

STATE BOARD OF LAND COMMISSIONERS

June 20, 2023
Consent Agenda

Subject

Department of Lands FY2024-FY2027 Strategic Plan

Question Presented

Shall the Land Board direct the Department to submit its FY2024-FY2027 Strategic Plan to the Division of Financial Management by July 1, 2023?

Background

Each year the Division of Financial Management (DFM) collects agency strategic plans in accordance with Idaho Code §§ 67-1901–1904. This year's deadline for submittal is July 1, 2023.

Discussion

In 2016, leaders in the Idaho Department of Lands (Department) worked with a consultant to define four foundational goals that are at the heart of its strategic plan. These four goals continue to represent the Department's core responsibilities and guide daily activities. The four foundational goals are:

1. **Financial Stewardship:** Fulfill the Land Board's fiduciary duties by maximizing long-term financial returns from the endowment lands and through prudent management of state funds and resources.
2. **Customer Focused:** Deliver programs with professionalism and integrity, providing exemplary service to external and internal customers.
3. **People:** Develop a well-trained, high-performing workforce focused on carrying out the Department's mission.
4. **Process:** Implement policies and procedures using integrated systems that support effective and informed decision-making.

While these goals continue to stand the test of time, the Department's leadership team recently developed a set of six secondary goals called future-proofing goals. The Department believes that to be ready to serve a changing Idaho, it needs to plan and act now to meet future needs.

For that reason, the Department developed the following future-proofing goals:

1. **Classification and Compensation:** Intentionally monitor the equity of pay and benefits to utilize PC appropriation to hire, develop and retain the right people in the right positions most effectively.

2. **Office Facilities:** Proactively plan for maintenance and replacement of offices throughout the state.
3. **Seasonal Housing Facilities:** Address the needs of temporary staff who are critical to achieving the Department's mission and must have available and affordable housing options.
4. **Fire:** Monitor, understand and respond to changes that are happening in wildland fire organizations across the country due to longer and hotter seasons, fewer firefighters entering the career field, lagging wages and more citizens residing in the Wildland Urban Interface (WUI).
5. **Fund Integrity:** Ensure dedicated fund dollars are put to work in the programs for which they are intended and that overhead activities are funded proportionately with the correct programmatic mix.
6. **Policy and Procedure:** Update and organize the Department's many policies and procedures that inform daily work while ensuring governance is clearly established and authority is delegated where appropriate.

While core goals are likely to remain long into the future, these future-proofing goals may change over time as the Department continues to identify and prioritize new initiatives that need attention.

The Department will continue to monitor the performance of all individuals by incorporating cascading tasks and setting objectives in performance plans that align with these goals. High level tasks have been identified for each of the goals to help guide staff with clear direction. This alignment ensures all efforts are focused on the most important goals and that each employee can more clearly see how his or her role directly links to the goals and mission of this organization.

The proposed strategic plan structure, which includes the Department's mission, vision, goals, and strategies is provided as Attachment 1.

The Department's final strategic plan submission on or before July 1, 2023 will meet all required elements as outlined by DFM.

Recommendation

Direct the Department to submit its FY2024-FY2027 Strategic Plan to the Division of Financial Management by July 1, 2023.

Board Action

Attachments

1. FY2024-FY2027 Strategic Plan

Idaho Department of Lands

Strategic Plan FY2024 – FY2027

Vision

Prepared for tomorrow's natural resource challenges.

Mission

To professionally and prudently manage Idaho's endowment assets to maximize long-term financial returns to the public schools and other trust beneficiaries and to provide professional assistance to the citizens of Idaho to use, protect, and sustain their natural resources.

Guiding Tenets

If we care for our staff, customers, processes, and finances, IDL will remain a healthy, proactive and effective organization. To that end, departmental decisions should consider the following:

- Fiduciary Duty – Does this decision maximize long term financial returns from endowment lands and provide for prudent management of state funds and resources?
- IDL Staff – Is this decision consistent with the development and retention of a high performing workforce that is cohesive and accountable?
- Customers – With this decision, are we providing exemplary service to our customers?
- Processes – Is the decision informed by data and consistent with our policies and procedures?
- Forward-looking – Is this decision preparing us for success in the future?

IDL Programs Make Idaho Better!

First and foremost, we are committed to meeting our mission by executing our core programs with professionalism and a love of Idaho's natural resources.

In the **Timber** program we manage over 1 million acres of productive timberland to produce sustainable revenue for the endowment beneficiaries. Timberland is managed intensively while focusing on long term health and productivity. The Timberland asset class currently provides about 25-30% of timber utilized by Idaho's vibrant \$2.4 billion forest products industry while producing impressive returns on endowment lands. The department develops and follows the IDL Forest Asset Management Plan (FAMP) to attain our sustainable harvest goals.

The **Fire** program is responsible for fire suppression on over 9 million acres of endowment, private, and federal lands in Idaho and provides cooperative fire suppression throughout the state. Our fire suppression operations are conducted safely and aggressively with the goal of suppressing at least 94% of fires at 10 acres or less.

The **Real Estate and Endowment Leasing** programs lease land assets including rangeland, farmland, and residential and commercial real estate. These asset classes (timber excluded) make up approximately 1.4 million acres of land in Idaho. As the department has divested of much of the residential and commercial real estate over time, the programs continue to explore new ways to generate revenue for the beneficiaries such as alternative energy. Real Estate Services also manages land acquisitions, land disposals, exchanges and easements which are used to block up endowment lands, improve access to endowment lands, and to add desirable land to the portfolio.

The **Minerals, Navigable Waterways, and Oil & Gas** programs provide statewide regulatory oversight of active and legacy extraction operations while protecting the public's use of navigable lakes and rivers. We regularly partner with local, state, and federal agencies to ensure Idaho's beautiful outdoors are protected and restored.

The **Forestry Assistance, Shared Stewardship and Good Neighbor (GNA)** programs work with federal, state, county, municipal and private partners to help manage and protect forest and rangelands throughout the state. Since wildfire, insects and disease do not recognize ownership boundaries, it is vital that all owners of Idaho lands collaborate to actively manage their forests and implement fuel reduction treatments. Healthy forests are more resistant to negative impacts from fire, insect, and disease threats.

External Factors Affecting Future Performance

We believe by maintaining our focus on our core competencies and simultaneously preparing for what a changing and growing Idaho may hold, we will continue to flourish. Some external factors that we will need to monitor, acknowledge, and respond to are:

- Population Growth
 - Increase in residents building homes in the Wildland-Urban Interface (WUI) creating greater risk of property and lives lost in wildland fires
 - Changing customer expectations for the work we are mandated to do
- Increased need to educate new residents of the management requirements on endowment, public, and private lands.
- Competition for Skilled Labor
 - Private sector and other public employers compete with IDL for employees
 - Increased housing cost makes talent recruitment difficult
 - Additional shortages of contractors including those that work for our timber purchasers such as log truck drivers
 - Changing workforce expectations related to employee experience level
- New initiatives, programs or mandates that increase our workload and create gaps in our expertise
- Changing public priorities that can lead to significant policy shifts in a short time
- World events that create economic challenges such as rising inflation, economic stagnation, or periods of recession

Our Foundational Goals: 2024 – 2027

Under the direction of the Land Board, IDL is primarily concerned with meeting our constitutional mandate to manage state endowment trust lands in Idaho "in such a manner as will secure the maximum long-term financial return" to the beneficiary institutions. Further, IDL also (1.) administers Idaho's public trust lands – the lands beneath the beds of Idaho's navigable lakes and rivers for the benefit of all Idahoans, (2.) ensures protection of water quality and other resources by overseeing forest and mining practices, (3.) remediates abandoned mine lands, and (4.) provides service and assistance to Idahoans through forestry and fire management programs. The following foundational goals place these obligations front and center:

Foundational Goal 1 – Financial Stewardship

Fulfill the Land Board's fiduciary duty by maximizing long term financial returns from the endowment lands and through prudent management of state funds and resources.

- Task 1 – Proactively monitor and take appropriate action to impact our ROI on state endowment land in line with Land Board direction.
- Task 2 – Meet our sustainable timber sales goals in accordance with the annual Forest Asset Management Plan.
- Task 3 – Manage our spending through regular communications, reporting and analysis.
- Task 4 – Explore, analyze and (where appropriate) introduce new income streams to the leasing programs.
- Task 5 – Ensure all financial audits are passed without impunity.
- Task 6 – Contain 94% of wildfires to 10 acres.

Foundational Goal 2 – Customer Focus: Deliver programs with professionalism and integrity, providing exemplary service to external and internal customers.

- Task 1 – Produce a variety of educational materials to help Idaho citizens legally and safely utilize the lands we manage and protect; and to assist municipalities and landowners in the stewardship and protection of their lands.
- Task 2 – Proudly reaffirm the endowment mission and continue to support the beneficiaries.
- Task 3 – Where appropriate, engage with the potentially affected customers to ensure quality and transparency of our actions.

Foundational Goal 3 – People: Develop a well-trained, high performing workforce focused on carrying out IDL's mission.

- Task 1 – Ensure we prioritize and fully support employment development from onboarding to growth of professional expertise.
- Task 2 – Grow leaders and reinforce our culture of career long learning and advancement.

Foundational Goal 4 – Process: Implement policies and procedures using integrated systems that support effective and informed decision making.

- Task 1 – Integrate and improve business processes with secure technology systems and infrastructure.
- Task 2 – Establish and update governance, policies, and procedures to direct agency operations.

Our Stretch Goals: 2024 – 2027

Idaho is changing and we anticipate that the state will continue to evolve in both predictable and unpredictable ways. An expanding population creates more impacts in the wildland-urban interface (WUI), changing expectations around land uses and a general increase in the need for our services. Changing weather patterns and political demographics may also continue to impact our work. The Department recognizes that it must be sure-footed but ready to pivot and evolve as needs change.

In addition to our core fundamental goals, IDL leadership seeks to focus on several objectives during the next 4 years that we believe will help prepare us for success in the future. The objectives may evolve over time but will continue to focus on preparing for the future. The objectives are:

Future-Proofing Goal 1 – Classification & Compensation: Intentionally monitor our pay and benefits to ensure we are utilizing our PC appropriation to hire, develop and retain the right people in the right positions most effectively.

- Task 1 – Create a 5-year employee compensation plan to include the establishment of a compensation committee, class benchmarks, long-term goals for hiring rates, a communication plan, and a CEC implementation plan in line with SCO/DHR guidelines.
- Task 2 – Analyze the use of temporary and permanent staffing levels across IDL programs. Develop and implement guidelines for ensuring appropriate staffing levels.
- Task 3 – Implement telework and flexible scheduling where appropriate, effective, and consistent with IDL and state policies.
- Task 4 – Thoroughly investigate state provided and other potential employee benefits to determine current utilization. Structure a communication plan to improve marketing of benefits to employees and to help them realize the value of our generous benefit plans.

Future-Proofing Goal 2 – Office Facilities: Proactively plan for maintenance and replacement of our offices throughout the state.

- Task 1 – Develop a plan for office facility upgrades and replacement including a prioritized list of potential structure replacements, major expansion/remodel projects, and office relocations.
- Task 2 – Within the plan above, define the space needs and aesthetic expectations for future structures to provide uniformity and to be financially responsible.
- Task 3 – Present the facilities plan to the Land Board for information/consideration.
- Task 4 – Implement the prioritized plan and continue planning for future needs.

Future-Proofing Goal 3 – Seasonal Housing Facilities: Address the needs of temporary staff who are critical to achieving our mission and must have available and affordable housing options.

- Task 1 – Similar to office facilities, develop a plan for seasonal housing including a prioritized list of needs from most to least urgent and document the best potential solution for each area.
- Task 2 – Continue working with other agencies with similar needs to identify solutions, increase efficiency, and share expense and effort.
- Task 3 – Explore options for new structure types that could potentially serve the workforce (e.g., mobile homes, prefab bunkhouse, existing homes/apartments, etc.) considering feasibility for each sites including cost, pros/cons, lifespan, build time, etc.

- Task 4 – Utilize DPW information and expertise as we move forward at each location.
- Task 5 – Present the seasonal housing plan to the Land Board for information/consideration.

Future-Proofing Goal 4 – Fire: Monitor, understand and respond to changes that are happening in wildland fire organizations across the country due to longer & hotter seasons, fewer firefighters entering the career field, lagging wages and more citizens residing in the WUI.

- Task 1 – Implement the new master agreement and monitor successes and shortcomings for potential future adjustments.
- Task 2 – Create a comprehensive strategic plan within the IDL fire program to include a vision, mission, goals, factual current status data and future-state scenarios that must be met to ensure capacity to protect Idaho's natural resources. Prioritize work needed to close the gap.
- Task 3 – Create a comprehensive plan for fire prevention including natural resource management tactics, education, and prevention messaging.
- Task 4 – Continue to expand the department's ability to compete for and employ professional firefighters through pay, benefits, housing, and developmental opportunities.
- Task 5 – Issue and execute the Leader's Intent for each fire season.

Future-Proofing Goals 5 – Fund Integrity: Ensure our dedicated fund dollars are put to work in the programs for which they are intended and that overhead activities are funded proportionately with the correct programmatic mix.

- Task 1 – Collect data from IDL financial systems and develop an understanding of the existing fund sources supporting the agency. Determine if the current funding structure is congruous with our programmatic responsibilities.
- Task 2 – Continue data analysis and develop objectives that support recalibrating the funds sources to be more representative of the program services.
- Task 3 – Create a method to intentionally monitor progress; correct errors within the department's appropriated funding.

Future-Proofing Goal 6 – Policy & Procedure: Update and organize the many policies and procedures that inform our daily work while ensuring governance is clearly established and authority is delegated where appropriate.

- Task 1 – Establish a framework for developing, managing, and communicating policies and procedures that fulfill Land Board directives.
- Task 2 – Crosswalk existing directives in multiple formats (e.g., Land Board memos, minutes, governance delineations) into existing or new policy.
- Task 3 – Establish a schedule to review policy on a recurring basis and hold staff accountable to update policy as needed.