

## Part 1 – Agency Profile

### Agency Overview

In order to effectively manage the endowment lands and funds, Article IX of the Idaho Constitution established the State Board of Land Commissioners, consisting of Idaho's Governor, Secretary of State, Attorney General and Superintendent of Public Instruction. The State Auditor (now called State Controller) was added in 1910. The Land Commissioners, acting in the capacity of trustees on behalf of the beneficiary schools and other institutions, were given the responsibility under Article IX, Section 8 of the Constitution (as amended) to manage endowment lands "**...in such manner as will secure the maximum long term financial return to the institution to which granted...**" In addition to this charge, the Constitution also established a permanent endowment fund, the principal of which "**...shall forever remain inviolate and intact...**," and the interest from which must be used for the maintenance of the public beneficiaries of the State.

**Beneficiaries:** Public Schools, the Agricultural College Fund (University of Idaho), Charitable Institutions Fund (Idaho State University, Industrial Training School, State Hospital North, Idaho Veterans Homes and the School for the Deaf and Blind), Normal School Fund (Idaho State University Department of Education and Lewis-Clark State College), the Penitentiary Fund, the School of Science Fund (University of Idaho), State Hospital South Fund, the University Fund (University of Idaho) and the Capitol Commission.

More than 225 dedicated natural resource specialists and support staff functioning in 14 Supervisory Areas throughout the State work to implement the management directives as handed down by the Idaho Constitution and the State Board of Land Commissioners. Of the 3.65 million acres originally received, endowment lands currently total nearly 2.5 million acres, including 780,000 acres of commercial timberland and about three million acres of minerals. In addition, the Department of Lands, having been assigned additional duties over the years by the State Legislature, now serves as the host agency to the Idaho Board of Scaling Practices, the Clearwater-Potlatch Timber Protective Association and the Southern Idaho Timber Protective Association.

In addition to the primary mission of managing endowment trust lands, the Department has been charged by the Idaho Legislature to administer several programs designed to protect natural resources vital to the well-being of Idaho citizens. These include:

- **The Idaho Forest Practices Act** which regulates forest management activities on state, private and federal land to ensure continued productivity and protection of soil, air and water quality.
- **The Lake Protection Act** which regulates encroachments over and upon the beds of navigable waters.
- **The Mined Land Reclamation Act** which regulates the reclamation of lands impacted by mining activities.
- **The Placer Mining Act** which regulates mining activities below the high water mark of navigable waters.
- **The Hazard Reduction law** which ensures the mitigation of fire hazard associated with timber harvest.
- **The Idaho Forestry law** which provides for the effective and efficient suppression of wild fires.

The Department also delivers landowner and community assistance programs designed to advance sound resource management. These include, among others, the Forest Stewardship Program, the Community and Urban Forestry Program, the Forest Health Initiative and the National Fire Plan.

### Core Functions/Idaho Code

The Idaho Department of Lands operates under authority of Idaho Statutes and Idaho Administrative Rules.

- **TITLE 38 FORESTRY, FOREST PRODUCTS AND STUMPAGE DISTRICTS**
- **TITLE 47 MINES AND MINING**
- **TITLE 58 PUBLIC LANDS**

**Support Services** –

The Fiscal section is responsible for the accounting functions of the agency. A team of specialists provides oversight and policy direction for purchasing, accounts receivable, accounts payable and payroll.

Human Resources functions are provided by a Human Resource Officer.

Personnel in the Management Information Services Bureau support the Department computer network, software and hardware and maintain land ownership records and databases to assist in planning and implementing management strategies of lands and resources within departmental control.

Legal services are provided by the Office of the Attorney General. Two Deputy Attorneys General are housed with the Department and have primary responsibility for providing legal advice, initiating legal action to support Department actions and defending Department actions in court, as necessary.

The Strategic Business Unit is responsible for developing policies to promote sound business practices and a self-sustaining trust management philosophy. The Unit is a resource group for the bureaus and areas to assist in the implementation of policies and new or updated processes. The Unit assists Supervisory Area personnel to improve endowment asset value through completion of land acquisition, exchange, or disposal transactions.

**Forest Resources** – The Forest Management Bureau provides statewide policy direction, technical guidance and oversight in the utilization, improvement and protection of the renewable forest resources on endowment trust lands. In addition, the Forest Management Bureau supervises the measurement of forest products harvested as part of the Department's annual timber sale program, and the accounting for the receipt of associated payments.

The Forestry Assistance Bureau, staffed by specialists in the fields of forest management, urban forestry, entomology, pathology, fisheries & wildlife biology, hydrology and geotechnical engineering, provides technical assistance to the Department, other government agencies, forestry & green industry professionals, communities and private forestland owners. It administers the delivery of programs designed to assist in the responsible management of forest resources. The Bureau also oversees policy administration of the Idaho Forest Practices Act which regulates forest practice operations in Idaho.

**Lands, Range Minerals** – The Lands, Minerals & Range Division consists of the Surface and Mineral Resources Bureau.

The Division is responsible for developing policies and procedures associated with acquiring and granting rights-of-way, disclaimers of interest along navigable rivers, and conducting appraisals for departmental purposes.

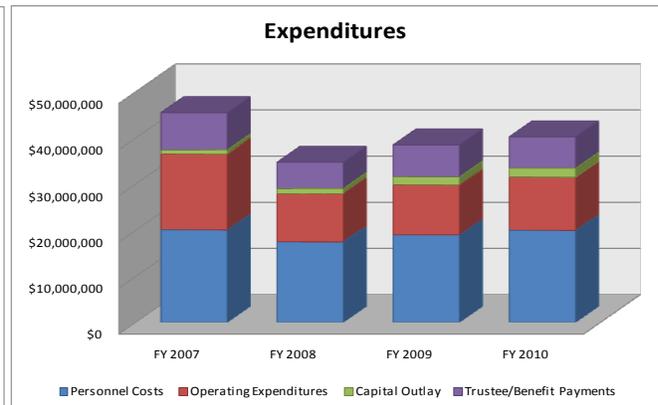
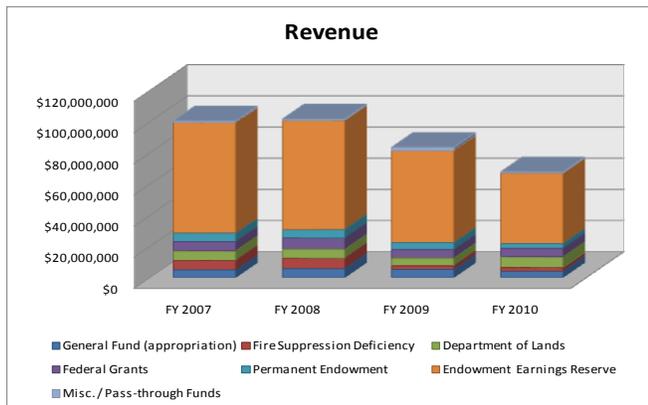
The Surface and Mineral Resources Bureau provides statewide policy direction, technical guidance and oversight to the Supervisory Areas in the administration of endowment land and public trust land leases and in the administration of the Lake Protection Act and the Surface and Placer Mining Act. Endowment land lease types include cottage sites, commercial buildings and businesses, grazing, crop, wind power, mineral, communication sites, and outfitters and guides. Submerged land leases are maintained for commercial marinas, floathomes and community docks located over public trust lands. The Bureau supports the Supervisory Areas in their processing of encroachment permits under the Lake Protection Act and the approval of reclamation plans under the Surface and Placer Mining Act.

**Forest and Range Protection (Fire)** - The Fire Management Bureau provides policy direction and oversight for the prevention, preparedness and suppression of wildland fires on over six million acres of public and private forest and rangelands across Idaho.

**Scaling Practices** - The primary purpose of the Board is to enforce log scaling (measurement) standards prescribed by statute and regulations. The Board tests and licenses scaling practitioners and subjects them to routine, unannounced checks to assure proficiency

### Revenue and Expenditures

Revenue	FY 2007	FY 2008	FY 2009	FY 2010
General Fund (appropriation)	\$4,769,100	\$5,590,800	\$5,085,400	\$4,079,300
Fire Suppression Deficiency	\$6,078,600	\$6,749,000	\$2,365,600	\$2,243,700
Department of Lands	\$6,250,100	\$5,774,000	\$4,981,000	\$6,931,100
Federal Grants	\$5,810,900	\$7,198,900	\$5,516,300	\$5,355,500
American Recovery	0	0	0	\$1,412,600
Permanent Endowment	\$5,568,500	\$5,339,100	\$4,350,800	\$3,014,700
Endowment Earnings Reserve	\$70,927,900	\$70,151,900	\$59,121,500	\$45,261,600
Misc. / Pass-through Funds	\$1,069,100	\$836,400	\$2,055,400	\$832,800
<b>Total</b>	<b>\$100,474,200</b>	<b>\$101,640,100</b>	<b>\$83,476,000</b>	<b>\$69,131,300</b>
Expenditure	FY 2007	FY 2008	FY 2009	FY 2010
Personnel Costs	\$17,424,600	\$18,938,400	\$20,561,000	\$19,903,700
Operating Expenditures	\$10,407,800	\$10,779,000	\$10,472,100	\$11,511,000
Capital Outlay	\$1,153,700	\$1,790,700	\$1,288,200	\$1,971,400
Trustee/Benefit Payments	\$5,680,700	\$6,919,800	\$5,523,700	\$6,798,600
<b>Total</b>	<b>\$34,666,800</b>	<b>\$38,427,900</b>	<b>\$37,845,000</b>	<b>\$40,184,700</b>



**Profile of Cases Managed and/or Key Services Provided**

<b>Cases Managed and/or Key Services Provided</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
Submit the timber sale volume from the annual timber sales plan to Land Board by June 30 of each year.	95%	91%	88%	100%
Complete public involvement process, compile identified issues for Land Board approval each April	100%	100%	100%	100%
Review 10% of proposed timber sales for compliance with rules and regulations	Completed	Completed	Completed	Completed
Provide professional management plan assistance to forest landowners	50 owners	64 owners	81 owners	124 owners
Provide Cooperative Extension training sessions throughout Idaho	29 workshops	25 workshops	25 workshops	31 workshops
Target 50% of forest practices for inspections for compliance with FPA	56% inspected	54% inspected	76% inspected	79% inspected
Administer land bank program	0 sales \$0	2 sales \$1,003	0 sales \$0	1 sale - \$9,350 1 purchase - \$364,400
Acquire rights of way	7	15	22	14
Administer leases (submerged, range, commercial, cottage site, mineral, crop, oil & gas, geothermal and misc.)	2,543 leases	2,637 leases	2,533 leases	2,594 leases
Establish occupancy of commercial buildings at 85%	85%	86%	83%	63%
Process Navigable Waters Encroachment Applications	527	487	327	434
Control 94% of fires at 10 acres or less	96%	91.7%	94%	97%
Inspect logging jobs for compliance with fire hazard management rules. (Statistics for calendar year)	1,881	1,763	1,933	1,359
Provide a comprehensive fire prevention program, including the issuance of burning permits.	Completed	Completed	Completed	Completed
Mining reclamation plans approved	44	44	38	40
Conduct scaling workshops	7 workshops	1 workshops	0 workshops	0 workshops

## Part II – Performance Measures

Performance Measure	2007	2008	2009	2010	Benchmark
1. Check scales conducted	135	179	172	144	120
2. Fire readiness reviews completed	13	14	13	13	5
3. Conduct at least one joint fire simulation exercises with a county.	1	1	1	1	1
4. Scope/implement a transition land plan to ensure the highest and best use of endowment land.	**25% complete	50%	****80%	100%	100% complete by 2009
5. From 2006 to 2011 increase the percentage of annual timber sale plan volume submitted to Land Board by December 31 to 50%.	29%	47%	37%	47%	50% of sale volume submitted by 2011
6. Develop and implement annual forest management plan designed to yield an average 4% return on investment (exclusive of land value appreciation).	3.9%	Analysis Incomplete***	Analysis Complete Implementation dependent upon funding.	First year of implementation	4% return on investment
7. Scope and implement system modifications necessary to track performance by asset type.	50%	50%	100%		100% by 2009
8. Improve management succession by increasing the percentage of qualified internal candidates available to fill vacancies	20%	44%	44%	39%	80% of promotional openings with a qualified internal candidate

\*\* Based on a revised/increased scope of the performance measure the 25% completion in FY 06 verses the 25% completion for FY 07 shows an increase in measure toward 100% completion.

\*\*\* A forest business plan was completed. A statewide land appraisal project to determine land value was completed in December 2007.

\*\*\*\* Database system for tracking transition land management implemented and fully operational in August, 2008.

**Performance Measure Explanatory Note:**

1. Check scales provide for consistent, quality measurement of forest products throughout the state.
2. Fire readiness reviews ensure that district firefighter are trained, equipped and fit for safe and effective fire suppression assignments.
3. Fire simulations exercises prepare agencies and local government cooperators for a major fire event in the wildland-urban interface.
4. The transition land plan will ensure that endowment lands are managed for the highest and best use to maximize revenue for the beneficiaries.
5. Increasing the proportion of the annual timber sales plan volume submitted by December 31 each year will provide a more even flow of sales as requested by our timber industry customers.
6. The forest improvement plan provides for cultural practices designed to increase forest productivity and revenue from endowment timber lands.
7. Scoping and implementing system modifications to track asset performance will allow the department to ensure business management practices are effective, with returns comparable to similar organizations. The scoping was complete in June 2007. Bid submissions received in August 2007 were higher than anticipated, and as such, the agency devoted its effort in FY08 to scope revision.
8. Due to pending retirements, many upper management positions will be vacated in the next few years. Succession planning will ensure that qualified candidates are prepared and available to fill these positions.

**For More Information Contact**

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