

# STATE BOARD OF LAND COMMISSIONERS

June 18, 2024  
Consent Agenda

## Subject

Department of Lands FY2025-FY2028 Strategic Plan

## Question Presented

Shall the Land Board direct the Department to submit the FY2025-FY2028 Strategic Plan to the Division of Financial Management by July 1, 2024?

## Background

Each year the Division of Financial Management (DFM) collects agency strategic plans in accordance with Idaho Code §§ 67-1901–1904. The deadline for submittal is July 1, 2024.

## Discussion

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

The four foundational goals are:

1. **Financial Stewardship:** Fulfill the State Board of Land Commissioners' (Land Board) 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.

In addition to the important foundational goals, the Department's leadership team developed a set of six future-proofing goals aimed at preparing the Department for challenges yet to come. To be ready to serve a changing Idaho, the Department needs to ensure it is planning and acting now to meet future needs.

The Department developed the following future-proofing goals:

1. **Classification and Compensation:** Intentionally monitor employee pay and benefits to ensure the Department is utilizing its personnel cost (PC) appropriation to hire, develop and retain the right people in the right positions most effectively.

2. **Office Facilities:** Proactively plan for maintenance, improvements, and replacement of Department offices throughout the state.
3. **Seasonal Housing Facilities:** Address the housing 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 its employees' daily work while ensuring governance is clearly established and authority is delegated where appropriate.

The Department's foundational goals are likely to remain long into the future. The future-proofing goals are also seen as long-term efforts, though they may evolve over time as the Department continues to identify and prioritize new initiatives that need attention.

The Department will continue to incorporate tasks and objectives that align with strategic plan goals into employee performance plans. Specific tasks have been identified for each of the goals to help provide staff with clear direction. This alignment between employee performance measurement and the strategic plan ensures that effort is focused on the most important goals and that each employee can more clearly see how his or her role directly links to the goals of the Department.

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, 2024 will meet all of the required elements as outlined by DFM.

## **Recommendation**

Direct the Department to submit its FY2025-FY2028 Strategic Plan to the Division of Financial Management by July 1, 2024.

## **Board Action**

## **Attachments**

1. FY2025-FY2028 Strategic Plan

# Idaho Department of Lands

## Strategic Plan FY2025 – FY2028

### 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

By focusing on 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!

We are committed to meeting our mission by executing our core programs and delivering results 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 \$2.5 billion forest products industry while producing impressive returns on endowment lands. The department uses high quality data and modeling to develop our sustainable timber harvest plans.

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 95% 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 and lease mineral assets. 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 commercial and energy leasing. Real Estate Services also manages land acquisitions, land disposals, exchanges and easements which are used to block up and improve access to endowment lands, add desirable land to the portfolio, and address underperforming assets.

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 utilized, protected and restored.

The **Forestry Assistance, Shared Stewardship** and **Good Neighbor (GNA)** programs work with federal, state, county, 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 focusing on our core competencies while 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
  - An 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 do and services we provide
  - More residents, more landowners, and more neighbors creates an increased need for education and information sharing regarding management requirements on endowment and public lands
- Competition for Skilled Labor
  - Private sector and other public employers compete with IDL for employees
  - Increased cost of living and housing cost make talent recruitment difficult
  - Natural resource careers may be less appealing to the younger generations
  - Additional shortages of contractors including those that work for our timber purchasers such as log truck drivers
- 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 continuing inflation, economic stagnation, or periods of recession

### Our Foundational Goals: 2025 – 2028

Under the direction of the Land Board, IDL is primarily focused on meeting the Land Board's constitutional mandate to manage state endowment trust lands "in such a manner as will secure the maximum long-term financial return" to the beneficiary institutions. Further, IDL (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) contributes to 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**

Maximize long term financial returns from the endowment lands and prudently manage state funds and resources.

- Task 1 – Proactively monitor and take actions to improve our return on investment (ROI) on state endowment land in line with Land Board direction.
- Task 2 – Meet our sustainable timber sales objectives as directed by the Land Board.
- Task 3 – Manage our spending through a conservative approach and regular communications, reporting and analysis.
- Task 4 – Explore, analyze and (where appropriate) introduce new income streams to the leasing programs.
- Task 5 – Establish Key Performance Indicators for endowment programs to track and improve financial performance.
- Task 6 – Ensure all financial audits are passed successfully.
- Task 7 – Contain 95% of wildfires to 10 acres or less.

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

- Task 1 – Using the variety of tools available today, produce educational and informational materials to help Idaho citizens legally and safely utilize the lands we manage and protect.
- 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 the Department's mission.

- Task 1 – Prioritize and support staff development from employee onboarding to growth of professional expertise.
- Task 2 – Develop leaders and reinforce our culture of career-long learning and advancement.
- Task 3 – Evaluate options to re-establish the Leadership Development Program or a similar program.
- Task 4 – Ensure that the executive leadership team continues to grow professionally, thereby improving the ability to develop other Department staff.

**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 – Provide staff with tools and systems that are simple, functional and efficient.
- Task 3 – Establish and update governance, policies, and procedures to direct agency operations.
- Task 4 – During policy and procedure development and review, focus on empowering decision-making at the lowest level possible.

## Our Stretch Goals: 2025 – 2028

Idaho remains a rapidly growing state and we anticipate that the state will continue to evolve in both predictable and unpredictable ways. More people, more parcels, and more homes lead to growth in the wildland-urban interface (WUI), changing expectations around land management and a general increase in the demand for our services. The same issues pose a threat to endowment land management and our ability to stay true to the endowment mandate. The Department recognizes that it must remain diligent and true to our strengths but also ready to pivot and evolve as needs change.

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

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

- Task 1 – Through the compensation committee, evaluate and address classification and compensation issues such as hiring rates, pay inequities, employee classification, salary compression, and change in employee compensation (CEC) implementation.
- Task 2 – At the Division level, analyze staffing for each area/bureau/program to identify opportunities to right size to meet specific needs.
- Task 3 – Implement reasonable telework and flexible scheduling where appropriate, effective, and consistent with IDL and state policies.
- Task 4 – Use micro-learning or other means, such as state benefits/retirement experts to communicate the value of the generous employee benefit package to improve employee retention.

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

- Task 1 – Through the executive team and facilities and fleet manager, develop a plan for office facility upgrades and replacement including a prioritized list of potential structure replacements, major expansion/remodel projects, safety/security upgrades, 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 – Investigate alternative means of funding necessary facility upgrades (dedicated funds/Idaho Building Authority/etc.)
- Task 4 – Present the facilities plan to the Land Board for information/consideration.
- Task 5 – Implement the prioritized plan and continue planning for future needs.

**Future-Proofing Goal 3 – Seasonal Housing Facilities:** Address the housing 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, through the executive team and facilities and fleet manager, 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 site including cost, benefits, lifespan, build time, etc.
- Task 4 – Analyze whether land bank funds could be used for acquisition of seasonal housing.
- Task 5 – Utilize external information sources and expertise as we move forward at each location.
- Task 6 – 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 wildland-urban interface (WUI).

- Task 1 – Continue implementation and monitoring of the new master agreement and identify potential future adjustments.
- Task 2 – Continue progress on 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 the capacity to protect Idaho's natural resources.
- Task 3 – Continue to expand the Department's ability to compete for and employ professional firefighters through pay, benefits, housing, and developmental opportunities.
- Task 4 – Cooperate with efforts outside of IDL aimed at increasing the pool of available firefighters over time.
- Task 5 – Develop and execute the Leader's Intent for each fire season.

**Future-Proofing Goals 5 – Fund Integrity:** Ensure that dedicated funds are utilized by the programs for which they are intended and that overhead activities are funded proportionately with the correct programmatic mix.

- Task 1 – Analyze data and identify specific changes needed to ensure funds are used appropriately and in the proper proportions (fund integrity) to meet Department needs.
- Task 2 – Analyze and modify employee funding sources to align work with funding as closely as possible.
- Task 3 – Identify specific changes that will result in measurable progress towards improved fund integrity.

**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 – Ensure that IDL policy and procedure aligns with statutes, rules, and Land Board policies.
- Task 2 – Continue to revise or move existing directives, currently in multiple formats (e.g., Land Board memos, minutes, governance delineations), into an 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.

## Appendix A – Benchmarks and Performance Measures

*Note: The performance measures are typically longstanding measures that the Department believes are reasonable measures of performance. They are reported annually and tied to the strategic plan, as shown, but may not exactly align with the tasks within the foundational and stretch goals. A strategic plan may evolve from year to year while performance measures often remain consistent over time.*

<b>Goal (Type)</b>	<b>Objective</b>	<b>Benchmark</b>	<b>Performance Measure</b>
Financial Stewardship (Foundational)	Manage endowment timberland consistent with our fiduciary duty	Timber sale volume offered is consistent with Land Board direction	Offer 328 million board feet (mmbf) of timber for sale for future harvest
Financial Stewardship (Foundational)	Management endowment timberland consistent with our fiduciary duty	Achieve appropriate return on investment	Net return on timberland of at least 3.5%
Financial Stewardship (Foundational)	Protect endowment land consistent with our fiduciary duty	Initial attack effectiveness	At least 95% of wildfires contained at less than 10 acres
Financial Stewardship (Foundational)	Protect endowment lands consistent with our fiduciary duty	Fire suppression resource preparation	Fire readiness reviews completed on at least half of fire districts
Customer Focus (Foundational)	Provide exemplary service to forest landowners and operators	Forest practice compliances inspected	Inspect at least 50% of forest practice compliances issued
Customer Focus (Foundational)	Provide exemplary service to endowment lessees	Percentage of lease instruments fully executed by the expiration date	At least 90% fully executed
Customer Focus (Foundational)	Provide exemplary service to landowners and the forest products industry	Check scales conducted by the Idaho Board of Scaling Practices	At least 150 check scales conducted
Office Facilities (Future Proofing)	Replace facilities as needed	Develop a plan for replacement of office facilities as needed	Plan is developed for potential presentation to the Land Board
Classification and Compensation (Future Proofing)	Maintain appropriate staffing levels	Analyze the use of temporary and permanent staff across programs	Analysis is completed and guidelines are developed and implemented
Seasonal Housing Facilities (Future Proofing)	Address the need for seasonal housing	Develop a plan to meet seasonal housing needs	Plan is developed for potential presentation to the Land Board
Fire (Future Proofing)	Safe and effective fire suppression	Master agreement implementation	Monitor successes and shortcomings for future adjustments to the agreement
Fund Integrity (Future Proofing)	Ensure programs are funded from appropriate funding sources	Data collection and analysis	Collect data and develop an understanding of the situation



Policy & Procedure (Future Proofing)	Review, update, and organize policies and procedures	Schedule ongoing policy review	Recurring schedule is established, and staff are accountable
Fire (Future Proofing)	Safe and effective fire suppression/employee qualifications	Percentage of engines staffed with fully qualified crew	At least 75%
Fire (Future Proofing)	Safe and effective fire suppression/employee retention	Percentage of seasonal firefighters returning to IDL	At least 50%