had not heard of the IRR or knew little about it.

## Main objectives and approach for Phase 3

The purposes of Phase 3 were: to communicate with external stakeholders about the IRR and to share our findings to date; to help stakeholders understand local effects of the IRR; to hear about stakeholder experiences with the IRR; and to understand stakeholder questions, concerns, and perspectives on the IRR approach. Phase 3 was designed specifically to address the following questions:

1. What are stakeholders' levels of knowledge about the IRR across the pilot regions?
2. What perspectives do stakeholders have about the effects of the IRR?
3. What factors do stakeholders believe both support and act as barriers to integrated restoration?
4. What particular types of information are stakeholders interested in learning more about in regards to the IRR, and what types of information do they find most useful for facilitating their work with Forest Service partners?

### Approach

Phase 3 took place between January–August 2015 and involved: 1) a 1-week trip to each pilot region for in-person presentations and meetings with Forest Service staff and external stakeholders on national forests; 2) a brief set of surveys to assess stakeholder perceptions before and after presentations; and 3) follow-up interviews with stakeholder participants. Surveys were not conducted with Forest Service funding.

In coordination with Forest Service staff at the Regional Offices and forest supervisors, we conducted two-hour, in-person meetings that included: an overview of the IRR and presentation of our findings to date (~30 minutes); a presentation from a Forest Service partner about the implementation of the IRR on that forest and its relevance for stakeholders (~20 minutes), and time for discussion and questions (~1 hour). Regional IRR coordinators helped us identify forests where collaborative groups were active and where forest supervisors

might be interested in hosting in-person meetings with external stakeholders and the research team. These IRR coordinators sent messages to their forest supervisors about our task from the Washington Office along with the goals, agenda, and time frame.

After receiving the email from the regional IRR coordinators, only two forests reached out to us to express interest in having us meet with their stakeholders. One of these forests decided their stakeholders were too dispersed for an in-person visit to be effective. The other forest supervisor, who eventually hosted us, saw this as an opportunity to educate local stakeholders about the new process of prioritization within the region and on the forest, so they could design their projects strategically to be more competitive for funding within the region. Many forest supervisors we contacted subsequent to these emails were skeptical that their stakeholders were interested in this topic. They often said, “Our stakeholders just want to see work get done on the ground; they don’t care about our internal procedures.” Some were reluctant to invite stakeholders to hear more about their budgeting and performance assessment under the IRR. Some chose not to participate, telling us they did not have enough interested stakeholders or that they were not interested in calling them in for a meeting on this topic. Others said their stakeholders responded that they were uninterested. However, the majority of forest supervisors were willing to host us and about half were interested in engaging with their stakeholders on this topic and thought it would be valuable for them. Our goal was to visit a different forest each day. In some regions it was a challenge to find enough interested forests to visit; this was due, in part, to travel logistics and short planning time frames and, in part, due to lack of interest.

Unless we had contacts in the stakeholder community, we relied on forest supervisors to invite stakeholders. Many invited only their more involved and knowledgeable stakeholders who they felt would be interested in this conversation. We administered a survey before and after the presentation to gauge stakeholder levels of interest in learning about the



IRR, levels of knowledge, and perspectives on the IRR. We followed up with interviews of willing stakeholders to learn more about their perspectives on the IRR. All surveys were anonymous, and all interviews were confidential. We used notes from the in-person meetings, coded interview data, and answers written into surveys as the data for this report. Because we only talked to a small number of forests in each region, we do not draw conclusions about regional differences based on our work in Phase 3.

As part of Phase 3, we also hosted a meeting in Washington, D.C. in March 2015 for interested external stakeholders, invited with help from The Nature Conservancy. In addition, we conducted additional interviews with key informants (i.e. individuals with high-level understanding of the IRR and the Forest Service from a national perspective).

In June 2015, we hosted a webinar through the National Forest Foundation for stakeholders and Forest Service staff that wanted to learn more about the IRR but were unable to attend an in-person meeting. Surveys were conducted in association with the webinar; however, due to low response rates, we did not include these surveys in our analysis.

In all, we reached approximately 145 external stakeholders (see Table 1, below). During our Phase 3 work, we had several other requests for presentations that we conducted but were outside our work's scope and purpose. For instance, we presented to the forest leadership team via video teleconference on the Humboldt-Toiyabe National Forest and presented in-person to the Front Range Roundtable, a broad stakeholder group in Region 2. The stakeholders reached as a result of these requests are in addition to the participants reported in Table 1.

**Table 1 Phase 3 components and participants**

<b>Component</b>	<b>Audience</b>	<b>Participants</b>
In-person meetings	Stakeholders and Forest Service staff	86 stakeholders 69 Forest Service staff
Webinar	Stakeholders and Forest Service staff	48 stakeholders* 8 Forest Service staff*
Washington DC briefing	Stakeholders	10 stakeholders
Surveys**	Stakeholders	63 stakeholders
Follow-up interviews**	Stakeholders	26 stakeholders

\* Webinar participants tally taken from a) list of pre-registered participants and b) list of participants who self-identified in an optional webinar survey question.

\*\* Surveys and follow-up interviews were conducted with stakeholders that participated in the in-person meetings, with the exception of 4 interviews, which were with stakeholders who were knowledgeable about IRR, but not present during in-person meetings.

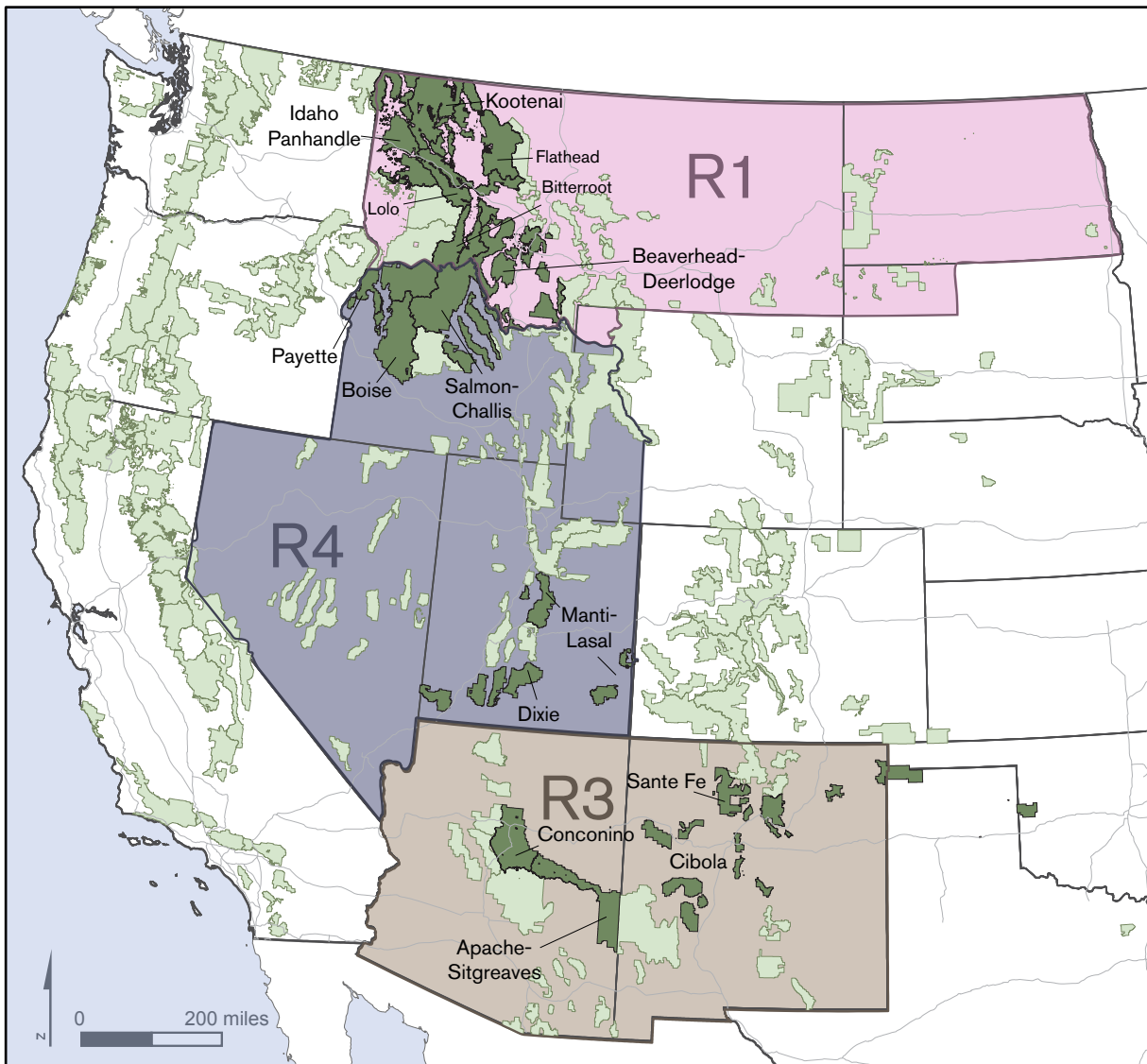
## Results

The following sections outline findings from this phase of our third-party evaluation. We report the results of our outreach effort; describe stakeholder knowledge, questions, perspectives, and concerns around the IRR by recounting primary themes that emerged during this phase; and present findings from stakeholder surveys. Our discussion of emergent themes is based on summary and analysis of written survey responses, in-person meeting notes, and stakeholder interviews.

## Outreach effort

We visited 15 national forests as part of our outreach effort (see Figure 1, below, for overview of forests reached and Table 2, page 9 for breakdown of outreach and participants per region). On average, most in-person meetings had 5-7 participants, although we had one meeting on the Cibola National Forest where the supervisor's outreach and invitation drew in almost thirty participants. The group of stakeholders and the forests we reached are a distinct subset of groups and forests within these regions, introducing some bias to our find-

**Figure 1 Forests visited during Phase 3**



**Table 2 Phase 3 components and participants by region**

Region	Forests represented	External stakeholder attendants	USFS representative attendants	Surveys completed	Interviews completed
1: Northern Region	Beaverhead-Deerlodge NF, Bitterroot NF, Flathead NF, Idaho-Panhandle NF, Kootenai NF, Lolo NF (6)	27	19	22	8
3: Southwestern Region	Apache-Sitgreaves NF, Cibola NF, Coconino NF, Santa Fe NF (4)	37	29	20	7
4: Intermountain Region	Boise NF, Dixie NF, Manti-Lasal NF, Payette NF, Salmon-Challis NF (5)	22	21	21	6
<b>Total for all regions</b>	<b>15 national forests</b>	<b>86</b>	<b>69</b>	<b>63</b>	<b>21</b>

ings. Almost every forest we visited had an active collaborative group, strong communication, and well-established collaborative relationships between stakeholders, the forest supervisor, and staff.

Attendance from Forest Service staff was very high (often half of the total participants) at meetings. Sometimes this was because the forest supervisor asked them to be on hand to answer questions, but often it reflected a desire for information about the IRR. We also had one forest request that we speak with their forest leadership team, even though we did not meet with their stakeholders. We found there to be significant internal desire for information about the IRR, its purpose, and effects, either because people had received little communication about the IRR, or because people had moved into pilot regions on details or new job assignments during the pilot period.

### In-person meetings

Representatives from all stakeholder groups (local government, state government, federal agency, environmental NGO, community development/organizer, forest products/industry, and “other”) participated in the in-person workshops. Of the 63 individuals who took our in-person surveys, environmental NGOs (20 percent of participants) and local government (26 percent of participants) were

the most represented groups, with forest products/industry and community development/organizer each representing approximately 12 percent of survey participants. The majority of stakeholders who attended in-person meetings knew nothing or very little about the IRR, its influence on Forest Service budgeting, or its associated performance measures and targets. Although much less common, a small number of stakeholders who attended were involved in regional and national forest policy issues and had been following the IRR and our reports. Our sessions were primarily focused on educating stakeholders about the IRR: its purpose, design, and effects based on our findings to date.

At most meetings, following our presentation, the remaining hour and a half was spent answering questions and facilitating dialogue between the Forest Service and partners. Stakeholders were very interested in the local effects of the IRR on their forests and priority projects, but they also had many questions about the general design of the IRR and its effects according to our evaluation to date. Specifically, they wanted to know whether the IRR pilot had increased efficiency and effectiveness for the Forest Service, how the IRR funding is allocated, how priorities are identified, and the effects of targets and performance measures, both generally and for their forests. Several groups wanted



broader forest policy education about programs like the Collaborative Forest Landscape Restoration Program (CFLRP), the effects of fire funding transfers, or even topics such as the role of Congress in appropriating funds to federal agencies. Below is an overview of the major themes that arose from these discussions and in our interviews. In each section, we highlight the primary findings in bold type. Quotes are taken directly from interviews or meeting notes.

### Meeting and interview themes

During the in-person meeting discussions and our subsequent interviews with stakeholders, there were common areas of interest, concern, and perspectives around the IRR. These common areas are the emergent themes from our outreach work with stakeholders during Phase 3, and many of these themes overlap.

#### Theme: Prioritization

A key theme that emerged during group discussions and interviews was prioritization. Overall, **stakeholders felt it was important to understand regional and forest priorities, constraints, and prioritization processes to coordinate collaborative work more appropriately and increase competitiveness for the IRR funding.** Forest Service presentations generally expressed that the IRR has thus far helped prioritize restoration work and is part of a greater emphasis on prioritization agency-wide. Stakeholders as a whole were interested in learning more regarding how prioritization occurs, how restoration priorities are defined, and how targets influence priorities at the national, regional, and local levels. Collaborative groups wanted to know how forests chose projects to implement, when during the year selection occurs, and how they could be involved. One interview participant described the importance of knowing more about Forest Service planning and communication, stating, “Having an understanding of the long-term planning of where the forest is going to go and why and how collaborative groups fit into that.... It’s a huge deal.”

Stakeholder concerns focused on defining restoration priorities, which is an issue that pre-dates the IRR but is particularly salient under this program.

**Some interviewees noted disagreement among stakeholders and within the Forest Service about what “restoration” is and what restoration priorities should be for a given forest.** One interviewee explained, “I think they’re getting quite a bit done, and it depends on what you mean by restoration actually. The Forest Service is calling everything these days restoration so it’s hard to distinguish anything.” Some interviewees felt that agency restoration priorities are influenced by the availability of timber in areas, whereas collaborative groups may feel other areas are higher restoration priorities. The Forest Service sometimes echoed these sentiments and also said that inconsistent direction and clarity among staff about priorities can be a barrier to accomplishing meaningful work.

#### Theme: Integration

Integration was a prominent theme across group conversations and interviews. The Forest Service consistently communicated to stakeholders that the IRR has helped integrate across resource areas during budgeting, planning, and implementation and that it has improved communication among staff at the supervisor’s office. A Forest Service employee from Region 3 remarked during one stakeholder meeting, “From an integrated standpoint, before you had people that were trying to figure out how to spend their little pots of money. And if you had an integrated project you had to go talk to each of those groups. Now [the IRR] forces that conversation, and discourages that approach of hoarding and pet projects.” Most forests reported that the increased integration has allowed them to focus on larger landscape-scale restoration projects, and one Forest Service employee said that the IRR has helped the forest focus on entire-ecosystem concerns.

**External stakeholders were optimistic regarding the increased integration associated with the IRR pilot and a few indicated they had seen improvements to integrated planning and implementation.**

Two interviewees who partnered with the Forest Service on projects in Region 4 reported that they had seen a notable increase in integration and communication since the start of the IRR. Another stakeholder felt that the more integrated IRR ap-

proach matched the way their collaborative approaches restoration projects, which made working with the Forest Service easier. Other interviewees appreciated that forests were being rewarded for having active collaborative stakeholder groups and vision for large, integrated projects.

Stakeholders were also interested in learning how the IRR complements other integrated programs, particularly the CFLRP. **While interviewees from CFLRP projects said that the IRR was a helpful tool for accomplishing goals on their projects, several stakeholders were concerned about the tandem goals of IRR and CFLRP, noting that those projects that had CFLRP funding were also priorities for IRR within the region.** There was concern that as a result, forests that are less able to compete for CFLRP dollars due to lack of wood by-products from restoration activities or absence of an active stakeholder group would be at a disadvantage under both the IRR and the CFLRP.

### Theme: Flexibility

**Participants felt that with increased integration there was also increased flexibility for the Forest Service in choosing and designing integrated projects and allocating resources.** One Forest Service employee during a meeting stated, “Whether it be riparian restoration, habitat improvement, timber, etc...when you have all those things on the table [for potential prioritization and funding], the flexibility is tremendous.” This viewpoint extended across meetings, as agency staff and stakeholder participants alike discussed how the integrated budget provides the Forest Service with greater flexibility and options to design more interdisciplinary projects.

Many stakeholders also felt that an integrated budget afforded the Forest Service more flexibility to shift resources as needed. One interviewee discussed the importance of flexibility in budgeting and allowing discretion to shift funds to achieve



goals, saying, “Anytime that an organization can decide for themselves what their priorities are, to me it’s a good thing.” **Interviewees generally believed the IRR gives supervisors greater flexibility to focus capacity, including funding, time, and staff on restoration priorities.** One stakeholder reflected on the IRR, saying, “It was allowing people more flexibility to work on projects that have higher priorities without having to convince people in other areas of the budget that they should pool their resources.” Two group meetings discussed in-depth how the IRR helps tackle large-scale restoration; during one of these a stakeholder reported, “The ability to scale up over the years and look at a larger footprint on the ground, we have definitely seen a positive difference.”

Forest Service employees and stakeholders also raised concerns regarding the perceived flexibility with the IRR. **Some interviewees were concerned that Forest Service individuals could use the flexibility to focus on particular resource areas rather than to pursue integrated restoration.** For example, an interviewee from a conservation organization said that the IRR could allow some projects or programs to dominate at the cost of other programs, and explained, “I was always pretty skeptical, I would say, about the potential for certain programs, the fuels program or the timber program, to just create a giant sucking sound for the budget of some of the other programs.” In one meeting, a line officer echoed this, saying, “With timber being very prevalent politically and economically, there is great emphasis to funding timber, and it can gut the other programs if you aren’t vigilant...” In an in-person meeting with stakeholders, a line officer noted, “Previous to IRR we had the buckets. If we didn’t meet our timber target, we couldn’t reach into the other buckets. We could protect those other programs more. In this scenario, you can’t protect those other programs technically as well.” A concern we heard specific to some forests in Region 1 is that they are held accountable for timber volume sold targets not met from the previous year, with no additional money offered when deficits are carried over. Forest supervisors said the IRR affords flexibility in this way, but the outcome is not positive because it forces them to take money from other

programs to fund projects that will deliver timber volume.

### **Theme: Targets and performance measures**

One of the main discussion topics, and closely related to discussions about prioritization and flexibility, were discussions about the influence of targets. Forest Service personnel often spent much of their presentation time describing how targets are assigned and met under their IRR budgets. **Many stakeholders were unaware that their forest had targets. They were interested to learn how targets were assigned, how they influenced priorities, and why specific targets were included or excluded in the IRR.** Staff repeatedly noted that integrated targets help reflect the multiple purposes and goals of restoration projects. As one Forest Service representative explained, “Core and integrated targets reflect reality that one project is not a single purpose.”

A number of frank discussions occurred regarding the way targets incentivize particular kinds of activities and projects. **Some stakeholders were concerned that targets are too restrictive or that the mix of targets under the IRR will not adequately support integrated restoration.** One stakeholder expressed, “As long as hard targets remain as they are, the full potential of integrated management may not be met.” Agency personnel often agreed that targets constrain the flexibility of the IRR. One line officer explained, “Originally the authority said the magic on this is I can take money and shift it to different targets. The reality is I get a target in each one of those and I still have to meet those targets.” In Region 1 meetings, Forest Service employees communicated to stakeholders that the flexibility and discretion are often more conceptual than real because of the target development process. One line officer explained, “I have that discretion, but not really. Because we have a planning process, I feed up [to the Regional Office] what we would like our targets to be, but I could be out-voted. This illusion...that I choose is not exactly reality.” A stakeholder during a group meeting reiterated, “IRR really doesn’t give you more flexibility. Before they controlled what you did on the forest through the budget. And now they still control what you do with targets.”



Several stakeholders expressed concern that a standard national “one-size-fits-all” template for the IRR that is based around common performance measures does not afford enough flexibility for different forests to tailor restoration strategies most effectively. As one interviewee elaborated:

“What happens with the national program is that you try to force each area into one template, and it doesn’t work. They don’t have enough flexibility within the system to be able to say, ‘Okay, you don’t have timber on your forest, so...we’re going to do all the other different kinds of things that happen on this particular forest. That’s what we’re going to focus on for you...’ Every single region, every single forest, every single district is different, and they need to have that kind of flexibility.”

**Forests with robust timber programs noted the importance of timber removal as a tool for completing restoration projects.** On these forests, Forest Service staff and some external stakeholders felt that the timber target and program fueled additional restoration and helped fund smaller programs. One Forest Service representative noted, “From my perspective, we are doing a great job of integrating our timber projects into the whole, in order to meet all the goals. We are using timber as a tool in the right places, which is helping us to fund other projects on that landscape.” Another staff member agreed, “The timber target drives all of the others. It funds everything else. If we can accomplish the timber program than we are successful in solving all the others.” Notably, this was on a forest that historically has been a relatively high timber-producing forest.

**Smaller forests and range-dominated forests were less positive about timber targets and reflected on their struggle to meet timber targets or their disadvantage when competing for IRR funding.** One stakeholder interviewee said, “They’re just in this constant rat race to deliver the wood. They can’t pull their heads up out of the fray and see where they’re going.” As one stakeholder expressed, “I am concerned that the voice of conservation is not represented in this process. Non-conservation

activities are being wrapped in a false mantle of conservation/restoration.” Stakeholders on another forest with a smaller budget raised concerns about the possibility of gutting other program funding to meet timber targets. Another stakeholder suggested that using timber targets to guide projects was outdated and unlikely to lead to good results on some forests, saying, “To me I think that’s an archaic way to look at things. For instance, on our forests, my guess is we will never have another timber sale that makes money for the Forest Service.”

**Some interviewees expressed concern that the IRR does not include explicit targets for wildlife habitat, prescribed fire, or range work.** Two groups of stakeholders were surprised to learn that road decommissioning was a goal for the agency and wanted to know how it came to be a performance measure in the IRR. In these meetings, stakeholders suggested that decommissioning roads was counter-productive to meeting the needs of local stakeholders, recreationists, and fire-fighting efforts. Others were concerned that recreation was not included as part of the integrated management approach. Stakeholders and staff on forests with more range management issues consistently said they were at a disadvantage under this system. One Forest Service person indicated that range acres do not often meet multiple accomplishments; he felt this was one reason the range program seems be suffering under IRR.



### Theme: Communication

**External stakeholders wanted more communication regarding the IRR, funding allocations, and targets.** Stakeholders felt strong external communication helps define restoration priorities and increases the capacity available for collaborative implementation. As we noted earlier, many stakeholders felt that clear communication regarding priorities, targets, and funding allowed groups to define long-term strategies and a group's role in project implementation. These stakeholders described how open communication with collaborative groups fostered trust and stronger relationships with the Forest Service. In general, groups wanted to be part of the priority-setting process, wanted to understand how targets interact with their priorities, and wanted to be provided with information to advocate for their forests successfully at the regional level. One interviewee described a more formal regional engagement process between the Forest Service and collaborative groups to gauge local communication needs as a step in the right direction.

A majority of interviewees had not heard of the IRR prior to the group presentations and wished that they had been more apprised of the new budgeting system. **Stakeholders voiced frustration with poor communication in regards to targets and budgeting.** One interviewee expressed how increased communication would have been beneficial in terms of maintaining stakeholders' engagement and understanding project constraints. Speaking about IRR targets, another interviewee said:

"I was pretty surprised that those had not been shared with our collaborative group. In the event that targets had been shared with us I think it would be easier for us to understand why some of our group's priorities are being put down on the list and other parts of projects that we've collaborated on are being elevated to fast track. I guess...it's not that I'm opposed to the measurements; they just should most definitely be communicated to partners."

### Theme: Collaboration

Most stakeholders we met with were part of active, collaborative stakeholder groups working closely with the Forest Service, and these groups were keenly interested in understanding how the IRR interacts with their priorities. **Some groups found that the IRR has led to greater funding for their collaboratively designed projects.** A number of Forest Service staff noted that having well-organized collaborative stakeholder groups helps them attract funding. Some forests said that many of their projects were chosen based on communication and regular interactions with their stakeholder groups to identify priority restoration landscapes. **We also saw some evidence that forests not working effectively with their stakeholders are relatively less successful at competing within the region for funding.**

Most stakeholders discussed the challenges of collaborating with the Forest Service. One interviewee summed it up as, "It's always a challenge...within the agency itself...having agency personnel feel comfortable with the collaborative process." We also heard that collaborative groups are generally eager to get on-the-ground successes, which may conflict with the Forest Service planning process. Stakeholders come together with the expectation of results, and can be discouraged when projects do not get immediate attention or funding from the Forest Service. As one interviewee explained:

"Our project has been three years in the making. It's going to be another two years before things ever hit the ground. You're asking a collaborative to stay with you for five or six years before anything begins to happen. It is an absolute struggle to do that. People are looking at these projects three, four, five six years before anything ever happens. That is just grueling for our collaboratives."







### Other challenges with IRR implementation and barriers to restoration

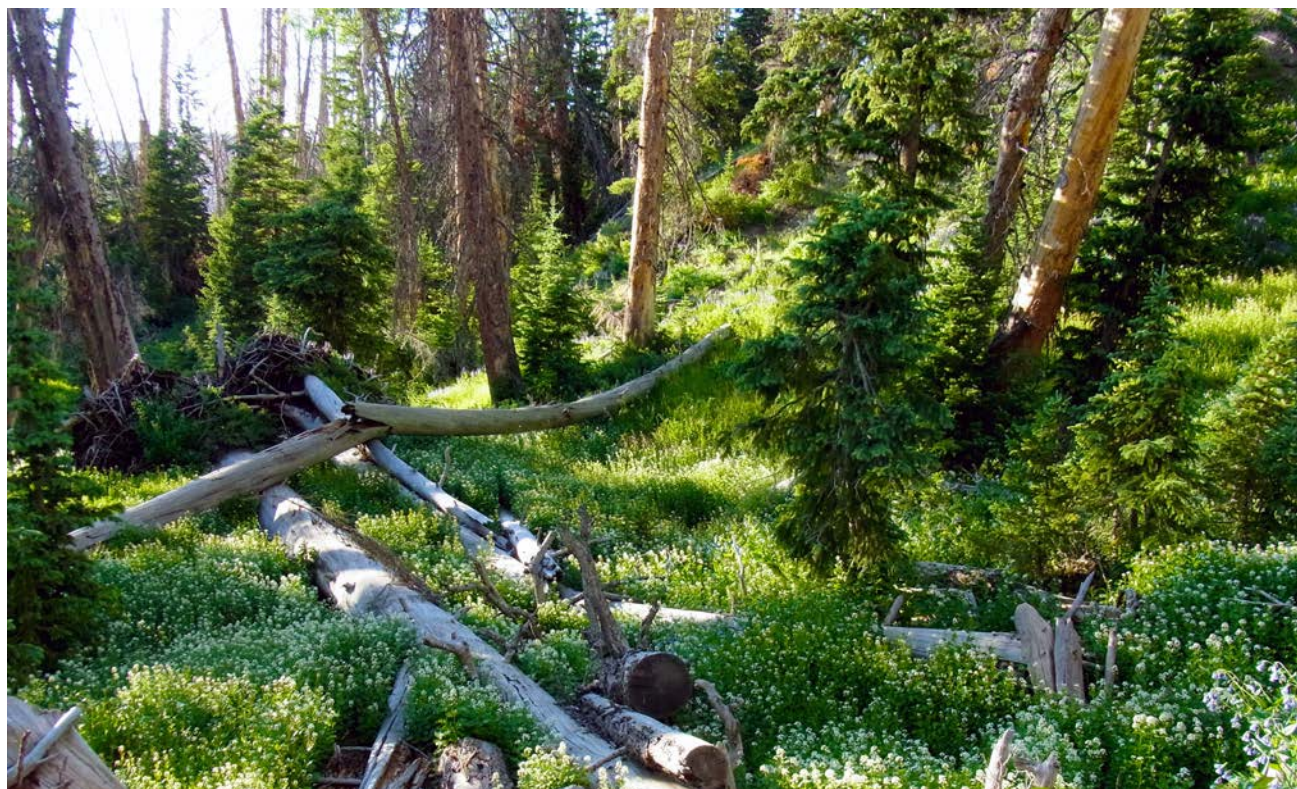
Beyond the concerns noted within the recurrent themes from our analysis, Forest Service personnel and external stakeholders brought up additional challenges that they felt acted as barriers to successful IRR implementation or to the ability to accomplish restoration in general. It is important to note that many of the challenges to IRR implementation discussed in meetings and during interviews were not presented as challenges unique to or originating with the IRR. Rather, challenges were typically discussed as barriers to accomplishing the most meaningful restoration on national forests overall, and these challenges persisted, were highlighted, or were exacerbated under the IRR.

#### Competition

Stakeholders had mixed feelings on the value of competition for funds. Some stakeholders felt that competition was a positive direction for accomplishing the most meaningful restoration. For instance, one stakeholder interviewee said having a system that explicitly awards good work was positive, as opposed to distributing funding equally

across all forests and levels of performance, “Winners and losers across national forests and within regions—I am really comfortable about that, and incentivizing the supervisors and rangers who can get those outcomes. Integration of the different components of a project is the way to go.” Other stakeholders, however, expressed concern that IRR was ushering in an unhealthy era of competition across forests and regions. In many of the group meetings, Forest Service staff and stakeholders grappled with and reiterated the sentiment that any benefit to one area, program, or project would come at the cost of less funding in other areas. In each region there were stakeholders who suggested during meetings and interviews that having an integrated budget could create the opportunity for certain programs to “steal the show” by using up more of the budget, therefore leaving less for other programs than before.

**A number of participants were concerned that forests were not on equal footing to compete for IRR funding; as a result, some would receive diminished budgets and become even less competitive in the future.** One stakeholder elaborated, “It’s the



forests that aren't doing a good job, they are losers from a funding standpoint, and they are becoming bigger losers because of [IRR]. It's not concern for those that do it well, but [rather for] those that don't." During an interview, another stakeholder discussed this dynamic, saying, "Being that I represent people statewide, I hear both the winners and, for lack of a better term, losers. The fact is that some offices have really become just shells of what they were before. Things aren't getting done. It's really rough for people in those areas."

### Tracking and accountability

**Some stakeholders expressed concern that the IRR's more integrated budget made tracking accomplishments in prior program areas more difficult, and as a result forests were less accountable for accomplishments in multiple areas.** These stakeholders suggested that the ability to track costs was essential to maintain accountability, efficiency, and transparency in all program areas. Forest Service personnel in some meetings also brought up this concern, explaining that the combining of line items made tracking investments and results difficult. One Forest Service employee explained how the agency was struggling to communicate effectiveness of the IRR under the integrated reporting and tracking system. We also consistently heard that databases needed to be updated to support the IRR approach.

### Litigation

Litigation was discussed as a barrier to accomplishing restoration in all three pilot regions, though the degree to which it was a barrier was expressed differently across groups and regions. On most forests, people discussed litigation within the larger context of accomplishing restoration, regardless of the IRR. One stakeholder during an interview suggested "On the forest restoration side of things, we have really got [litigation] under control... overall I would say from when we started this work ten years ago, it has gone down on forest restoration." Another interviewee offered, "I'm sure everybody you talk to will point to litigation. I think of that right now as being an important but secondary factor. That the issues of capacity and agency culture and decision-making dominate, and litigation complicates but does not dominate."

On some forests, however, litigation was presented as a much larger problem specifically related to the IRR. One forest and its stakeholders said they were currently in a gridlock with litigators and unable to get large, landscape projects implemented. As a result, they were forced to operate in a piecemeal manner, planning and implementing small-scale projects in non-priority areas to avoid litigation. This, they said, made them less competitive for IRR funding, and they were concerned it would send them into a losing cycle whereby they would be unable to compete for funding and plan meaningful projects. Additional research would be needed to understand whether these forests are suffering from more litigation because of the nature of their processes, staff, and project design, or whether some forests simply have more active litigants in the area.

### Capacity and efficiency

Stakeholders and Forest Service staff alike referenced decreasing budgets, staffing, and time as barriers to achieving restoration work, along with concerns related to funding fire suppression that further exacerbated capacity issues. A Forest Service line officer stated, "If we get the money we better be able to do it. The limit is our capacity." During interviews, multiple stakeholders relayed frustration around trying to work with an agency that did not seem to have enough dedicated staff to commit to projects or complete key steps efficiently. One interviewee offered, "There are barriers across different dimensions of forest management within the agency. Probably the most consequential is a straight up capacity limitation...the absence of targeted resources devoted to the forest restoration projects, to get the documents done, to move the stuff through."

Following concerns of limited capacity to accomplish restoration objectives, **stakeholders wanted to know whether the IRR increased efficiency for the Forest Service, and some participants voiced concern that it did not.** One interviewee stated, "What I don't see is efficiency, or very specifically, we look at a lot of things in [the region] on unit cost, and I haven't seen those unit costs drop." In some meetings, the Forest Service reported that under the IRR many employees were spending more time in meetings for budgeting and planning projects. One



group spent considerable time discussing the time-consuming nature of IRR as a large challenge. An external stakeholder reflected after that meeting, “The time consumption might be one of the biggest downsides of IRR.”

A few forests’ staff, however, reported that the budgeting process for them was either comparable, or less time-consuming than it was pre-IRR, or that the time spent budgeting was likely to decrease as they became accustomed to the IRR. Staff on one forest said the IRR had simplified their budgeting approach and as a result, they were spending less time than before on budgeting tasks. In one region, two interviewees reported experiences of improved efficiency in working with the Forest Service on collaborative projects, which they attributed to the integration and involvement of all resources staff on projects under the IRR. Finally, one stakeholder noted there are different ways to measure efficiency, suggesting, “There should be some hard looks at how efficiency is measured. It should be broadened to include leveraging partnerships and also if IRR is getting to hard acres that might otherwise be neglected due to complexity.”

### **Agency culture and communication**

In many meetings stakeholders observed that successful implementation of the IRR requires effective leadership at the forest level. Forest Service personnel agreed, and line officers often emphasized that their leadership was critical to ensuring adequate funding was allocated from the regional level for various programs and that important work continued to be funded across resource areas. Line officers reported that they also played a critical role in maintaining strong stakeholder relationships, communicating with stakeholders about the interplay of budgets and prioritization, and working with stakeholders to collectively identify priority projects under the IRR.

Some meetings included discussion about the limitations posed by Forest Service culture that was resistant to change or slow to adapt to new policies or programs. One group meeting in particular focused

on this issue in great depth, discussing how different preferences for control versus strategic thinking had led to some staff having difficulty in adapting to a more integrated system. A Forest Service staff member in this group explained, “It’s a personal preference for some, some want control, and some want to be more strategic. Even without IRR, there are differences in how things are being done and distributed across these regions. It depends on personalities and culture.”

Multiple interviewees pointed to Forest Service culture as a barrier to restoration in general, which extended to difficulty in realizing full potential under the IRR. For example, one interviewee noted, “I think like any new thing that comes down the pipe with Forest Service or the federal agencies, it’s something new. Any time they’ve got a new policy or a new procedure, they’re a little bit hesitant.” Another interviewee noted it is difficult for staff to step outside their department silos and adopt new practices, while several others suggested that the agency’s culture contains a high a level of bureaucracy that stifles innovation.

### **Limited evaluation time**

**One of the most common concerns we heard during discussions of challenges was that there has not been enough time to evaluate the effects of the IRR on restoration outcomes in the pilot forests and regions.** Forest Service participants emphasized that they need time to adapt and learn, and that impacts and outcomes would become clearer with time. Stakeholders often noted that, given the length of the planning cycle, the pilot should run longer than five years to see what new projects are planned and implemented under the new approach. Some forests reported that, while the amount of time needed to set up IRR properly and ensure it was functioning at the highest capacity was initially daunting, the process was improving. Forests that reported the least difficulty in transitioning to the IRR already had some form of integration in their budgets, but even these forests indicated that the transition was significant and time-consuming.



## Insights from key informants at the national level

We conducted interviews with several additional individuals who observe forest policy from the national and regional levels, including those in high-level positions with the timber industry, conservation organizations, and other forestry associations. These were individuals who were not present at our meetings in the pilot regions. About half of the people we contacted for these national level interviews felt they did not have enough knowledge about the IRR to warrant conducting an interview with us.

**Individuals who had experience with congressional budgeting were concerned that whenever budget lines are consolidated, overall budgets decrease.** They explained that if multiple BLIs exist for the Forest Service’s land management programs, it is a way of ensuring Congress provides adequate funding to address all aspects of the agency’s mission. Separating the budget lines, according to some, makes it clear to Congress that funding is needed for all of the aspects of Forest Service’s restoration activities, such as watershed protection, wildlife habitat restoration, road maintenance and decommissioning, fuels treatments, etc. When these are consolidated, it is more difficult for appropriators to understand what is being funded, and the single BLI becomes an easier target for budget cuts. Therefore, some said it is a poor strategic decision for the agency to ask Congress to lump their budget lines as they do with the IRR.

**Others indicated that the IRR is not a necessary tool for achieving integrated project planning.** Regions could give forests their budgets in a consolidated lump sum, rather than separate BLIs, mimicking the structure of the IRR at the forest level without requiring changes at the national level. Good leadership also could maintain integrated planning at both the regional and forest levels. One person suggested that the agency’s practice of identifying a project’s “primary purpose” is highly problematic (identifying the primary purpose of projects is an internal agency practice that involves identifying the most important purpose of a proj-



ect, whether it is wildlife habitat restoration, fuels reduction, or the generation of forest products, and then funding that project with only the single BLI that matched the primary purpose of the project). This can discourage integrated planning, according to some, and can make it difficult to fund integrated projects. Instead, the agency could fund projects from multiple budget lines, which would only require a change to the agency’s internal policy of identifying project’s primary purpose and could promote integrated planning.

We asked two individuals why they were interested in maintaining separate BLIs for the program areas most important to them, particularly when those programs still have targets. They often said this gives them a way to track what the agency is spending on various programs and ensure that those programs continue to be an important aspect of the Forest Service’s work. **Even when the agency main-**

**tains targets for certain program areas, some said this is not enough, because they do not trust the reporting and accountability mechanisms within the Forest Service.** For instance, timber volume sold might be based on firewood permits sold or stewardship contracting task orders awarded, which according to some are not useful ways to track the timber program. Similarly, just knowing how many acres were treated, particularly when acres are double or triple counted towards integrated targets, or how many road miles were decommissioned, does not reassure stakeholders about the quality or impact of the work being accomplished. Budget lines provide stakeholders with another mechanism to track and influence how the agency accomplishes its mission.

We were interested in knowing what kind of information stakeholders would like to see from the agency as part of their reporting under the IRR. **Stakeholders observing the IRR from the regional and national perspective said they felt it was important to continue to track and communicate costs, targets, and accomplishments for multiple resource areas more clearly under the IRR.** Some are discouraged that it is more difficult for the agency under the IRR to identify the costs associated with their activities. Any losses to accountability are a concern for a number of stakeholders. One person suggested that unpacking the integrated targets, in order to provide a clear understanding of what is accomplished under the IRR and whether various resource areas are negatively impacted, would be necessary to gain support for the IRR going forward. In other words, stakeholders often support the idea of integrated restoration planning and budgeting, but they still want to know how this is affecting work on the ground for various resource areas, especially during the pilot period. Another stakeholder who was concerned about how competition between programs could strip some programs of effective funding and outcomes also urged additional analysis:

“Really trying to figure out...if the weeds or the fish or the legacy roads programs are not seeing the level of attention or investment

that they once received through the old budgeting process...where are some of those decision points that are resulting in that reduced funding? I think just more insight into how those decisions are being made, who is making those decisions, and what the impacts are on the ground...I think that ought to be a focus.”

**There also is a strong interest among some stakeholders in knowing if the agency is finding any efficiencies under the IRR, particularly because this was a selling point of the IRR to appropriators, and exploring how efficiency is defined and measured.** These stakeholders would like to see evidence that the projects being planned and implemented under the IRR represent improvements compared to pre-IRR work or work in non-pilot regions. Several stakeholders also wanted more communication regarding how the entire IRR process compares to current budgeting processes in non-pilot regions to investigate efficiencies or improvements in the pilot regions. **In general, respondents also felt it was important for the Washington Office to reach out to stakeholders and invite direct dialogue about the IRR pilot program.**

**Some of these interviewees felt the IRR was a positive direction in concept but cautioned against making conclusions about its value without additional monitoring and evaluation.** As one stakeholder who still is on the fence about the IRR explained, “I’m very positively disposed towards the pilot and towards its purposes and towards its general effect within the agency. That shouldn’t substitute for that more thoughtful process.”

**Finally, we spoke to some who were not initially supportive of the IRR but were surprised to see some of the positive impacts it was having on integration and project planning.** These individuals asked how we might maintain some of the changes that the IRR has created, even if they were unconvinced the IRR approach should be expanded or remained unsupportive of the IRR as a change to the agency’s budget structure.

## Survey findings

We administered surveys to all non-Forest Service representatives before and after presentations at meetings in Regions 1, 3, and 4. The objective of the surveys was to gauge stakeholder interest in learning about the IRR, level of knowledge about the approach, and perspectives on the IRR pilot. Of the 86 stakeholders present in meetings across the three pilot regions, 63 completed surveys, for a response rate of 73 percent. Representatives from all stakeholder groups (local government, state government, federal agency, environmental NGO, community development/organizer, forest products/industry, and “other”) participated in the surveys. Environmental NGOs (20 percent of participants) and local government (26 percent of participants) were the most represented groups among survey participants. Forest products/industry and community development/organizer each represented approximately 12 percent of survey participants. We did not find statistically significant differences in responses between different types of stakeholders; given the small number of respondents in different groups, however, this would have been difficult to detect. We also did not find any significant differences in how survey participants as a group rated the IRR pilot before and after our presentation. We did, however, find that people rated their understanding of the IRR significantly higher after our presentation, indicating our workshops were helpful for them, and that they continue to want more information on the IRR in addition to what we offered. We also report below on our findings that the majority of respondents rate the IRR positively in a number of areas. **However, it is important to note that most stakeholders knew very little about the IRR prior to our presentations. Therefore, we assume respondent opinions on the surveys were heavily influenced by our presentation rather than direct experience with the IRR.**

### Stakeholder interest and workshop value

In the survey administered prior to the presentation, 92 percent of respondents reported that they had a medium to high interest in learning more about the IRR, which was expected since these individuals had responded to the invitation to attend. Respondents rated their understanding of the IRR

significantly higher after the presentation than before it, indicating the workshops were helpful for improving stakeholder knowledge of the IRR. In the post-presentation survey, approximately 95 percent of respondents reported that the workshop was valuable, and 86 percent wanted more information in addition to what was offered during the presentation. Among stakeholders, there was a desire for more information about the IRR and how it affects their work with the Forest Service moving forward.

### Stakeholder knowledge, perspectives, and concerns around the IRR

We asked respondents before and after our presentation about their level of knowledge about: 1) the IRR approach, 2) its purpose, 3) IRR targets, 4) IRR performance measures, and 5) the IRR’s impacts on forests they work with (see figure 2, page 22). Respondents reported a statistically significant increase in their level of understanding of the IRR after presentations (based on a paired samples t-test). Pre-presentation level of knowledge reported on all five questions averaged between 1.86-2.38





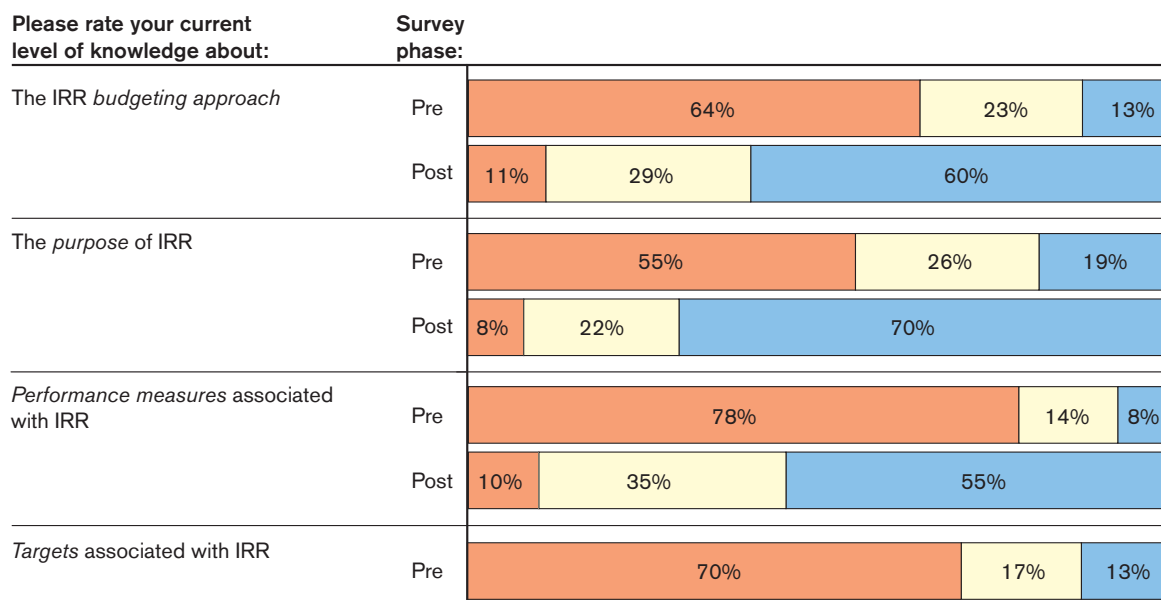
compared to a post presentation level of 3.39-3.75 (a score of 1=no knowledge, 2=very little, 3=some, 4=a good amount, and 5=detailed understanding). In other words, the majority of survey participants rated their knowledge on all aspects of the IRR as ‘none to very little’ prior to the presentation. Respondents on average knew the least about the IRR performance measures and the IRR’s impacts on forests they work with, suggesting limited communication about the IRR with stakeholders at the forest level. Post-presentation, the majority of survey participants rated their knowledge as ‘a good amount to detailed understanding’ for all five questions. Importantly, we found a significant increase in knowledge on all five points after our presentation.

We asked stakeholders about their perspectives and concerns regarding the IRR; no statistically significant differences were found for perspectives or concerns between the pre- and post-presentation surveys; given our sample size, it would be difficult to detect relatively small shifts in opinion about the IRR. We present post-presentation responses here

because they represent respondents’ perspectives following the information presented and dialogue exchanged during the meetings. A majority of respondents (74 percent) said they felt the IRR is the right direction for the Forest Service. Similarly, 77 percent felt the IRR will help with collaboratively designed restoration projects, and 62 percent felt the IRR thus far has had a positive effect on their forests (see figure 3, page 23). Most stakeholders (72 percent) also felt the IRR increases the importance of working with collaborative stakeholders for the Forest Service.

Eleven percent of respondents reported that they were concerned the IRR would have negative impacts on the resources they care about. About half were concerned about the design of performance measures and the impact of hard targets under the IRR. Only eight percent said they were concerned that the IRR will make it more difficult to accomplish collaboratively designed projects, while 70 percent of respondents disagreed with this statement and 20 percent were neutral (see Figure 4, below).

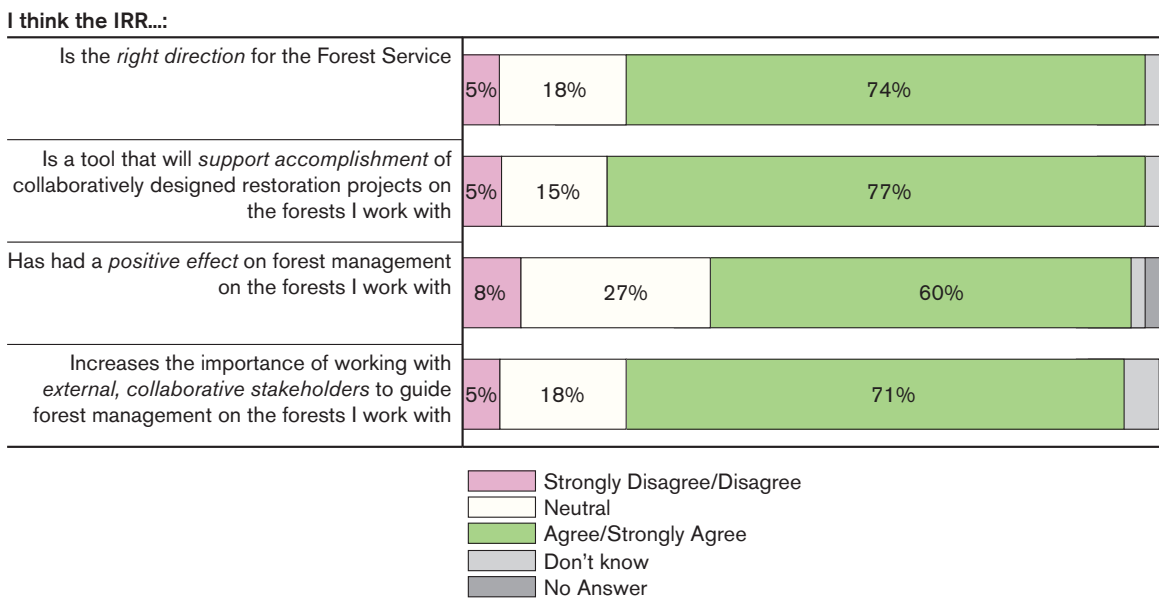
**Figure 2 Stakeholder levels of knowledge before and after the IRR presentation**



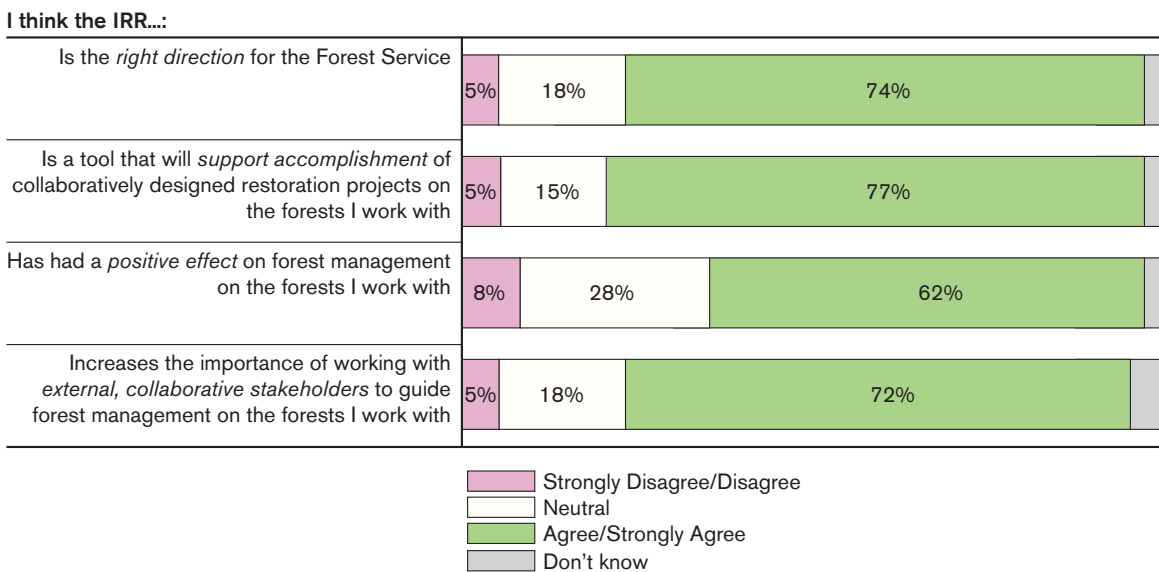
Again, it is critical to note that these surveys were completed with a relatively small subset of stakeholders and without a comprehensive and representative sampling design. We believe opinions were strongly influenced by our presentation, because many stakeholders were not aware of the IRR in any detail prior to our in-person meeting. While

**the surveys provide interesting information about stakeholder levels of knowledge and perceptions after our outreach effort, our survey responses cannot be used to make generalizations about how the agency’s many stakeholders in the pilot regions perceive the IRR.**

**Figure 3 Stakeholder perceptions about the IRR’s benefits**



**Figure 2 Stakeholder concerns about the IRR**





## Discussion and conclusion

Most stakeholders that participated in the in-person meetings and interviews knew little to nothing about the IRR prior to the presentation. Because this phase of the IRR pilot evaluation was largely performed in areas where forest supervisors reported there were interested stakeholders, it is likely that stakeholder knowledge on forests we did not interact with is at least as low and likely considerably lower. **It is important to inform stakeholders about this budgetary change because it has significant impacts on what types of projects are prioritized by the region and forests.** Educated stakeholders can use their understanding of the IRR to advocate for their projects at the regional level and make their projects more competitive for funding. When stakeholders do not understand how targets and budgets influence the agency's prioritization, this sets the stage for conflict in that some may not understand why their priority projects are not emphasized or funded.

Those who attended our meetings were eager to learn more about the IRR and wanted more information in addition to what we offered, particularly in regards to how it influences prioritization on their forests and in their regions. **In order to align their efforts with the Forest Service and engage more strategically, stakeholders wanted to be more involved in the process of setting priorities at the forest level** and identifying the mix of accomplishments that would be presented to the regional office as part of out-year planning.

**A number of stakeholders liked the strategic direction of the IRR and its emphasis on integrated planning, prioritization, and larger landscapes, while others were concerned that the flexibility and loss of accountability under the IRR will cause the agency to neglect certain types of resource work over time.** If the IRR continues, it will be important to communicate to stakeholders the agency's priorities, how it balances landscape-scale and fine-scale work across resource areas, and how it ensures that



certain programs will not be neglected due to a variety of agency incentives, agency culture, and political pressure. For these reasons, stakeholders would like to see a higher level of accountability and transparency, especially during the pilot period, in terms of costs of activities, accomplishments under different resource areas, and regional processes and guidance for prioritizing projects and supporting different program areas.

**Leadership is central to success under the IRR, and this was clear during our field visits.** We visited forests where leadership was open and transparent with stakeholders about the IRR process and the emphasis on prioritization within the Forest Service. These forests had good relationships with their stakeholders, which made them more successful in competing for funds. Leadership was also critical for generating internal agreement and comfort with the IRR approach and its outcomes. Where staff was uninformed about their forest's strategic plans or the rationale for prioritizing some types of projects over others, we observed internal conflict. One line officer, when asked how their forest does their strategic out-year planning, said, "we don't." Conflict was apparent on this forest among the resource areas. The public administration literature shows that staff is more likely to support changes in organization direction if they understand the rationale for change, and if this rationale is communicated through good leadership.<sup>3</sup> Additionally, we noticed that strong leadership was critical for making sure the appropriate mix of work was accomplished on the forest and that adequate funding was provided to meet regional expectations. **For these reasons, we recommend continued investment in leadership and communication, both internally and externally, to support success under the IRR.**

There is some disagreement and skepticism in the field among stakeholders about what constitutes restoration. **We suggest that the agency should be careful not to use "restoration" to mean any kind of ecosystem management.** Stakeholders also are sensitive to the fact that sometimes the Forest Service will pursue projects in areas where timber volume is available, but that are not the highest restoration priorities. Partners by and large understood that the

agency must meet targets and has financial limitations; being open about why such decisions occur would likely strengthen stakeholder relationships and allow stakeholders to be a voice for any needed changes at the regional or national levels.

**Because both the IRR and the CFLRP have bias towards restoration in areas where wood byproducts are available, the agency may want to consider whether adequate emphasis is being placed on restoration in grasslands or rangelands.** It may be worth considering some competitive funding for range-related work on forests that cannot successfully compete for CFLRP and IRR funds. It also appears some forests may enter a losing cycle under the IRR if they have poor leadership, limited numbers of collaborative partners or history of collaborating, or little ability to contribute to the timber volume sold target. In contrast, forests that get funding under the IRR will attract collaborators, good personnel, and additional funding. **With a system focused on competition and prioritization, it may be important to have a strategy for promoting success on forests that are less competitive or are in a losing cycle.**

**Stakeholders generally want the pilot to continue with additional evaluation.** The policy literature tells us it takes at least a decade to understand the impacts of a policy change.<sup>4</sup> It will take about 3-5 years to see new projects go through the Forest Service planning cycle to implementation. Stakeholders had several suggestions for evaluation going forward. They want to know if the IRR is leading to different kinds of projects than those done before. They also are interested in understanding impacts to different resource areas, how decisions about priorities are being made, and how the agency intends to protect its diversity of activities over time. We have heard several people say, "I'm ok with the pilot, but I don't want to see it expanded until I know it isn't having a negative effect on [wildlife, road decommissioning, the timber or range programs, etc.]" Some are also interested in comparisons to non-pilot areas and an exploration of whether non-pilot regions are interested in adopting this approach. Some of these questions could be answered with a second survey, which could also help us to

understand changes in perceptions about the IRR within the pilot regions.

**Stakeholders would also like to see the agency dig into the question of efficiency, explore various ways of defining efficiency (i.e., better work vs. more acres), and improve reporting strategies.** Many stakeholders said that aggregated numbers about acres-treated do not tell a meaningful story about the agency’s work; many internal staff members in our interviews and surveys agreed that they want better ways to “tell the story” of their work and were anxious to see improvements to databases. With regard to efficiency, maintaining accountability in terms of accomplishments across resource areas and costs was important to many stakeholders.

**An important question is whether this experiment should be replicated in non-pilot regions and whether, without the IRR, the agency could maintain and expand the benefits of integrated planning.** With creative budgeting approaches at the regional level, strong leadership at regions and forests, and a continued emphasis on prioritization and strategic planning, integrated planning could still be possible; indeed, some forests and regions were finding success in moving towards greater in-

tegration prior to the IRR. Prioritized investment on some forests would also be possible, as long as the agency had a strong understanding of base costs on individual forests. Moving away from the “primary purpose” approach to funding projects also would create more room for integrated planning and execution of projects.

**Finally, and perhaps most importantly, it is worth identifying the positive outcomes that are coming out of the IRR and how these can be maintained, regardless of whether the pilot continues.** Integration stands out as the most significant benefit of the IRR at this point. Staff members say they are talking across resource areas at the forest and regional levels in ways they never have. Decision-making is centralized at the forest level, and staff at supervisor’s offices tells us this gives them the opportunity to identify the highest priority work and plan projects at larger scales. Many staff members at the regional and forest levels say they would not want to go back to the old way of budgeting, but they also say the benefit of the IRR is that they have learned a new way of doing business. They have learned to plan in an integrated fashion, and they tell us (and their stakeholders) they would continue to do this, even if the IRR ended.



## Appendix A: Background on the IRR budget approach

### Introduction to the IRR

The central focus of national forest management today is to promote landscape restoration and ecological resilience. These goals are highlighted in the USDA Forest Service's 2012 report entitled *Increasing the Pact of Restoration and Job Creation on Our National Forests*<sup>5</sup> and in their 2012 planning regulations (36 C.F.R. §219 et seq.), which emphasize the importance of forest planning in stimulating integrated forest restoration, climate resilience, watershed and wildlife protection, and economic opportunities for local communities. System-wide programs such as the Collaborative Forest Landscape Restoration Program<sup>6</sup> and Watershed Restoration Program<sup>7</sup> are designed to support integrated restoration work across functional areas and are key components of the US Forest Service's strategy for accelerating forest and watershed restoration.

To effectively implement integrated restoration projects, the President's budget proposal for fiscal year (FY) 2011 introduced the Integrated Resource Restoration budget line item (IRR BLI), also known

as the NFRR BLI. The following year, in FY 12, Congress approved the IRR on a pilot basis for three years (FY 2012 – FY 2014) in three USFS regions – the Northern Region (Region 1), the Southwestern Region (Region 3), and the Intermountain West Region (Region 4). The IRR consolidates multiple BLIs into a single funding stream to support integrated work across resource areas (see Table A1, below). In FY 2013, the NFRR BLI included the following previously independent BLIs (associated codes are in parentheses); these are referred to hereafter as 'legacy BLIs':

1. Wildlife and fisheries habitat management (NFWF)
2. Forest products (NFTM)
3. Vegetation and watershed management (NFVW)
4. The non-wildland urban interface (non-WUI) portion of hazardous fuels (WFHF non-WUI)
5. Legacy roads and trails (CMLG)
6. Road decommissioning associated with restoration objectives from the roads BLI (CIM)
7. National Fire Plan rehabilitation and restoration (WFM)

The FY 2011 Budget Justification initially proposed the IRR to merge only the first three legacy BLIs listed above; in FY 2012 four additional legacy BLIs were included. Through the consolidation of these

**Table A1 IRR performance measures and merged budget line items by fiscal year**

Fiscal year	Performance measures <sup>8</sup>	Merged budget line items <sup>9</sup>
2011 (proposed but not approved)	<ul style="list-style-type: none"> <li>▪ Number of watersheds in each condition class</li> <li>▪ Acres treated to sustain or restore watershed function and resilience</li> </ul>	<ul style="list-style-type: none"> <li>▪ Fish and wildlife habitat management</li> <li>▪ Forest products</li> <li>▪ Vegetation and watershed management</li> </ul>
2012	<ul style="list-style-type: none"> <li>▪ Number of watersheds moved to an improved condition class</li> <li>▪ Acres treated to sustain or restore watershed function and resilience</li> <li>▪ Volume of timber sold</li> <li>▪ Miles of road decommissioned</li> <li>▪ Miles of stream habitat restored or enhanced</li> </ul>	<ul style="list-style-type: none"> <li>▪ [Three BLIs from 2011, see above]</li> <li>▪ Three (non-WUI) portion of hazardous fuels</li> <li>▪ Legacy roads and trails</li> <li>▪ Road decommissioning associated with restoration objectives (from the roads BLI)</li> <li>▪ Post-fire restoration and rehabilitation</li> </ul>
2013	<ul style="list-style-type: none"> <li>▪ Same as FY 2012</li> </ul>	<ul style="list-style-type: none"> <li>▪ Same as FY 2012</li> </ul>
2014	<ul style="list-style-type: none"> <li>▪ Same as FY 2012 and 2013</li> </ul>	<ul style="list-style-type: none"> <li>▪ Same as FY 2013 but without:               <ul style="list-style-type: none"> <li>– post-fire rehabilitation and restoration</li> </ul> </li> </ul>



legacy BLIs, according to the President’s 2014 budget justification, the IRR is designed to facilitate:

*“A holistic approach to landscape management on National Forest System (NFS) lands. This includes actions to restore or sustain water quality and watershed processes; resilient and disturbance-tolerant landscapes; soil condition, stability and productivity; vegetative composition and condition; fish and wildlife habitat and populations; and aquatic ecosystems connectivity. The program directly funds landscape-scale restoration projects and leverages accomplishment of additional restoration objectives through program integration and partnerships. These investments will help sustain and restore the core components of functioning ecosystems, enhance watershed resilience in the face of climate change, and help meet the increasing demand for water resources.”<sup>10</sup>*

### IRR performance measures

Along with the IRR the Forest Service is shifting the focus of its performance measures toward restoration outcomes measures to supplement its traditional output measures. Outcomes are meant to be more meaningful metrics in terms of restoration goals, as opposed to outputs, which only report tasks accomplished. Each pilot region is currently required to monitor the progress of the IRR through five performance measures (see Table A1). The primary outcome-based performance measure is the “number of watersheds moved to an improved condition class.” This performance measure is based on the Watershed Condition Framework (WCF), an assessment tool used to measure watershed condition improvements based upon the watersheds’ “geomorphic, hydrologic, and biotic integrity relative to their natural potential condition.”<sup>11</sup>

The second new performance measure, “the number of acres treated annually to sustain or restore watershed function and resilience,” is an output-based measure and is a roll-up of nine traditional performance measures:

- Acres of forest lands treated using timber sales (TMBR-SALES-TRT-AC)
- Improved forest vegetation (FOR-VEG-IMP)
- Establish forest vegetation (FOR-VEG-EST)

- Improve rangeland vegetation (RGE-VEG-IMP)
- Acres of water or soil resources protected, maintained or improved to achieve desired watershed conditions. (S&W-RSRC-IMP)
- Manage noxious weeds and invasive plants (INVPLT-NXWD-FED-AC)
- Highest priority acres treated for invasive terrestrial and aquatic species on NFS lands (INVSPE-TERR-FED-AC)
- Acres of terrestrial habitat restored or enhanced (HBT-ENH-TERR)
- Acres of lake habitat restored or enhanced (HBT-ENH-LAK)

A key change with these nine rolled-up measures is that there are no longer hard targets for accomplishments for each of these measures for regions and forests. Instead there is now a single hard target of total acres treated for watershed function and resilience, with the composition of those acres left to the discretion of decision-makers. The remaining three performance measures are output-based measures and include: the “miles of roads decommissioned,” the “miles of stream habitat restored or enhanced,” and “the volume of timber sold.”

When the IRR BLI was initially introduced in the FY 2011 Budget Justification it included 1) the “number of watersheds in each of the three condition classes” and 2) the “number of acres treated annually to sustain or restore watershed function and resilience,” as described above. The former performance measure was transformed into the “number of watersheds moved to an improved condition class” to better communicate progress made toward improving watershed conditions.<sup>11</sup>

### IRR progress to date

Each pilot region is required to submit an annual progress report summarizing their experience with the IRR program and their accomplishments for the performance measures outlined above. These reports include three to five case studies to describe how IRR: (1) allows greater integration for landscape-scale activities to occur; (2) increases efficiency and effectiveness of project planning and implementation; (3) increases both internal and external collaboration; (4) impacts project outcomes

and outputs; (5) affects the way activities were selected; and (6) suggestions for how IRR could be improved. The results are compiled in annual reports for each fiscal year that include the accom-

plishments recorded for each performance measure by region and can be found on the Forest Service's main page about the IRR: <http://www.fs.fed.us/restoration/IRR/>.



## Endnotes

- 1 Schultz, C., K. Mattor, and C. Moseley. 2014. Evaluating the Integrated Resource Restoration Line Item: Results from Phase 1. Ecosystem Workforce Program, University of Oregon. Working Paper #47. Available at [http://ewp.uoregon.edu/sites/ewp.uoregon.edu/files/WP\\_47.pdf](http://ewp.uoregon.edu/sites/ewp.uoregon.edu/files/WP_47.pdf).
- 2 Schultz, C., K. Mattor, and C. Moseley. 2015. Evaluating the Integrated Resource Restoration Line Item: Results from a Survey of National Forest System Staff. Ecosystem Workforce Program, University of Oregon. Working Paper #51. Available at [http://ewp.uoregon.edu/sites/ewp.uoregon.edu/files/WP\\_51.pdf](http://ewp.uoregon.edu/sites/ewp.uoregon.edu/files/WP_51.pdf).
- 3 Fernandez, S., and H. G. Rainey. 2006. Managing successful organization change in the public sector. *Public Administration Review* 66: 168-176.
- 4 Sabatier, P. A. 1988. An advocacy coalition framework of policy change and the role of policy-oriented learning therein. *Policy Sciences* 21: 129-168.
- 5 USDA Forest Service (USFS). 2012. Increasing the Pace and Scale of Restoration and Job Creation on Our National Forests. Available from: [http://www.fs.fed.us/sites/default/files/media/types/publication/field\\_pdf/increasing-pace-restoration-job-creation-2012.pdf](http://www.fs.fed.us/sites/default/files/media/types/publication/field_pdf/increasing-pace-restoration-job-creation-2012.pdf). Accessed 09/22/2015.
- 6 The Collaborative Forest Landscape Restoration Program was established under section 4003(a) of Title IV of the Omnibus Public Land Management Act of 2009 (Pub. L. No. 111-11, tit. IV, 123 Stat. 991). See [www.fs.fed.us/restoration/CFLRP](http://www.fs.fed.us/restoration/CFLRP) for additional information.
- 7 The Watershed Restoration Program is a USFS directive established to protect watersheds in the National Forest System by integrating watershed conditions as a primary component of project prioritization (FSM 2521.11b). See [www.fs.fed.us/restoration/Watershed\\_Restoration](http://www.fs.fed.us/restoration/Watershed_Restoration) for additional information.
- 8 Reported in USDA Forest Service Fiscal Year 2011, 2012, 2013, and 2014 Budget Justifications.
- 9 Reported in USDA Forest Service Fiscal Year 2011 and 2014 Budget Justifications.
- 10 USDA Forest Service (USFS). 2013. Fiscal Year 2014 President's Budget, Budget Justification. p.3. Available at [www.fs.fed.us/aboutus/budget](http://www.fs.fed.us/aboutus/budget). Accessed 12/27/2013.
- 11 The "Number of watersheds moved to an improved condition class" performance measure incorporates 12 watershed condition indicators, including: water quality, water quantity, aquatic habitat, aquatic biota, riparian/wetland vegetation, roads and trails, soils, fire regime or wildfire, forest cover, rangeland vegetation, terrestrial invasive species, and forest health.





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