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DNR Regions IV and V Plan for Managing Ecosystems



February 15, 1996

Preface

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During the 1995 legislative session, legislation (1995 Laws of Minnesota, ch. 220, sec. 5, subd. 10) was passed requiring "... the commissioner of natural resources to develop a pilot project for implementing a sustainable, multiple-use natural resource management system based on appropriate natural resource management boundaries."

The direction and specific recommendations in this plan were developed by many people, across all ranks and disciplines, who work in DNR Regions IV and V and the DNR Central Office. Recommendations and advice came from a broad spectrum of citizens, interest groups, sportsmen, farmers and representatives from all levels of government in southern Minnesota. Thanks are extended to all who were involved.

Questions or comments about this plan should be directed to Cheryl Heide, Region IV Administrator, 507.359.6010, or William Johnson, Region V Administrator, 507.285.7418.

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Executive Summary

The purpose of this plan is to meet the intent of legislation requiring the Department of Natural Resources to develop a pilot project for implementing a sustainable, multiple-use natural resource management system based on appropriate natural resource boundaries.

Beginning in the summer of 1995, a group of area and regional DNR staff in Regions IV and V began developing a plan for managing large natural systems in concert with the people who live and make their living within them. Over a period of seven months, DNR staff and our external partners have met, discussed, debated and developed a plan for managing natural and community resources within natural geographic boundaries that define landscape regions and watersheds.

Our efforts will be focused on three areas: the Big Woods and Oak Savannah landscapes and the Blue Earth Watershed. The recommendations within this plan can be grouped according to those internal to the Department of Natural Resources, and those that will be accomplished in concert with our partners in the Big Woods and Oak Savannah landscapes and the Blue Earth watershed.

Within the Department, landscape and watershed teams will be formed and charged with developing interdisciplinary work plans directed at improving the efficiency of work efforts by more effectively using personnel and equipment and by developing budgets that are geographically-based, rather than discipline-based. Part and parcel of this effort will be to examine our traditional work to determine its utility for supporting broader ecosystem-based management goals.

Internal restructuring of the way we accomplish our work will allow landscape and watershed teams to support place-based partnership efforts by freeing up key staff time so that they may serve as links between the Department and our partners. Community assistance positions will be filled to further strengthen the linkage, to coordinate DNR technical support and assistance, and to help integrate the efforts of place-based partnerships at the larger landscape and watershed levels.

The DNR has long been active in place-based partnership efforts in southern Minnesota and throughout the state. This legislation and the resulting initiative escalates that activity to the level of large landscape and watershed areas. The challenge to the DNR, in concert with our partners, is now one of adjusting our work activity, resources, budget structure and outreach efforts to meet the needs and priorities of these large natural systems and the people who live within them.

The Need for Creative Approaches

DNR Vision Statement

"We will work with people to manage the state's diverse natural resources for a sustainable quality of life."

Achieving sustainable conditions in our economies, communities and natural environment poses a difficult challenge requiring creative approaches. Traditional approaches have served natural resource professionals well, but creativity is needed to effectively resolve today's complex and interrelated natural resource problems. Natural resource professionals are now seeking more integrated and comprehensive strategies that resolve environmental problems by building cooperative alliances with citizens to develop shared goals and priorities at landscape and watershed levels. The approach is called ecosystem-based management (EBM).

Ecosystem-based management is the Department of Natural Resource's (DNR) framework to improve resource stewardship, increase responsiveness to local needs, promote consent-based decision-making, and reduce resource use and management conflicts. The long-term goal is sustainability of Minnesota's ecosystems, the people who live in them, and the economies founded on them. The ecosystem-based management approach emphasizes decentralization and coordinated environmental problem-solving at the state, regional and local levels.

Ecosystem-based Management Principles

Ecosystem-based management is founded on the following broad principles:

- **Partnerships and citizen participation:** Work with citizens, landowners, businesses, local governments, interest organizations, and other agencies to face problems, identify opportunities, and find common solutions.
- **Ecological, science-based approach:** Understand natural resource interrelationships, focus on sustainability of whole ecological systems, and use the best available scientific knowledge as a foundation for decision-making.
- **Long-term view:** Establish long-term goals for desired ecosystem conditions that maintain the capacity of the land to sustain public benefits and opportunities into the future.

- **Comprehensive perspective:** Solutions must be found that support economic, community and ecological health.

A Look at Past and Current Management Approaches

The preceding principles build upon the best of our natural resource management traditions. While these traditions have served us well, additional tools and different strategies are needed. The following table provides a comparison of DNR's traditional program-based approach and an ecosystem-based management approach.

<i>Traditional</i>	<i>Ecosystem-based</i>
<ul style="list-style-type: none"> ❑ program-driven; focus is on separate programs to address individual natural resources ❑ performance measured by programmatic goals and objectives ❑ discipline based mission, goal, priorities and budgets ❑ emphasis on regulatory strategies ❑ traditional policies have made significant progress in addressing problems such as declines in wildlife species and point source water pollution 	<ul style="list-style-type: none"> ❑ place-based; focus is toward program and budget integration to address interrelated natural resource and community issues within targeted geographic areas ❑ performance measured by indicators of actual environmental and community improvements ❑ interdisciplinary and citizen-based goal setting for whole ecological systems and communities ❑ emphasis on collaboration, voluntary guidelines and technical assistance ❑ geographically targeted, whole systems approaches are needed to address a new set of problems which have emerged including nonpoint source pollution, toxic contamination of biological communities, and loss of biological diversity

The shift in natural resource management philosophy and approaches that has occurred within the Department, and within Regions IV and V, has been gradual — more of an evolution than a revolution. In

1987 and 1989, *Directions*, the DNR's strategic plan, was organized by individual disciplines. By 1990, Integrated Resource Management (IRM) had been adopted as a strategic theme for the Department. Since 1991, the DNR has been implementing IRM by establishing regional and area-based interdisciplinary teams; by identifying priority watersheds and landscapes; and by developing regional natural resource plans and regional work plans to steer interdisciplinary team work efforts toward priority geographic areas. More recently, ecosystems, teamwork, and sustainability have been organizing principles of DNR's strategic plan. DNR strategies for management are described in the most recent *Directions* document:

Ecosystem Approaches: Implement ecosystem-based approaches that integrate ecological, social and cultural values into natural resource management.

Teams and Partnerships: Use interdisciplinary teams and partner with citizens, local government, agencies, and other organizations to develop and implement shared management goals.

Emphasis: Concentrate efforts on ecosystems of special value or concern, or experiencing the greatest pressure from human activity.

Sustainability: Advocate economic, ecological, and social policies that promote the sustainability of ecosystems.

Stakeholder Involvement: Create opportunities that engage citizens and public officials in education, discussion and decision-making on natural resource issues and ecosystem-based management.

Strengths: Build upon traditional natural resource management to provide products, services and benefits consistent with a commitment to ecosystem-based management.

Leadership: Provide leadership in building capacity to implement ecosystem-based management across multiple ownerships as a means to achieving sustainability.

Evaluation and Monitoring: Monitor ecosystems to measure changes in order to guide management.

Adaptive Organization: Foster an organization that will continually improve and adapt to changing ecosystem-based management requirements and organization management needs.

At the Department level, there have been several recent efforts that support an ecosystem-based management approach. A 1996 - 1997 Ecosystem-based Management Budget Initiative forwarded both regional and Department EBM priorities to the legislature for funding consideration. This combined Region IV and V planning effort had its origins in that initiative.

Regional planning is accepted throughout the Department as an important step in implementing DNR's strategic direction and

moving the Department towards a collaborative, ecosystem-based management approach. Regional planning is an example of all disciplines working together to: 1) develop a common management direction; 2) focus on large geographic areas; and 3) invoke ecosystem-based management principles and strategies.

In Regions IV and V regional planning has: 1) identified and pursued projects focused on large geographic areas such as watersheds and landscapes; 2) formed interdisciplinary teams to work with counties on comprehensive local water plans; and 3) begun other initiatives that are emerging as opportunities to develop more comprehensive and long-term models for land and water resource management.

Attachments A and B provide a map and list of place-based efforts underway across both regions and efforts that have been identified through the regional planning process.

Recently, the DNR has completed an Integrated Planning and Budgeting Study designed to assist ecosystem-based management through: 1) establishing a common schedule for budgeting and work planning throughout all DNR discipline units; 2) creating field-based budget authority to support EBM efforts; 3) improving accountability; and 4) helping regional and area staff share resources more effectively. The recommendations developed through the study provide support for the Region IV and V EBM project approach. Key to the planning and budget process proposed in this study, is the identification of resource management priorities shared by DNR staff and local partners in a given geographic area.

Challenges to Ecosystem-Based Management in DNR Regions IV and V

Implementing EBM has not been easy for many reasons. Effecting the changes needed to bring about ecosystem management requires overcoming long-standing traditions of program fragmentation, narrowly focused environmental laws and regulations and competing stakeholder groups.

Regional planning is an example of all disciplines working together to develop a common management direction focus on large geographic areas; and invoke ecosystem-based management principles and strategies.

*"Integration is easier on
paper than it is
on the land."*

— Aldo Leopold

Broad Citizen Involvement

Many of our traditional stakeholders (e.g., dominant user groups) are focused on specific products and services. They often do not understand each others' issues and may have difficulty agreeing on broad ecosystem goals. Effective citizen forums are necessary to develop a deeper understanding of the resource values shared by citizens. By thinking more broadly about the involvement of citizens other voices are heard and community, economic and natural resource needs are all considered in management approaches and decisions.

Organizational Structures and Culture

The DNR and other resource agencies are not currently organized in ways that support an ecosystem-based management approach. Budget processes, union contracts and a variety of other structural constraints limit the support which ecosystem-based management requires. Within the Department, ecosystem-based management has often been viewed as an "add on" rather than a different and more effective way to do business. It is seen as competing for limited resource dollars. Moving toward ecosystem-based management requires redefining traditional work and ways of operating. Making these decisions has and will continue to be difficult for DNR staff at all levels.

Ecological Information Gap

Education is a key feature to implementing ecosystem management. Resource managers must continue to describe what ecosystems are and how they respond to management and make that information available in an easily understood format to citizens. This knowledge must be linked with processes where citizens set ecosystem goals and priorities.

Overcoming Challenges — Learning from Experience

In spite of these challenges, substantive progress has occurred within and outside of the Department. An increasing array of diverse and successful ecosystem based projects, research and outreach are occurring. They are happening at a variety of levels — small watersheds to major basins and landscapes — all having different needs commensurate with their respective scales of focus.

In project settings, local leadership is an essential component of project success. Relationships take time to develop; the dividends come down the road from working cooperatively. Local ownership of process and products is essential to continuing improvements. State, federal and local agencies are increasingly willing to come to the table and provide information, technical and planning assistance, and programs to help with implementation. Project coordination is essential and management by goals and objectives is necessary.

Experience and knowledge gained through projects is continuously reinvested in improving existing processes. Project participants are willing and often anxious to let us and others know what does or does not work well in their communities.

Working together, resource agencies, citizens, local units of government and interest groups are developing a reservoir of knowledge and experience valuable to managing ecosystems. Surveys have shown that citizens and interest groups are seeking greater participation in natural resource and environmental decision-making. Public participation efforts within this initiative, as discussed in the next section of this plan, have confirmed that ecosystem-based management offers an improved framework to bring communities together to help craft comprehensive and long-term solutions to environmental problems.

Public Participation

The legislation guiding this initiative requires the DNR to solicit the thoughts and ideas of hunting, fishing, outdoor recreation, agriculture and other interested groups. Gathering public input was an important part of this process and has had a significant impact on the recommendations within this plan. The approach used to gather direct input was twofold: a telephone survey and a follow-up stakeholder's meeting.

Telephone Survey

Project Approach Principles

Partnership

Having a broad spectrum of citizens, landowners, agencies, local governments and interest organizations participate in all aspects of the project.

Citizen participation

Strong local citizen input and involvement in leading, setting goals and implementing project.

Long-term view

Establishing long-term goals in the project.

Comprehensive view

Addressing community, economic and environmental concerns in project area.

Table 1

A telephone survey was conducted in November, 1995. Those surveyed were chosen for their participation in and knowledge of a variety of natural resource management projects in southern Minnesota. In general, these projects tended to: 1) focus on building partnerships and involving citizens; 2) span community, economic and environmental interests; and 3) generally have a long term perspective. One hundred people were surveyed outside of the DNR; thirty DNR staff were surveyed. The survey tried to answer two general questions: are these projects headed in the right direction, and what can be done to im-

prove the approach taken in these projects? Individual projects were not evaluated in this survey. The purpose of the survey was to gather general information about a class of projects whose approach fits the characteristics mentioned in Table 1.

Findings

These findings represent only a few highlights. For more detail, see Attachment C (Survey of Participants in Integrated

Resource Management Projects in DNR Regions IV and V).

Most project participants, both inside and outside the DNR, are convinced the projects are headed in the right direction. This conclusion is drawn from the following findings:

- Participants overwhelmingly give a high level of importance to achieving each of the project approach principles (see Table 1).
- A majority of participants believe that the project approach has a better chance of achieving the intent of each of the principles than other approaches with which they are familiar. Furthermore, a large majority of participants think the project approach has a better chance than any alternative of dealing successfully with the community, economic and environmental concerns in an area.
- Nearly all participants believe these project approaches should be applied to more areas.
- Close to three-fourths of the DNR participants believe the kinds of approaches used in these projects should become the primary approach of the DNR and other resource management agencies.

Although most project participants think the projects are headed in the right direction and most are generally satisfied with projects to date, participants believe improvements can be made.

- Participants are split on the question of whether each partner has an equal say in the project decision making process. The main reasons participants believe there is not an equal say are: 1) DNR/state agencies dictate policy and decision-making; and 2) those "in charge" have more input and influence.
- About half of all participants think some groups should have more say in the projects. Participants mainly identified local interests and landowners as the ones to have greater say.
- A sizable minority (about 30%) believes an appropriate emphasis has not been placed on each of the community, economic and environmental areas of concern. The com-

Participants feel decision-making is fair, feel comfortable expressing their opinions, believe they learned about the concerns and needs in the project area, and think participation is made as convenient as possible for them.

munity and economic areas need more emphasis, according to these participants.

The processes used to run these project efforts received high marks from participants inside and outside the DNR and among the stakeholder groups. Participants feel decision-making is fair, feel comfortable expressing their opinions, believe they learned about the concerns and needs in the project area, and think participation is made as convenient as possible for them.

Participants, across the board, believe projects need to be evaluated. They are somewhat satisfied with efforts to evaluate progress but some feel that not enough effort has gone into evaluation and that it is too early in the process to evaluate progress.

Participants believe the DNR is an important partner in projects and are relatively satisfied with DNR involvement. These conclusions are evident in the following results.

- Almost everyone thinks DNR involvement is important.
- Nearly 9 out of 10 participants are satisfied or very satisfied with DNR involvement and the role the DNR has played in projects.
- The primary role the DNR plays in projects, according to participants, is as a source of technical and expert knowledge, and to a lesser degree a project leader and planner.

Modifications of the DNR role are requested by some participants. The most frequent modifications requested are: 1) better inform the public and provide more education; 2) participate more in projects and take more action; and 3) listen more and solicit input from diverse groups.

December Stakeholder's Meeting

All of those who participated in the phone survey were invited to a follow-up meeting in Faribault in December 1995, to further discuss the idea and methods of improving and building better partnership models. In addition, twenty people who had not been surveyed were invited to help bal-

ance community and economic interests within the group.

Telephone survey responses were used as background material and the group concentrated on areas that had been identified as needing improvement. A series of questions were asked on building effective partnerships, encouraging comprehensive and long-term perspectives, the roles and responsibilities of project participants, evaluation and monitoring, and considerations the DNR should use in selecting project areas for this initiative.

The feedback we received was useful and valuable. Some of the themes that emerged included:

- Effective partnerships are built around developing relationships and trust and they take time to develop. All interests need to be at the table and be comfortable with expressing their views.
- Ask questions about the types of community and economy people want. Local partners will bring economic and community interests to the table.
- The connections between community, economic and environmental considerations need to be discussed and made apparent within project efforts. Look at the whole system.
- Monitor and evaluate both project process (how the project is operated and working) and changes in the condition of natural resources.
- DNR and other agencies need to listen, provide quality information, have patience, be more flexible and look to citizens for solutions.

A more detailed description of the themes that emerged from this meeting can be found in Attachment D (Summary of December 7, 1995, Stakeholder's Meeting).

At the conclusion of this meeting, a request for those interested in serving as a citizen advisory group yielded several names. We will continue to ask for advice and assistance from those who volunteered as this effort progresses.

Effective partnerships are built around developing relationships and trust and they take time to develop. All interests need to be at the table and be comfortable with expressing their views.

Place-based Projects

The legislation guiding this initiative requires place-based demonstration projects. Targeted areas were determined from thoughts and ideas (summarized as criteria in Attachment E) of a broad spectrum of interests inside and outside the DNR. The most important criteria which surfaced was to target efforts where a critical mass of partnership activity organized around significant natural resources already exists.

Background

Recent efforts by the Department to examine opportunities to do more ecosystem-based management have resulted in widespread recognition that: 1) there are opportunities in which the Department should be more actively and effectively participating in (e.g., comprehensive water planning, place-based projects, etc.); and 2) successful projects (e.g., Heron Lake and Whitewater watersheds) all have the following characteristics: a) active partnerships and strong citizen participation, b) effective project coordination and management, c) sound technical advice and assistance, and d) they are undertaken on a scale and in a manner that accommodates community concerns.

In order for the Department to effectively participate in local project efforts, adjustments in our roles, responsibilities, and the way we do business are needed. It requires that we increasingly operate as a partner, provide information, interpret it for a variety of audiences and provide planning and organizational assistance. We also need to be more flexible and adaptive in order to take advantage of opportunities as they arise.

We have been doing more and more of this as an organization and several Department-wide efforts (e.g., Planning and Budgeting Work Group, Management Improvement Committee, Senior Managers Council) have ratified this approach. Formal watershed teams in Region IV and landscape teams in Region V have been searching for ways to work more effectively in partnerships. Some of the ideas and suggestions these teams have recommended for operating more efficiently and effectively have already become operational.

"Reliance on the group process has been the key to this effort. We often chew on a proposal, causing it to not only gain acceptance among the group, but often resulting in a stronger proposal. It's not an individual, not an organization, not an agency — it's the group that makes decisions."

*— Lee Carlson
Heron Lake watershed*

As a part of this effort to expand ecosystem management in Region IV and V, three regions — the Big Woods and Oak Savannah landscapes and the Blue Earth watershed — have been chosen to accelerate these efforts (see Attachment F for map).

Nested within each of these three large natural systems; several smaller scale projects are underway (e.g., Albert Lea/Fountain Lakes watershed in the Oak Savannah). These partnerships are increasing a reservoir of knowledge and experience about the art and science of working cooperatively to manage land and water resources from a more comprehensive perspective.

Changed Ecosystems and Their Future

The Big Woods, Oak Savannah and the Blue Earth watershed are significantly changed ecosystems. Settlement has changed how these places look and how they function as natural systems.

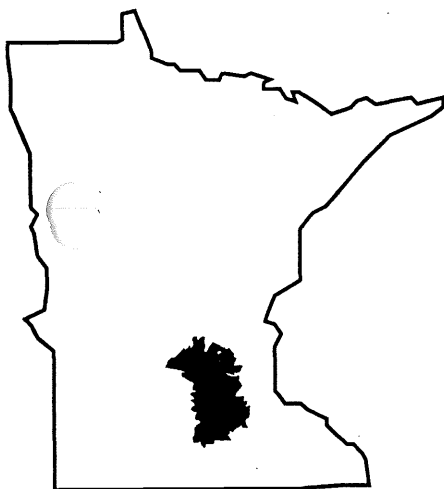
Located near the confluence of three major biomes, these areas once had diverse plant and animal communities supported by deep, nutrient-rich soils. Water runoff was low as water was stored in extensive wetland complexes and riparian zones and the landscape was blanketed by a continuous cover of vegetation. Herds of large mammals, such as bison and elk, grazed the tallgrass prairies and savannahs, and areas protected from fire were cloaked by hardwood forests.

These landscapes were continually in a state of flux but prior to the mid-1800's, changes were largely a result of natural events. Since then, change has been primarily human-related as evidenced by a landscape now dominated by crops, towns, roads, and buildings. Today, in these areas, less than five percent of the land supports the representative native plant and animal communities it once did¹. Water runoff has increased dramatically due to drainage, channelization, removal of permanent vegetation and reduced soil quality. Habitat fragmentation continues as remaining habitats are converted to other uses such as rural residential development.

"People need to trust each other and work together. We need to help our resources close to home and the solutions lie in cooperating and everyone participating."

*— Bill Bryson
Albert Lea/Fountain Lake
watershed reside*

¹ Hannah Dunevitz, Minnesota County Biological Survey, personal communication, February 1996.



Big Woods Landscape

These are vastly changed ecosystems. The question we face, given an understanding of how these systems have changed and where they appear to be heading, is what do we want them to look like in the future? How we answer this question, with all the diverse views and interests represented in a given area, is the nitty-gritty of ecosystem-based management.

What follows is a description of our proposal for examining how we currently operate as a Department in the Big Woods and Oak Savannah landscapes and Blue Earth watershed and how we need to evolve in order to work more effectively within partnerships to affect ecosystem management. (Please note that this plan is prescribing a phased approach as outlined in Attachment G.)

Big Woods

The Big Woods is a landscape where a considerable amount of partnership effort organized around natural resources has been occurring. Several projects are underway which involve local citizens and other partners in efforts to protect and improve natural areas and water resources. One such effort is to protect remnant Big Woods forest in eastern Rice County. These efforts have focused on restoration efforts, assistance to landowners in the form of technical advice and incentives, and developing citizen awareness of the unique resource values present in the area.

What Needs To Be Done

The need in this area is for landscape level planning and coordination to integrate the efforts of several projects within a framework of generally agreed upon landscape goals.

How To Work Within The DNR

Within the Department, the needs are to better organize ourselves to: 1) more effectively support and participate in partnership efforts across the Big Woods landscape; and 2) evaluate and continue to carry out the work we have traditionally done.

On a smaller scale, a useful approach is being played out to meet those needs. In the Whitewater Valley in southeast Minnesota, a pilot effort has joined several DNR disciplines (primarily Fish and Wildlife, Forestry and Parks) in an effort to coordinate their work activity by sharing personnel, dollars and equipment. The result has been improved efficiency in accomplishing traditional work and freeing the time of key staff to participate in several local partnership efforts.

The situation is different and more complex in the Big Woods landscape compared to the much smaller Whitewater Valley. The area covered by the Big Woods in DNR Regions IV and V is large, spanning parts of eight counties. Management responsibility lies in ten offices spread from Lake City to New Ulm.

Taking cues from the Whitewater Valley example, a group of regional and area managers and their staff will form a Big Woods landscape team. This team's charge will be to engage in interdisciplinary work planning with an eye towards:

- Exploring ways to improve the efficiency of DNR work efforts by more effectively using personnel, dollars and equipment.
- Examining our traditional work to determine its utility for supporting broader ecosystem-based management goals, including making decisions about what we can do less of.
- Providing additional and better support to partnerships organized around natural resources in the Big Woods landscape.
- Striving to manage the Big Woods landscape as a large, complex natural system.

These efforts should shed light on the Department's strengths and shortcomings in participating in cooperative efforts to manage large natural systems. It is possible that close examination of our structure and the way we organize and deliver our work efforts will suggest the need for additional organizational improvements.

How To Work Outside The Department

Beyond these internal efforts, we realize that the key to improving community, economic and natural resource conditions in any area is to do it in concert with dedicated partners who live and work there.

Internal restructuring of the way we accomplish our work (e.g., sharing of personnel, dollars and equipment) will allow the Big Woods landscape team to support partnership efforts by freeing up key staff time so that they may serve as links between the Department and partnership efforts. Specific staff responsibilities will be determined by the Big Woods landscape team. In general, they will be: 1) coordinating other field staff time in these projects as needed; 2) assembling and interpreting resource information; and 3) addressing existing and emerging needs within place-based partnerships. In addition, if it is determined by the Big Woods landscape team that a position is needed to assist in carrying out these responsibilities, funding is available to hire one position. The nature and specific duties of such a position will be determined by the Big Woods landscape team.

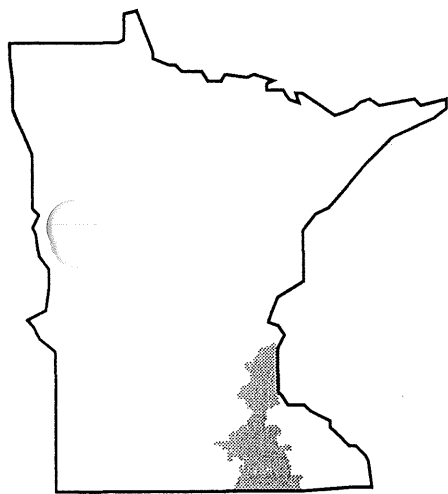
Oak Savannah

The Oak Savannah landscape spans all or part of nine counties in DNR Regions IV and V. DNR management responsibility lies in eight area offices and 2 regional offices.

Prior to settlement, this landscape was dominated by bur oak savannah and tallgrass prairie. Both of these vegetation types are now rare due to fire suppression and conversion to agricultural use.

What Needs To Be Done

As compared to the Big Woods landscape, there is not as much organized place-based partnership activity, nor is it as far along in its progress. The approach used will be similar to that used in the Big Woods example though the needs and priorities in this landscape differ somewhat. An Oak Savannah landscape team will be formed and charged with the same general responsibilities cited in the Big Woods sec-



Oak Savannah Landscape

tion of this plan. Work activity will be staggered across these three ecosystems; please refer to Attachment G for a schedule of work activity.

Upon approval of this plan, initial activity in the Oak Savannah landscape will focus on assisting several partnership efforts. A community assistance position will be hired to: 1) coordinate DNR technical assistance and support; and 2) plug into the existing network of interests across the Oak Savannah landscape. The specific duties of this position would be developed and directed by the Oak Savannah landscape team.

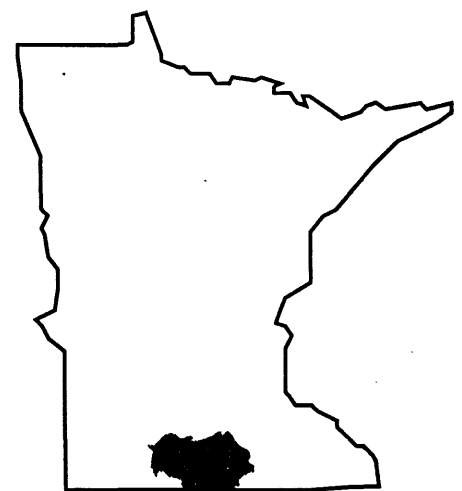
Potential or existing place-based partnerships within this landscape region include: 1) ongoing efforts in the Cannon River watershed; 2) the south fork of the Zumbro River watershed; 3) the north branch of the Root River watershed; 4) Albert Lea/Fountain Lakes watershed; 5) Turtle Creek in the Straight River watershed; and 6) Prairie Visions in Mower County. Other partnership efforts certainly exist in the area and more can be expected to color the landscape.

In addition to a community assistance and outreach role, a process similar to the one previously described in the Big Woods section of this plan will be employed to evaluate current work efforts and develop an interdisciplinary work plan that addresses landscape level priorities. Again, this will be done with an eye towards identifying ways to more efficiently deliver services and to provide additional and better technical assistance to place-based efforts within the Oak Savannah landscape region.

This effort will be phased in approximately nine to 12 months after the onset of the Big Woods example and will profit from the experiences of that effort.

Blue Earth Watershed

The Blue Earth watershed spans all or parts of eleven counties in south-central Minnesota. DNR management responsibility lies in seven area offices and one regional office. The Blue Earth watershed has been a focus of increasing activity for several years, much of it stemming from the watershed's status as a major tributary to the Minnesota River.



Blue Earth Watershed

"We are getting so much cooperation now. Entire towns are getting behind this thing. I've gotten ten lake association memberships this morning just walking down the street in Blue Earth. People are seeing that something is getting done. It's amazing what can happen when everyone starts working in the same direction."

*— Bob Brush
Lura Lake Association*

A number of groups have organized under the umbrella of the Blue Earth Basin Initiative over the past few years, and there is a high level of citizen and agency interest in working to improve the watershed. As is the case for the Big Woods landscape, there is a need for landscape level planning and coordination to integrate the diverse array of environmental efforts within a framework of generally agreed upon landscape goals. Key to achieving significant success is a common citizen and interagency vision for the watershed.

As in the Oak Savannah landscape, initial efforts will center on assisting existing partnerships. A community assistance position will be hired to: 1) coordinate DNR technical assistance and support to several partnership efforts; and 2) plug into the existing network of interests across the watershed. The specific duties of this position would be developed and directed by the Blue Earth Watershed team which has been organized for two years and has established relationships with partners in the Blue Earth watershed.

Potential or existing place-based partnerships include efforts in the Lake Hanska, Lura Lake, Iosco Creek and Minneopa Creek subwatersheds.

As in the previously described landscape efforts, the Blue Earth Watershed team will be convened to develop an interdisciplinary work plan that addresses watershed priorities and proposes strategies to more efficiently deliver services and to provide additional and coordinated technical assistance to place-based efforts underway within the Blue Earth watershed. As in the Oak Savannah landscape, this effort will be phased in after the onset of the Big Woods example and will profit from the experiences of that effort.

Putting Ecosystem-Based Management into Practice

For the Department of Natural Resources, this legislation and the initiatives that result from it represent another significant step in learning how to manage and sustain large natural systems in cooperation with the people who live and work within them.

To be successful, this effort must cultivate the trust of both our partners and DNR employees throughout the organization. To do so, those involved will have to be comfortable with their freedom to make decisions, take risks, make mistakes and enjoy success. Landscape and watershed teams in the Big Woods, Oak Savannah and Blue Earth regions must have the freedom and support to make decisions based on knowledge, fact, discussion and compromise. With this level of freedom comes the responsibility to maintain direct and regular communication with the regional management structure and the rest of the Department. Developing this kind of a supportive and interactive atmosphere will lead to the kind of trust and credibility, both within and outside of the Department, that will ultimately determine the success of these initiatives and those that follow.

Reporting/Supervision

Watershed and landscape teams will operate with a great deal of autonomy with frequent reporting of activity and progress to the regional management teams in both Regions IV and V.

Community assistance positions resulting from this legislation will report informally to the watershed or landscape team and formally to the regional management teams. It is recognized that reporting to a team can be problematic, particularly with regard to administrative tasks. A direct supervisor should be designated in the regional management structure to handle administrative tasks, information exchange, liaison duties, etc. No standard supervisor designation (regional administrator or regional supervisor) is identified in this plan. It is anticipated that situational differences will demand enough flexibility to allow landscape and watershed teams in conjunction with the regional management teams, to make these decisions as positions come on-line.

Position Responsibilities

The legislation enabling this initiative appropriated \$173,000 annually for community environmental assistance positions. These positions will require employees that are knowledgeable and skilled in employing interdisciplinary approaches to managing land and water resources. Three community environmental assistance positions will be hired.

This plan recommends one of the positions be a project leader with the following responsibilities:

- Oversight of project management and administrative tasks such as: a) forming landscape/watershed teams; b) developing position descriptions (responsibilities and duties); c) hiring additional staff; and d) developing processes and plans for citizen outreach and accomplishing the specific work items cited previously in this plan.
- Assist the Big Woods landscape team in its efforts to a) improve the efficiency of DNR work efforts; b) examine and determine the utility of our traditional work; c) provide additional and better support to partnership efforts in the Big Woods landscape; and d) manage the Big Woods as a large, complex natural system.
- Along with the regional management teams, document and examine opportunities for exporting the experience and knowledge gained in pilot areas to the rest of DNR Regions IV and V.

The remaining two positions would be assigned to the Blue Earth watershed and the Oak Savannah landscape and would be responsible for: 1) assisting partnership efforts within these areas by marshaling DNR technical support and assistance; 2) providing assistance with landscape or watershed level planning and coordination; and 3) leading the development of interdisciplinary work plans that address watershed priorities and propose strategies to efficiently deliver DNR services (see attachment G for timelines associated with these tasks).

These positions will be responsible for helping to organize and facilitate a process that brings people together to develop landscape and watershed level vision, goals and actions intended to improve community and natural resources;

develop techniques for monitoring and evaluating project progress and changes in the condition of community and natural resources; and to spread this effort across southern Minnesota.

Within the DNR, these positions will take direction and work closely with landscape/watershed, and regional management teams.

Budget

The budgetary dimensions around efforts in the Big Woods, Oak Savannah and Blue Earth regions will be shaped by work planning needs and priorities developed in each of these areas. Beyond the budget needs associated with three community assistance positions, it is not possible to provide budget details at this point. Specific, geographically-based budgetary needs and priorities will be determined by landscape and watershed teams in the Big Woods, Oak Savannah and Blue Earth regions in conjunction with the regional management teams.

The budgetary dimensions of this initiative will take direction from a parallel effort that has been studying the Department's planning and budgeting process. For over a year, a Planning and Budgeting Work Group has been examining ways to reduce obstacles to, and provide greater support for, implementing ecosystem-based management within the Department of Natural Resources. The three place-based efforts within this initiative are, in effect, the testing ground of the modified work planning and budget administration responsibilities as described in the Department Planning and Budgeting Work Group Report (see Attachment H).

The recommendations from this group suggest the following scenario. In a given geographic area (e.g., the Blue Earth watershed) DNR will develop interdisciplinary work plans with stakeholder involvement, resulting in common management goals and priorities. This, in turn, translates into commonly supported plans for staff time, equipment and project dollars. Tracking, or cost accounting, will document how staff time and resources are spent on place-based activity regardless of the source of funding (e.g., game and fish fund, water recreation account, general fund). The results

Geographically-based budgetary needs and priorities will be determined by landscape and watershed teams in the Big Woods, Oak Savannah and Blue Earth regions.

The goal in using the dollars appropriated for GIS technology is to form a partnership with other users involved in natural resource management efforts across southern Minnesota.

of cost accounting and reporting can then be fed back into the loop to evaluate work planning accomplishments, the need for adjustments and future work efforts.

Fiscal year 1995 detailed expenditures have been documented for Region IV and V. It is anticipated that this background information will be useful to landscape and watershed teams in that it defines the scope and distribution of current financial resources.

Geographic Information Systems

This legislation appropriates \$200,000 annually to implement a Geographic Information System. The goal in using the dollars appropriated for Geographic Information System (GIS) technology is to form a partnership with other GIS users involved in natural resource management efforts across southern Minnesota.

Three focus groups were held in February, 1996. A broad spectrum of GIS users representing local units of government, several universities/colleges, and state and federal agencies in southern Minnesota attended the sessions and were invited to share their thoughts and ideas about pooling resources to make GIS technology more available and useful.

The information generated at focus group sessions is currently being catalogued. A representative group of those interviewed has been formed and will be making recommendations in mid-March with regard to forming a GIS partnership in southern Minnesota.

In addition to addressing GIS needs and opportunities on a regional scale across southern Minnesota, the three placed-based pilot projects identified in this plan will receive GIS technology support as determined necessary by the respective landscape and watershed teams.

Data/Information

As with any initiative, a crucial first step is to assemble current and historic information. Utilizing the network of partnership interests in the Big Woods, Oak Savannah and Blue Earth regions will be essential in assembling data to describe

these large natural systems. Community assistance positions will be key contacts in identifying, collecting and disseminating data (e.g., who has data, who is gathering data).

Once existing data is assembled, data gaps can be identified, prioritized and remedied. Future data gathering efforts should be accomplished in the context of the larger ecosystem to the extent possible.

Monitoring/Evaluation

The ideas and recommendations suggested within this plan and put into practice in the Big Woods and Oak Savannah landscapes and the Blue Earth watershed will require monitoring and evaluation to determine what worked, what didn't and why.

Both the place-based project process (how the project is administered) and changes in the condition of natural resources will be monitored and evaluated. An example of the former is included in this plan: the processes employed for a wide range of natural resource management projects were evaluated within the public participation component of this initiative (see Section II). Effective monitoring and evaluation of the project process is not an easy task to undertake; however, the task can be made manageable by developing projects goals and objectives which provide a framework by which to monitor and evaluate progress on a periodic basis.

Monitoring and evaluating conditions and changes to conditions within large natural systems is an extremely complex task requiring a variety of measures performed over long time frames. Currently, there is an effort on behalf of several state and federal agencies, environmental groups and private industry to develop a comprehensive strategy for environmental monitoring. Funded by the Legislative Commission on Minnesota Resources, the Minnesota Environmental Indicative Initiative (MEII) initiative seeks to provide a comprehensive framework to evaluate the condition of the environment and monitor its change over time. Efforts in the Big Woods, Oak Savannah and Blue Earth regions will be looking to the MEII for guidance on monitoring and evaluation. Furthermore, it is suggested that the

*"You live and learn. Or
you don't live long."*

— Robert Heinlein

MEII consider piloting an effort to develop environmental indicators in one or more of these ecosystems.

Communication

Communication, both internally and externally, will be a high priority for the Department. Staff within the Department as well as the public must be kept apprised of developments and any proposals being considered.

By providing timely, pertinent information about this initiative to as many interested or affected parties as possible, understanding and trust will be enhanced and the probability of success improved.

To date, DNR staff have been kept informed through meeting minutes on E-mail as well as a regular letter from the project coordinator. Other pertinent documents which have been developed (e.g. project selection criteria, stakeholder survey results, etc.) are also made available to all interested staff in various ways.

Stakeholders, legislators, local government officials, media and other interested citizens are informed through news releases and columns, stakeholder meetings, public speaking opportunities and informal gatherings.

Implementation—Next Steps

Approval of this plan will set into motion the tasks described in this document. Landscape and watershed teams will be brought together in the Big Woods and Oak Savannah landscapes and in the Blue Earth watershed. Community environmental assistance positions will be filled and will be responsible for setting up processes that bring people together — both within and outside of the Department — to coordinate landscape or watershed level goals and activity.

Specific efforts by landscape or watershed teams, regional management teams and community assistance positions will focus on: developing interdisciplinary work plans that propose strategies to efficiently deliver DNR services; providing coordinated technical assistance and support to place-based partnership efforts; and helping to organize and coor-

dinate place-based efforts underway across these landscapes and watersheds to improve community and natural resources.

Citizen and community outreach has played a key role in this effort and will continue to do so. To carry out the recommendations within this plan, we will be working closely with the citizens, communities and organized place-based partnerships in the Big Woods and Oak Savannah landscapes and the Blue Earth watershed.

All of the activity that results from this initiative will be documented, monitored and evaluated to provide a record of what worked, what didn't and why, so that we are able to learn from our mistakes and build upon our strengths.

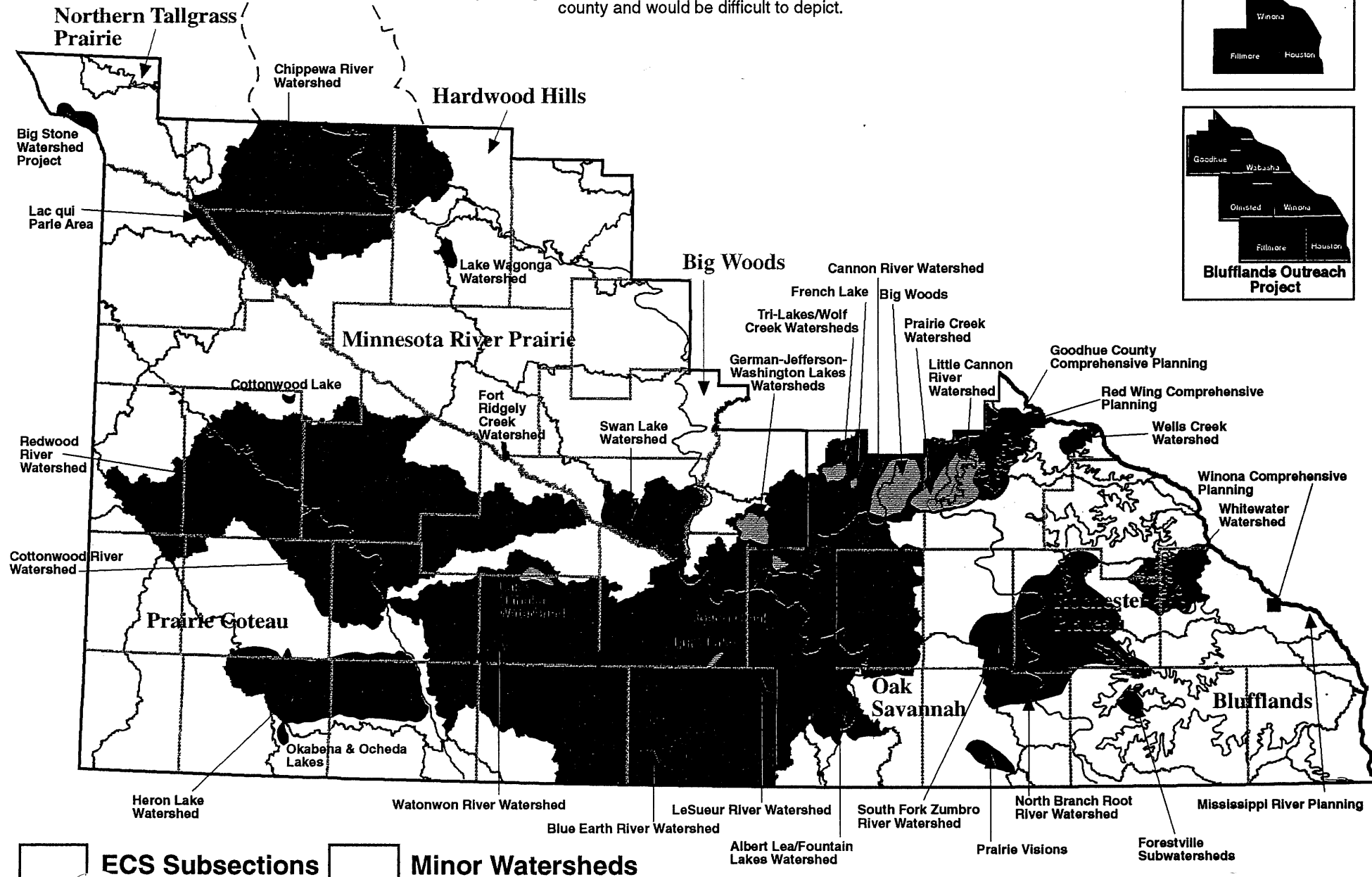
It is our belief that carrying out the recommendations in this plan will serve both the natural resources and the people of southern Minnesota well.

Attachment A

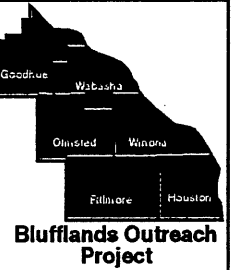
Place-based Project Activity Map

Place-based Project Activity

This map does not depict all activity throughout the region; it is a sampling of project activity the DNR has participated in. Other large scale and important efforts, such as county water planning, have not been included as they are active in every county and would be difficult to depict.



Common Visions



Attachment B

Region IV-V Project List

Region IV Project List

BIG STONE WATERSHED PROJECT

- A 20-30 year old program to improve water quality through watershed management

BLUE EARTH RIVER BASIN

- There is a very active consortium of counties, state agencies, academia, and private sector partners who are working cooperatively to decrease flooding, increase water quality, and recreational opportunities.

CANNON RIVER WATERSHED PROJECT

- A very active group of state, federal, county, academia, and private sector partners who are working in the watershed to improve water quality and recreational use.

CHIPPEWA RIVER WATERSHED PROJECT

- A cooperative community based approach to solving water quality and flooding problems in the Chippewa River Basin.

COTTONWOOD LAKE REHABILITATION

- Rehabilitation of lake to increase recreational opportunities

LAC QUI PARLE AREA

- Developing a long range plan to improve fish and wildlife habitat, provide recreational opportunities, improve water quality, and reduce soil erosion. This effort is led by the public with technical support provided by the DNR staff.

FORT RIDGELY CREEK

- Attempts are being made to rehabilitate watershed for water quality and quantity. There is a very aggressive local support.

HERON LAKE WATERSHED

- A watershed based project to improve water quality, reduce flooding, and improve wildlife habitat. Excellent support among a large list of diverse partners.

IOSCO CREEK

- State and federal agencies, private sector, and landowners are working to reestablish northern pike spawning and water quality, excellent cooperation.

LAKE HANSKA PROJECT

- Rehabilitation of lake and watershed for recreational use and water quality.

LAKE WAGONA WATERSHED PROJECT

- There is excellent cooperation among partners who are attempting to improve water quality and recreational opportunities

LURA LAKE

- There is excellent cooperation among partners in work and funding to rehabilitate the lake and its watershed.

OKABENA/UCHEDA RESTORATION

- A watershed based project to improve water quality, reduce flooding, and improve wildlife habitat. One goal is to provide a stable, clean water supply for the City of Worthington. Efforts are being made to bring stakeholders together.

REDWOOD RIVER WATERSHED

- A very active consortium of counties is leading efforts in the watershed to improve water quality and quantity management, and to increase recreational opportunities.

SWAN LAKE

- A large established watershed management project that has a proven track record of working with a diverse array of partners to accomplish shared resource goals in the watershed. The diversity of natural resource issues within the Swan Lake project provide great opportunities for future ecosystem-based management.

WOLF CREEK/TRI-LAKES BASIN

- This is a sub-watershed demonstration project chosen by the Cannon River Watershed Partnership. There is a good local support. They are working towards water quality improvement and related fish and wildlife habitat improvements.

SLEEPY EYE LAKE REHABILITATION

- There is excellent cooperation among partners in work and funding to rehabilitate the lake and watershed.

Region V Project List

ALBERT LEA/FOUNTAIN LAKES WATERSHED PROJECT

- A partnership of citizens, representatives for LUGs, state and federal agencies working to improve land and water resource management in the watershed.

BIG WOOD/PRAIRIE CREEK

- A partnership of citizens, representatives of LUGs, state and federal agencies working together to maintain, restore, recreate remnants of the Big Woods landscape around Nerstrand Woods State Park, Seven Mile Woods and the Cannon River Wilderness Area.

BLUFFLANDS OUTREACH

- The department works with local units of government, citizens and organizations which may evolve to cooperate in ways to sustain natural, cultural, and social resources in the Bluffland Landscape.

CANNON RIVER WATERSHED PARTNERSHIP INC.

- See Region IV list

COMMON VISIONS

- Historic Bluff Country and Winona-Lacrescent partners is a two year LCMR funded effort working on approaches to involve citizens and LUGs in the development of a shared vision for the future natural, social, and economic resource conditions in Winona, Houston, and Fillmore counties that's intended to evolve to strategic planning for achieving this vision.

COUNTY COMPREHENSIVE LOCAL WATER PLANNING

- In Region V, an area DNR staff person is assigned to each county to be the DNR principal point of contact for the county LWP technical committee and to coordinate DNR participation in plan review, updates, implementation, etc. This has worked very well and provides a basis for building better relationships with the counties.

FORESTVILLE STATE PARK PLAN

- The Forestville State Park Planning process employed a citizens advisory committee and a technical committee and considered Forestville Park in the context of the ground and surface watersheds in which it resides. The planning process received good reviews and there is local support to move towards more plan implementation.

GOODHUE COUNTY COMPREHENSIVE PLANNING

- A prototype priority protection areas map is being developed for Goodhue county and will be scaled up for the entire Blufflands Landscape.

LITTLE CANNON RIVER WATERSHED PROJECT

- This watershed planning project is just getting underway with funding for a coordinator from LCMR. There is a moderate level of local support.

MISSISSIPPI RIVER PLANNING

- The emphasis is on continuing to develop a better understanding amongst the public, agencies, and academia of the large factors (damming, sedimentation, etc.) that affect the river and describe the fate of the Mississippi River system.

NORTH BRANCH ROOT RIVER WATERSHED PROJECT

- Planning on this watershed (CWP, PL-566, etc.) has gone on for 30+ years. In 1993 the lake Florence Dam was severely damaged. This provided an opportunity to reassess the need for the dam. The dam has been removed and stream restoration is underway. A watershed project is still of interest, but is not organized.

RED WING COMPREHENSIVE PLANNING

- In 1991, the Blufflands Outreach position worked with the Red Wing City Planner to develop a progressive comprehensive plan. Current efforts involve fine tuning portions of the plan, developing monitoring to determine if it is being adhered to and doing more outreach in the community.

SOUTH FORK ZUMBRO CLEAN WATER PARTNERSHIP

- This is the phase 2 CWP that provided money for implementation and a coordinator. The project has good internal management, broad based support and good external communications. DNR is starting to get more involved.

WOLF CREEK TRI LAKES WATERSHED PROJECT

- See Region IV list

WELLS CREEK WATERSHED PARTNERSHIP

- A partnership of citizens, representatives from LUGs, state and federal agencies organized to do comprehensive planning and management, in the Wells Creek Watershed.

WHITEWATER RIVER WATERSHED PROJECT

- This project in its current form has been going on since 1987. The citizen participation has been weak and the project gets bogged down by the competing planning process (e.g. CWP and PL-566). However, it appears close to setting some goals and moving towards some implementation.

WINONA CITY COMPREHENSIVE PLANNING

- The City of Winona recently completed its comprehensive plan. There were several subcommittees, lots of diverse representation and consideration of many topics.

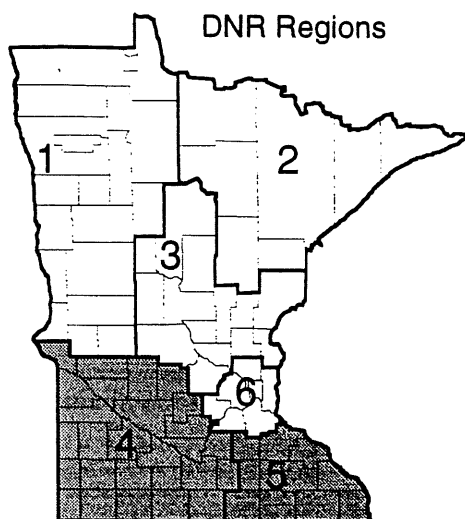
Attachment C

*Survey of Participants in Integrated
Resource Management Projects in
DNR Regions 4 and 5*

Summary of Findings

Survey of Participants in Integrated Resource Management Projects in DNR Regions 4 and 5

Summary of Findings



Prepared for:
Minnesota Department of Natural Resources
Regions 4 and 5

Prepared by:
Minnesota Department of Natural Resources
Office of Planning

November 1995

EXECUTIVE SUMMARY

The survey of project participants was commissioned as a result of legislation directing the Minnesota Department of Natural Resources to develop a pilot project for implementing a sustainable, multiple-use natural resources management system based on appropriate natural resource management boundaries. Survey respondents were chosen for their participation in and knowledge of natural resource management projects that focus on building partnerships and involving citizens; span natural resource, community and economic interests; and have a longer term perspective. One-hundred participants were surveyed outside the DNR, and thirty were surveyed in the DNR.

Individual projects were not evaluated in the survey. The purpose of the survey was to gather general information about a class of projects whose approach fits the characteristics mentioned above. The survey tried to answer two general questions: are the projects based on the preceding principles headed in the right direction, and what can be done to improve the approach taken in these projects?

BASIC COMPONENTS OF THE PROJECT APPROACH

Four principles or components underlie the project approach:

- | | |
|--------------------------------|---|
| <i>Partnership</i> — | Having a broad spectrum of agencies, businesses, landowners, local governments, and special-interest organizations participate in all aspects of the project. |
| <i>Citizen Participation</i> — | Having local citizen input when setting goals in the project. |
| <i>Long-Term View</i> — | Establishing long-term goals in the project. |
| <i>Comprehensive View</i> — | Addressing social, economic and environmental concerns in the project area. |

Most project participants both inside and outside the DNR are convinced the projects are headed in the right direction. This conclusion is drawn from the following findings:

- Participants overwhelmingly ascribe a high importance to achieving each of the preceding four principles.
- A majority of participants believe that the project approach has a better chance of achieving the intent of each of the preceding four principles than any other approaches with which they are familiar. Very few think the approach has a worse chance. Furthermore, a large majority of participants think the project approach has a better chance than any alternatives of dealing successfully with the social, economic and environmental concerns in an area.
- Nearly all participants believe the approach in the projects should be applied to more areas.

- Close to three-fourths of the DNR participants (the only participants asked this question) believe the kind of approaches in these projects should become the primary approach of the DNR and other resource management agencies.

Although most project participants think the projects are headed in the right direction and most are generally satisfied with projects to date, participants believe improvements can be made. Findings related to improvements under this topic are:

- Nearly 9 of 10 participants are either 'satisfied' or 'very satisfied' with the way in which each of the preceding four principles has been dealt with in the projects. The majority of participants, however, are merely 'satisfied', and not 'very satisfied.' The primary reason participants give for not being more satisfied is that the principles have not been achieved as fully as desired.
- Participants are split on the question of whether each partner has an equal say in deciding what the project does. The main reasons participants believe there is not an equal say are: DNR/state dictates policy and decisions made, and those in charge have more input and influence.
- About half of all participants think some groups should have more say in the projects. Participants mainly identified local interests (local groups/local citizens, and landowners/farmers) as the ones to have the greater say.
- A sizable minority (about 30%) believes an appropriate emphasis has not been placed on each of the three areas of concern, which are the social, economic and environmental areas. The social and economic areas need more emphasis according to these participants.

PROJECT PROCESS

The project process received high marks from participants inside and outside the DNR and among the stakeholder groups. This is evidenced by:

- Participants feel decision making is fair, feel comfortable expressing their opinions, believe they learned about the concerns and needs of the project area, and think participation is made as convenient as possible for them.

PROJECT EVALUATION

Participants see the need for project evaluation. They are somewhat satisfied with efforts to evaluate progress, but satisfaction is not very high. These conclusions are drawn from the following results:

- Participants, across the board, believe projects need to be evaluated.

- Not many participants are 'very satisfied' with the effort to evaluate projects. The major reasons satisfaction is not higher are that not enough effort has gone into evaluation, and that it is too early in the project to evaluate progress.

DNR INVOLVEMENT IN PROJECTS

Participants believe the DNR is an important partner in projects and they are relatively satisfied with DNR involvement. These conclusions are evident in the following results:

- Almost everyone thinks DNR involvement is important.
- Nearly 9 of 10 participants are 'satisfied' or 'very satisfied' with DNR involvement, and about half of these are 'very satisfied.' In addition, participants are equally satisfied with the role DNR has played in the projects.
- The primary role the DNR plays in projects, according to participants, is as a source of technical and expert knowledge, and as a project spearheader and planner. With regards to the former role, the information the DNR brings to the project is judged of high value by participants.

Modifications of the DNR role are requested by some participants. Most frequent modifications participants request are:

- For stakeholders outside the DNR, the leading recommendations for what the DNR should do or do more often are: better inform the public and provide more education; participate more in projects and take more action; and listen more and solicit input from diverse groups.
- DNR participants, additionally, would like to see the DNR enter into less of a leading role; have more internal DNR communications and better internal organization; and be less rigid and more accommodating.

INTRODUCTION

The survey of project participants was commissioned as a result of legislation directing the Minnesota Department of Natural Resources to develop a pilot project for implementing a sustainable, multiple-use natural resources management system based on appropriate natural resource management boundaries.

Survey respondents were chosen for their participation in and knowledge of natural resource management projects that focus on building partnerships and involving citizens; span natural resource, community and economic interests; and have a longer term perspective. One-hundred participants were surveyed outside the DNR, and thirty were surveyed in the DNR (Table 1). Those outside the DNR come from a variety of affiliations. The 'other' affiliation includes participants from such backgrounds as business and education. As a group,

those surveyed have a great deal of knowledge about the workings of the projects. Respondents were also very willing to share their opinions as part of this survey effort.

Specific projects were mentioned to survey respondents so they would have a real context for their responses. Individual projects, however, were not evaluated in the survey. The purpose of the survey was to gather general information about a class of projects whose approach fits the characteristics mentioned above. The survey tried to answer two general questions: are the projects

Table 1	
What is your affiliation as part of the project?	
<u>Participant Group</u>	<u>Number of Participants</u>
Stakeholders (overall)	100
Affiliation:	
Local government	34
State/federal govt.	16
Agriculture	8
Environmental	15
Citizen	12
Other	15
DNR	30

headed in the right direction, and what can be done to improve existing and build new partnership models?

This summary report is broken into the following topical areas:

- Basic components of the project approach.
- Project process.
- Project evaluation.
- DNR involvement in projects.

The survey was conducted in October 1995 by T.K. Associates of Minneapolis, Minnesota. A report on the survey by T.K. Associates, replete with tables of responses, is available from the DNR. The report is dated November 1995.

BASIC COMPONENTS OF THE PROJECT APPROACH

Overall

Project participants are squarely in agreement with the underlying principles of the projects. The projects are based on four principles or components:

- Partnership — Having a board spectrum of agencies, businesses, landowners, local governments, and special-interest organizations participate in all aspects of the project.
- Citizen Participation — Having local citizen input when setting goals in the project.
- Long-Term View — Establishing long-term goals in the project.
- Comprehensive View — Addressing social, economic and environmental concerns in the project area.

When asked how important or unimportant the principles are, project participants responded with strong, consistent support for each (Table 2). Support is as evident among DNR as stakeholder participants, and among all the stakeholder groups.

Table 2							
Importance of having the indicated principle in the project							
(percent of respondents with an opinion)							
Principle & Participant Group	response categories					Total Percent	Number of Respondents
	Very Important	Important	Neither Important nor Unimportant	Unimportant	Very Unimportant		
Partnership							
Stakeholders	78	21	1	0	0	100	100
DNR	63	33	3	0	0	100	30
Citizen Participation							
Stakeholders	71	26	0	3	0	100	100
DNR	83	17	0	0	0	100	30
Long-Term View							
Stakeholders	85	13	0	0	2	100	100
DNR	77	17	3	3	0	100	30
Comprehensive View							
Stakeholders	80	19	0	1	0	100	100
DNR	60	40	0	0	0	100	30

A majority of participants believe that the project approach has a better chance of achieving the intent of each principle than any other approaches with which they are familiar (Table 3). The majority is larger for DNR and smaller for stakeholder participants. Very few think the approach is worse. Except for a few instances, a majority of each stakeholder group agree that the chances are better compared with other approaches. The exceptions are the agricultural group on every principle, the state/federal group on the long-term view, and the environmental group on the comprehensive view. The primary response for these exceptions is 'about the same.'

Table 3

When compared with any other approaches you've been involved with, do you feel the approach taken in the project is better, about the same, or worse in realizing the indicated principle?

(percent of respondents with an opinion)

Principle & Participant Group	----- response categories -----			Total Percent	Number of Respondents
	Better	About the Same	Worse		
Partnership	(wider*)		(narrower*)		
Stakeholders	66	30	3	100	92
DNR	80	13	7	100	30
Citizen Participation					
Stakeholders	52	46	2	100	91
DNR	71	29	0	100	28
Long-Term View					
Stakeholders	53	39	8	100	90
DNR	74	26	0	100	27
Comprehensive View					
Stakeholders	58	36	5	100	91
DNR	78	22	0	100	27

*The partnership question referred to broadness of interests represented in the project, and had response categories 'wider', 'narrower', and 'about the same'.

The reasons for the frequent 'about the same' responses in Table 3 have to do with participants' beliefs that previous project approaches were as effective in achieving the principle. The survey did not collect any additional information on previous project approaches. In addition, some participants feel that the approach is 'about the same' because the usual parties are present. Still others say that any approach would have

trouble realizing these principles and, in this sense, the approaches are the same.

Given participants view of likelihood of achieving the intent of the principles, it is not surprising that they see the project approach as having a better chance than any alternatives in dealing successfully with the social, economic and environmental concerns in an area (Table 4). The likelihood of success is perceived as better by both DNR and stakeholder participants, including a majority of each of the stakeholder groups.

Table 4

When compared with any other approaches you've been involved with, do you feel the approach taken in the project has a better, about the same, or worse chance of dealing successfully with the social, economic, and environmental concerns in the area?

(percent of respondents with an opinion)

<u>Participant Group</u>	----- response categories -----			<u>Total Percent</u>	<u>Number of Respondents</u>
	<u>Better</u>	<u>About the Same</u>	<u>Worse</u>		
Stakeholders	70	23	6	100	94
DNR	76	24	0	100	29

As an extension of this topic, DNR participants (and not other participants) were asked whether the kind of approaches applied in projects such as Heron Lake, Wells Creek, the Whitewater Watershed, Swan Lake, and local water planning should become the primary approach of the DNR and other resource management agencies. Nearly three-fourths of DNR participants think such approaches should become the primary approach.

Project participants, both inside and outside the DNR, are satisfied with the projects to date (Table 5). Nearly 9 of 10 participants are either 'satisfied' or 'very satisfied.' This response pattern carries over to the stakeholder groups, indicating a broad consensus of opinion. The majority of participants, however, are merely 'satisfied', and not 'very satisfied.' Evidently there is room for improvement in the execution of the projects.

The primary reasons participants give for not being more satisfied are straightforward:

Table 5

How satisfied or dissatisfied are you with the project overall, and with achieving each principle?

(percent of respondents with an opinion)

Overall/Principle & Participant Group	response categories -----					Total Percent	Number of Respondents
	Very Satisfied	Satisfied	Neither Satisfied nor Dissatisfied	Dissatisfied	Very Dissatisfied		
Overall							
Stakeholders	40	48	7	4	1	100	96
DNR	23	60	13	3	0	100	30
Partnership							
Stakeholders	26	51	13	8	2	100	99
DNR	25	32	25	18	0	100	28
Citizen Participation							
Stakeholders	26	45	17	10	1	100	99
DNR	14	54	7	25	0	100	28
Long-Term View							
Stakeholders	19	60	13	5	3	100	97
DNR	17	50	20	13	0	100	30
Comprehensive View							
Stakeholders	29	45	18	6	2	100	96
DNR	14	38	28	21	0	100	29

the principle, in the respondent's opinion, has not been achieved as fully as desired. For partnership, the major reason for satisfaction reductions is that participation is not broad enough; for citizen participation the reason is that more people should be included; for long-term view the reason is that it is difficult to make progress and set goals, and for comprehensive view the reason is that some parts are overlooked.

Table 6

Would you recommend that the approach taken in the project be applied to more areas?

(percent of respondents with an opinion)

Participant Group	response categories -----		Total Percent	Number of Respondents
	Yes	No		
Stakeholders	90	10	100	88
DNR	92	8	100	25

In line with the satisfaction responses, the large majority of participants believe the approach in the projects should be applied to more areas (Table 6). At least 75 percent of each stakeholder group are in agreement with this recommendation. These personal recommendations, by themselves, are a clear overall message that the project approach is considered worth-

while.

Partnership

Participants are split on the question of whether each partner has an equal say in deciding what the project does (Table 7). Although a majority of stakeholder and DNR participants feel each partner does have an equal say, a sizable portion disagree. A majority of the agricultural stakeholder group disagree, and the citizen group is split 50/50. The main reasons why participants disagree are: DNR/state dictates policy and decisions made, and those in charge have more input and influence.

Participants were asked what groups should have more or less say in deciding what the project does (Table 8). For participants who indicated that some groups should have more say, local interests (local groups/local citizens, and landowners/farmers) are most frequently chosen to have the greater say. Fewer participants think that any group should have less say, and there is little consensus on the type of groups that should have less say.

Table 7

Do you feel each partner or representative has an equal say in deciding what the project does?

(percent of respondents with an opinion)

----- response categories -----

<u>Participant Group</u>	<u>Yes</u>	<u>No</u>	<u>Total Percent</u>	<u>Number of Respondents</u>
Stakeholders	61	39	100	95
DNR	52	48	100	27

Table 8

Are there some groups that should have more say [less say] in deciding what the project does?

(percent of respondents with an opinion)

----- response categories -----

<u>Question & Participant Group</u>	<u>Yes</u>	<u>No</u>	<u>Total Percent</u>	<u>Number of Respondents</u>
More Say				
Stakeholders	48	52	100	93
DNR	59	41	100	27
Less Say				
Stakeholders	31	69	100	95
DNR	50	50	100	28

Table 9

Do you feel local citizens have an adequate opportunity to make their concerns known in the project?

(percent of respondents with an opinion)

----- response categories -----

<u>Participant Group</u>	<u>Yes</u>	<u>No</u>	<u>Total Percent</u>	<u>Number of Respondents</u>
Stakeholders	87	13	100	95
DNR	93	7	100	28

Citizen Participation

Participants feel overwhelmingly that the projects are open to local citizens (Table 9). At least 60 percent of each stakeholder group feel this way. Participants also think projects do a good job of communicating with local citizens in the project area (Table 10).

Comprehensive View

Most participants feel that projects are appropriately balanced among the social, economic and environmental areas (Table 11). The bulk of those who disagree think the social and economic areas need more emphasis.

The survey looked more closely within the environmental area. Participants were asked the importance of being comprehensive in the environmental area, and how satisfied they were with the efforts in the project to cover the range of environmental concerns.

Table 10

Does the project effectively communicate its efforts and successes to local citizens in the project area?

(percent of respondents with an opinion)

----- response categories -----

<u>Participant Group</u>	<u>Yes</u>	<u>No</u>	<u>Total Percent</u>	<u>Number of Respondents</u>
Stakeholders	80	20	100	84
DNR	91	9	100	23

Table 11

Do you think an appropriate emphasis in the project has been placed on each of the three areas of concern, which are the social, economic and environmental areas?

(percent of respondents with an opinion)

----- response categories -----

<u>Participant Group</u>	<u>Yes</u>	<u>No</u>	<u>Total Percent</u>	<u>Number of Respondents</u>
Stakeholders	73	27	100	94
DNR	63	37	100	27

Nearly everyone, including each stakeholder group, thinks it is important to be comprehensive, and most of those think it is very important (Table 12). Satisfaction responses are similar to other satisfaction questions. Most participants are 'satisfied' or 'very satisfied', but the largest number are merely 'satisfied' and not 'very satisfied' (Table 13). The major reason satisfaction is not greater is that the comprehensive perspective has not been achieved as fully as participants want.

Table 12

How important or unimportant do you think it is in the project to cover the broad range of environmental concerns, from water quality, to soil erosion, to forest health, to the long term health and diversity of plant and animal populations and so on?

(percent of respondents with an opinion)

Participant Group	response categories					Total Percent	Number of Respondents
	Very Important	Important	Neither Important nor Unimportant	Unimportant	Very Unimportant		
Stakeholders	80	18	2	0	0	100	100
DNR	87	13	0	0	0	100	30

Table 13

How satisfied or dissatisfied have you been with the efforts in the project to cover the broad range of environmental concerns?

(percent of respondents with an opinion)

Participant Group	response categories					Total Percent	Number of Respondents
	Very Satisfied	Satisfied	Neither Satisfied nor Dissatisfied	Dissatisfied	Very Dissatisfied		
Stakeholders	34	49	12	3	2	100	98
DNR	20	53	13	10	3	100	30

PROJECT PROCESS

The project process receives high marks from participants inside and outside the DNR and among the stakeholder groups. Participants feel decision making is fair, feel comfortable expressing their opinions, believe they learned about the concerns and needs of the project area, and think participation is made as convenient as possible (Table 14).

Table 14

Questions related to process in the project

(percent of respondents with an opinion)

Question & Participant Group	----- response categories -----		Total Percent	Number of Respondents
	Yes	No		
Do you think the way decisions are made in the project are fair?				
Stakeholders	93	7	100	89
DNR	92	8	100	26
Have you felt comfortable in expressing your opinions in the project?				
Stakeholders	97	3	100	98
DNR	93	7	100	29
Do you feel your participation in the project has made you better informed about the variety of concerns in the area?				
Stakeholders	96	4	100	99
DNR	97	3	100	30
Do you feel your participation in the project has made you better informed about some of the things that need to be done in the area?				
Stakeholders	98	2	100	98
DNR	87	13	100	30
Do you think efforts have been made to make your participation in the project as convenient as possible?				
Stakeholders	88	12	100	98
DNR	77	23	100	26

PROJECT EVALUATION

Participants, across the board, believe projects need to be evaluated (Table 15), and they are satisfied overall that efforts have been made to evaluate progress in the projects (Table 16). Each stakeholder group has at least 50 percent who indicate 'satisfied' or 'very satisfied.' The responses of the state/federal stakeholder group are closer to those of the DNR (that is, lower satisfaction) than to other stakeholder groups. The major reasons satisfaction is not higher are that not enough effort has gone into evaluation, and that it is too early in the project to evaluate progress.

Table 15

How important or unimportant do you think it is in the project to evaluate efforts to see if progress is being made?

(percent of respondents with an opinion)

Participant Group	----- response categories -----					Total Percent	Number of Respondents
	Very Important	Important	Neither Important nor Unimportant	Unimportant	Very Unimportant		
Stakeholders	60	38	1	1	0	100	98
DNR	60	37	0	3	0	100	30

Table 16

How satisfied or dissatisfied have you been with the efforts to evaluate if progress is being made?

(percent of respondents with an opinion)

<u>Participant Group</u>	<i>response categories</i>					<u>Total Percent</u>	<u>Number of Respondents</u>
	<u>Very Satisfied</u>	<u>Satisfied</u>	Neither <u>Satisfied nor Dissatisfied</u>	<u>Dissatisfied</u>	<u>Very Dissatisfied</u>		
Stakeholders	15	56	22	5	1	100	91
DNR	4	42	38	12	4	100	26

DNR INVOLVEMENT IN THE PROJECT

DNR involvement is of high importance to most participants (Table 17). And there is a fair amount of satisfaction with that involvement (Table 18). About 90 percent are either 'satisfied' or 'very satisfied.' Stakeholders are more satisfied than DNR participants.

Table 17

How important or unimportant do you think it is to have the DNR involved in the project?

(percent of respondents with an opinion)

<u>Participant Group</u>	<i>response categories</i>					<u>Total Percent</u>	<u>Number of Respondents</u>
	<u>Very Important</u>	<u>Important</u>	Neither <u>Important nor Unimportant</u>	<u>Unimportant</u>	<u>Very Unimportant</u>		
Stakeholders	77	21	1	0	1	100	100
DNR	83	17	0	0	0	100	30

Table 18

How satisfied or dissatisfied have you been with DNR involvement?

(percent of respondents with an opinion)

<u>Participant Group</u>	<i>response categories</i>					<u>Total Percent</u>	<u>Number of Respondents</u>
	<u>Very Satisfied</u>	<u>Satisfied</u>	Neither <u>Satisfied nor Dissatisfied</u>	<u>Dissatisfied</u>	<u>Very Dissatisfied</u>		
Stakeholders	47	40	5	5	3	100	98
DNR	36	54	4	7	0	100	28

Two major roles for the DNR are identified by participants inside and outside the DNR and by the stakeholder groups. One is as a source of technical or expert knowledge, and the other is a project leader or planner (Table 19). With regards to the first, the value of information the DNR brings to the project is judged as quite high, especially by those outside the DNR (Table 20). Information from the DNR is consistently judged as quite valuable by all stakeholder groups. In addition to the two major roles, two secondary roles are identified:

Table 19				
What kind of role has DNR played in the project?				
(percent of respondents)				
-- response categories with over 10% of a participant group--				
Participant Group	Technical/ Expert Knowledge	Spearhead/ Plan Projects	Regulatory Enforcement/ Monitoring	Liaison with Land Owners/ Solicits Input
Stakeholders	46	26	13	7
DNR	30	53	10	23

Table 20							
How valuable has the information provided by the DNR been in the project?							
(percent of respondents with an opinion)							
----- response categories -----							
Participant Group	Very Valuable	Somewhat Valuable	Neither Valuable nor Not Valuable	Not Very Valuable	Not at all Valuable	Total Percent	Number of Respondents
Stakeholders	70	28	1	1	0	100	98
DNR	59	41	0	0	0	100	29

regulatory enforcement and monitoring, and liaison with land owners and solicitor of input.

Participants are generally satisfied with the role the DNR plays in projects (Table 21). For stakeholders, 87 percent are either 'satisfied' or 'very satisfied', and this level of satisfaction extends to all stakeholder groups. DNR participants are somewhat less satisfied. Few of any group are dissatisfied.

Table 21							
How satisfied or dissatisfied are you with this role DNR has played?							
(percent of respondents with an opinion)							
----- response categories -----							
Participant Group	Very Satisfied	Satisfied	Neither Satisfied nor Dissatisfied	Dissatisfied	Very Dissatisfied	Total Percent	Number of Respondents
Stakeholders	41	46	6	3	3	100	99
DNR	29	50	18	4	0	100	28

When asked what the DNR should do, or do more often, the most frequent responses from stakeholders are to better inform the public and provide more education; participate more in projects and take more action; and listen more and solicit input from diverse groups (Table 22). There is agreement on these items among the stakeholder groups. DNR participants, additionally, would like to see the DNR enter into less of a leading role, and have more internal DNR communications and better internal organization.

On the flip side, participants were asked what the DNR should either stop doing or do less often in projects. Stakeholders did not arrive at any strong suggestions (Table 23). DNR participants did, however, and suggestions are: be less

Table 22

What would you recommend the DNR do, or do more often, in the project?

(percent of respondents)

----- response categories with over 10% of a participant group-----

<u>Participant Group</u>	<u>Inform the Public/More Education</u>	<u>More Participation/More Action</u>	<u>Listen/Solicit Input from Diverse Groups</u>	<u>Play a Part but Not a Leading Role</u>	<u>More Internal Communication/Better Organization</u>
Stakeholders	28	18	15	1	1
DNR	3	17	27	17	13

rigid and more accommodating, listen better, reduce leadership role, and do less planning and take more action. All except the first of these recommendations is a repeat of a preceding recommendation (stated from the opposite perspective) on what the DNR should start doing or do more often.

Table 23

What would you recommend the DNR stop doing, or do less often, in the project?

(percent of respondents)

-- response categories with over 10% of a participant group--

<u>Participant Group</u>	<u>Be Less Rigid/More Accommodating</u>	<u>Listen Less Poorly</u>	<u>Reduce Leadership Role</u>	<u>Less Planning/More Action</u>
Stakeholders	6	3	3	2
DNR	17	27	13	13

Attachment D

Meeting Summary — December 7 Stakeholder's Meeting

Meeting Summary — December 7 Stakeholder's meeting

The statements in this document stood out as themes generated from your tables. They are in no particular order of importance.

A. Series of Questions about Partnerships and Citizen Participation

How can we level the playing field in partnership efforts so that input and influence are more balanced? How do we get more local interests to the table and keep them there? What suggestions do you have for putting together effective partnership efforts?

- All interests need to be at the table at the beginning, including opponents. All need to be willing to open up and be honest about their views. A well-rounded partnership will develop better solutions.
- Agency staff have to build trust and become a part of the community they work in.
- Local ownership and leadership are essential.
- An early sense of accomplishment is essential, get something tangible done quickly.
- Project partners have to be treated equally and feel like their ideas and concerns are respected.
- Partnerships need to agree on a common direction, long term goals, and realistic action to meet their goals.
- Partnerships need to address real problems and not the symptoms of those problems.
- Media outlets and newsletters should be used, as should any other communication sources to get information distributed widely.
- Be patient, relationships and trust take time to develop. People have to realize they have things in common. Effective partnerships build over time.
- Financial incentives are important to gain local ownership and reduce the risk for those willing to innovate.

- DNR and other agencies need to listen, provide quality information, have patience, be more flexible and look to citizens for solutions.
- Meetings need to be well run, meaningful, informative and entertaining.
- Celebrate success, be honest about failure.

B. Series of questions about Comprehensive and Long Term Perspectives.

Given your experience in the project efforts you've been involved in, what are your suggestions for addressing social and economic considerations?

- Local partners will bring economic and social interests and concerns to the table.
- Ask questions about the types of community and economy people want.
- Learn and use the principals of sustainability.
- Look carefully at long term costs and benefits, or conversely, avoid the tendency to look at costs and benefits over the short term.
- The relationships and connections between social, economic and environmental considerations needs to be discussed and made apparent within project efforts. Look at the whole system.
- Recognize that strong economies are essential as they allow for more flexibility and innovation resulting in better land and water resource stewardship.
- Explore new approaches and methods to help landowners make a living off their land and become better stewards.

What are your suggestions for addressing the broad range of environmental concerns?

- Provide good scientific and technical information.

- The interconnected nature of resource problems needs to be discussed.
- There should be better communication across agencies.
- Strong environmental education programs for children and adults.
- Identify presettlement natural resource conditions and chart the changes. Examine how resources have changed.
- Work on biological hotspots, preserve what is in good shape and work out from there.
- Look at whole systems. Get specialists talking to each other.
- Need a comprehensive perspective, but attainable goals and doable steps.

What are your suggestions for encouraging long term goals, perspectives and solutions in project efforts.

- Use creative and imaginative exercises to create vision of the next 50-100 years.
- Work hard to make apparent the balance and connections between short-term economic needs and long-term stewardship.
- Remind people that environmental degradation occurred over a long period of time; improvements will also occur over long timeframes.
- Make clear the limitations of short-term approaches.

C. Series of questions on Roles and Responsibilities

What roles should various groups (e.g., local units of government, state agencies, federal agencies) play and how could they improve their roles?

- Agencies need to change their role from leading to following.
- Better communication and working relationships are needed between state and federal agencies.

- Agencies, such as the DNR, need to bring their technical expertise to the table and be able to interpret it for a variety of audiences.
- All groups need to remain flexible and be prepared to break traditional roles if it makes sense to do so.
- Local interests need to provide project leadership. They have to be willing to devote time to project efforts.
- DNR needs to show more overall support for ecosystem-based management efforts.
- DNR should help with planning process, facilitation and start-up funding packages.
- There is a need for better distribution of technical expertise across the landscape to allow for better involvement of "local experts".
- Agency staff should participate in projects as a part of the community. Build personal relationships.
- Strive to eliminate duplication and redundancy among agencies.

What should be evaluated and monitored in project efforts and who should be responsible for doing it?

- Monitor and evaluate both project process (how the project is run), and changes in the condition of natural resources.
- Evaluation should be periodic, but not so often as to impede progress.
- Monitor with agreed upon environmental indicators that people can relate to (e.g., fish, frogs, aquatic macroinvertebrates).
- Management by goals and objectives is essential, and those goals and objectives should be monitored periodically to keep project on desired course.
- Short-term evaluation can lead to problems such as premature decisions and justifying efforts that may have little merit.

- Involve everyone in monitoring, especially citizens.
- Conduct informal evaluations of project progress in a comfortable atmosphere.
- Very important to transform monitoring and evaluation data into meaningful, easily understood information.
- Transfer learning from one project area to another; do not intensively monitor everything everywhere.

D. What kinds of considerations should the DNR use in selecting project areas for this legislative initiative?

- Existing local organization interest and a high level of public involvement and visibility.
- An existing environmental or resource need with measurable benefits that people can relate to.
- Consider existing efforts that may need a boost. Plug into existing partnerships.
- Choose an area small enough to attain goals, but large enough to justify time and expense. Make it manageable.
- A variety of funding sources exist or could be available.
- Choose a diverse landscape with multiple resource components stretching over multiple jurisdictions.
- Go where there is the opportunity to have quite a bit of flexibility built into the effort.
- Look for legislative and internal agency support.

Attachment E

Pilot Project Area(s) Selection Attributes

Pilot Project Area(s) Selection Attributes

1. Critical mass of local leadership and interest.
2. An overriding issue that focuses and catalyzes interest.
3. Area has been identified in other regional planning efforts (e.g. in regional natural resource plans, work plans or the EBM budget initiative).
4. Represent areas with high quality resources and biological diversity worthy of protection and conservation.
5. Provides opportunity to demonstrate inclusion of community, economic and natural resource interests.
6. Contentious issues do not dominate.
7. Baseline information is relatively available and assembled.
8. In terms of geography, project area(s) includes both Regions IV and V.
9. A "Big Picture" project scope is evident. In other words, there is ample opportunity for 1) partnering with citizens and agencies, 2) working comprehensively across natural resource disciplines, and 3) taking a long term approach to bettering resources and communities.

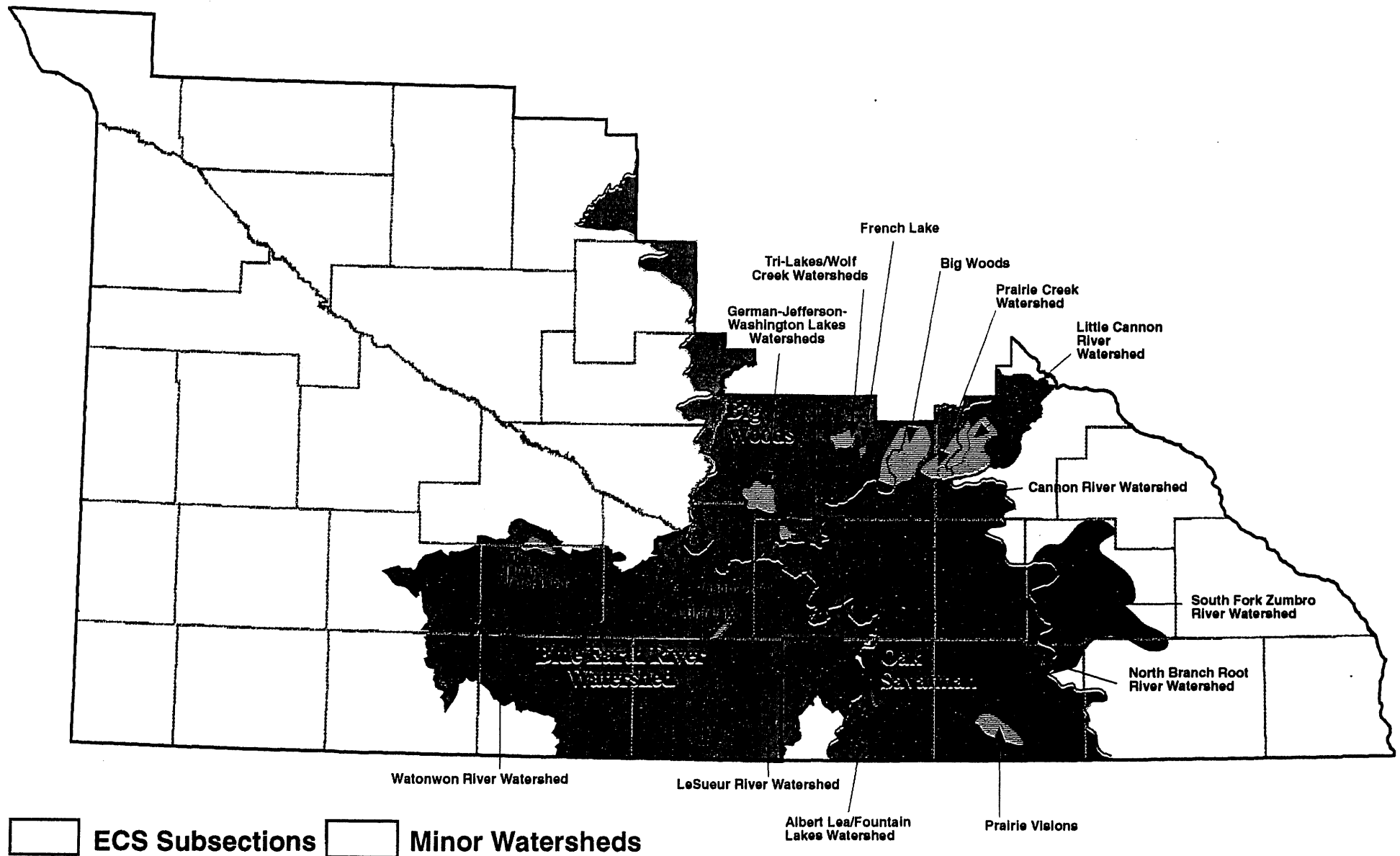
Pilot Selection Considerations - Stakeholders

1. Local and existing organization interest and public involvement.
2. An environmental or resource need with measurable benefits which need to be reclarified to local residents and individuals before the project(s) begin.
3. Small enough area to measure progress, but large enough to justify time and expense.
4. Matching money should exist and be available.
5. Diverse landscape with multiple resource components stretching over multiple jurisdictions.
6. A flexible process
7. Continued legislative and strong internal support
8. Partnership opportunities
9. The project(s) should fit into some specific long term goal

Attachment F

Big Woods and Oak Savannah Landscapes and the Blue Earth Watershed Map

Big Woods and Oak Savannah Landscapes and the Blue Earth Watershed

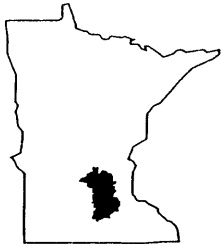


Attachment G

Project Timelines

Project Timelines

Big Woods

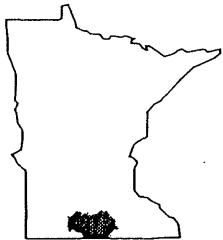


Examine and improve the efficiency of DNR work efforts through interdisciplinary work planning for the Big Woods landscape

Provide additional and better technical support and assistance to place-based partnerships in the Big Woods landscape

Help to organize and integrate the efforts of existing place-based partnerships through agreed upon landscape goals

Blue Earth Watershed

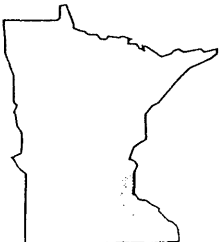


Examine and improve the efficiency of DNR work efforts through interdisciplinary work planning for the Blue Earth watershed

Provide additional and better technical support and assistance to place-based partnerships in the Blue Earth watershed

Help to organize and integrate the efforts of existing place-based partnerships through agreed upon watershed goals

Oak Savannah



Examine and improve the efficiency of DNR work efforts through interdisciplinary work planning for the Oak Savannah landscape

Provide additional and better technical support and assistance to place-based partnerships in the Oak Savannah landscape

Help to organize and integrate the efforts of existing place-based partnerships through agreed upon landscape goals

Spring
1996

Summer
1996

Fall
1996

Winter
1996

Spring
1997

Summer
1997

Attachment H

DNR

Planning and Budget Work Group Report

**DEPARTMENT OF NATURAL RESOURCES
PLANNING AND BUDGET WORK GROUP REPORT
JANUARY 23, 1996**

FINAL DRAFT

I) INTRODUCTION

The recommendations in this report suggest processes that should reduce obstacles to and provide greater support for implementing ecosystem based management (EBM) as a basic operating principle within the department. They are intended to provide a standardized, systematic approach for allocating budget and staff resources to commonly agreed upon resource management objectives. Divisions and bureaus each have different time frames and systems of budgeting and work planning which occasionally get in the way of effectively addressing these objectives. We need to seek ways to improve communication and coordination, increase flexibility in using budgets and staff, identify opportunities to cooperate and leverage resources internally and externally, maintain or improve accountability, and move decision making to the lowest appropriate level. Specific goals include looking for ways to improve our processes by establishing a common schedule for planning and budgeting throughout all departmental units, ensuring that area and regional priorities are addressed in unit budgets, and helping staff share resources more effectively.

Integration of budgeting and work planning has been an issue in the department for many years. Field and central office staff recognize that our current processes lack sufficient coordination and consistency to manage in the most effective, integrative fashion. At the department's Sustaining Ecosystems conference in December of 1994 this issue was identified as being critical to the sound management of the department. Many attendees also concluded that EBM cannot occur without integrated planning processes that focus energies on common issues across disciplines and bureaus. The Senior Manager's Council (SMC) identified this as a key "next step" and directed the Finance Committee to propose recommendations in FY 1996.

Some specific problems identified with our current budgeting and work planning processes that have been widely expressed include:

- Budget resources are becoming increasingly scarce. There has been widespread dissatisfaction with our traditional reprogramming process to share costs. We need to develop ways to improve sharing costs and devoting personnel resources to interdisciplinary work efforts in a way that is efficient and fair.
- Differences in budget authority have been cited by regional and field man-

agers as occasionally causing barriers to cooperation.

- Differences in timing of work planning and spending plan development across disciplines result in lost opportunities for cooperation and cost sharing.

A work group was created to consider these issues and make recommendations to the Finance Committee. The initial charge of the group, to integrate division, bureau, and regional work plans and budgets, was taken from "Directions for Natural Resources 1995," and was adopted at the January, 1995 Senior Managers Council/Commissioner's Management Team quarterly meeting.

The work group recommendations are focussed around three broad themes:

- Biennial Budget Development
- Work Plan/Spending Plan Development
- Budget Authorities

Three specific products of the committee include a common department-wide calendar for budgeting and work planning, a related linkage between regional and discipline work plans, and a recommendation for more consistent budget authority at the region and area levels.

II) WORK GROUP STUDY PROCESS AND SURVEY LEARNINGS

The work group was charged with looking at existing budgeting, work planning, and spending planning procedures to determine what changes, if any, would be needed to better integrate division, program, region, and department priorities. The work group developed a survey instrument to gather information on how divisions, bureaus, and regions currently prepare their biennial budgets and annual work plans, how budget authorities are currently dispersed, and how annual spending plans are currently developed.

The survey was distributed in July, 1995. After the responses were received the work group conducted an initial review of the information, determined where any follow up interviews were needed to clarify responses, and compiled the results. The work group then analyzed the results by comparing procedures and time lines used by each unit to develop budgets, work plans, and spending plans and by comparing levels of budget authorities for each. An example of these comparisons—Current Work Plan and Spending Plan Development Schedule—is found in Appendix A. The work group summarized its overall learnings from the survey responses and used this information as the basis for its recommendations to integrate budget and planning procedures. The learnings from the survey are outlined in Appendix B.

After developing initial recommendations the work group's co-chairs met with division directors, bureau administrators, and regional teams to review and refine these ideas. The work group then prepared its final draft report for review at the 1995 DNR fall managers conference. The conference participants provided substantial input to the work group about the report, and the SMC met with the work group at the conference to review all the input and endorse the reports recommendations. The conference participants also expressed support for the recommendations of the report.

The feedback and input of the conference participants has been incorporated into the final version of this report. The work group met for its last meeting in January 1996 to finalize the report, and the SMC gave its approval of the report and established the implementation team in February 1996.

III) BACKGROUND FOR WORK GROUP RECOMMENDATIONS

A) INITIAL ASSUMPTIONS

This project is a direct result of the Ecosystem-based Management Conference held for DNR managers and professionals in December, 1994.

The work group initially addressed assumptions on which to base recommendations. The work group agreed, after much discussion, that EBM can be implemented within the existing organizational and budgetary structure. There was a recognition that integrated management of natural resources has been and is currently ongoing in many locations around the state. This work is being accomplished in many instances without needing to create a common pool or account for EBM funds. Rather, with good communication and delegation of budget authority to common levels, EBM can be efficiently implemented. The work group agreed that the success of any system depends to a large extent on personal interrelationships among and between resource managers.

We are all trying to reach common resource management objectives through the most effective, efficient means. Toward that end, the department, along with its stakeholders, needs to develop a set of long term, integrated resource management objectives to better manage and respond to short term concerns or issues.

There was also the understanding that coordinated efforts primarily involve the allocation of staff time, as project or discretionary funds are extremely limited. Each unit has traditional business functions, whether to manage state parks, forests, wildlife, etc., that need to be accomplished. Cooperative efforts funded from operational funds would be expected to benefit, at least in a broad sense, the resources the contributing units are responsible for managing. While there are many examples of interdisciplinary pooling of funds by consensus to most efficiently achieve common resource management priorities, the work group felt that an organizational mandate for pooling of operational funds from all units at the regional level was not necessary or desirable at this time.

Work group recommendations will not go as far in redesigning our budget and work planning process as some would wish, and will go farther than others wish. The group felt that a realistic, attainable first step is to begin working together within the existing system with the expectation that further changes would evolve over time.

B) FINDINGS

Regional management team work plans are developed using differing formats and procedures and are not directly linked to division and bureau planning and budgeting processes. The work group finds this to also be problematic. If greater discipline integration is to be achieved, regional management team work plans need to have common formats and be linked to central office planning and budgeting efforts.

Divisions and regions all use different schedules and time lines for planning and spending plan development. These plans are not developed based on common geographic areas or goals for these areas. This lack of a common schedule and geographic area focus hinders the development of mutually supported resource management priorities at all levels of the department.

There is a general lack of awareness and appreciation for the core business of other DNR units and/or regions and how that work supports EBM. For purposes of this report, core business is considered to be activities (including the associated resources of budget, staff, equipment, etc.) for which there is a legislative mandate, rule, or policy that necessitates professional natural resource management. This includes such functions as basic resource data collection and resource monitoring to facilitate improved decision-making. This lack of awareness contributes to the mistrust among disciplines and limits the sharing of staff resources, equipment, project funds, etc. It also feeds the misperception that EBM initiatives are outside the core business of the department, thereby limiting the ability of and/or willingness of some disciplines to support them. Additionally, some units have used core business as a means to avoid better integration.

The work group finds the naming of certain activities as "EBM" fosters the notion that other work must therefore not be EBM. Rather, the work group believes that as we learn about ecosystem needs, stakeholder and community interests, and economic issues, there may be new or different work required that may not fit neatly into a traditional discipline model for planning and budgeting. The work group believes that department staff at all levels will need to ensure that such new activities are considered in the priority-setting process for work planning and budgeting.

The work group agreed on an approach that views EBM as a mind set, and not only a means of getting projects funded. Hence there is no real way to distinguish between traditional natural resource management work and EBM work. Similarly, the work group believes that the department's traditional (or core) work efforts should be accomplished in more integrated and ecologically sustainable ways.

C) WORK GROUP APPROACH AND PRINCIPLES

A basic premise is establishing a common process to assure communication among resource managers in a given geographic area, having them communicate resource needs and identify cooperative opportunities, having them have the same relative authority to allocate resources and staff as their counterparts, and developing plans along common time frames.

To further promote sharing of resources, additional central office participation in the common planning and budgeting process is needed. Currently, central office communication between disciplines and bureaus is limited. The recommendations of this report seek to promote greater discussion and collaboration among central office program managers, or those that have primary responsibility for specific program activities and budgets, since this group are involved in

the allocation of staff resources and program funds at the field, regional, and central office levels.

The goal of the biennial budget recommendations is to develop a closer link between program budget requests and the department and regional strategic plans. The goal of the work plan/spending plan development recommendations is to increase interdisciplinary communication and coordination at each administrative level. Currently programmatic work plans and the regional management team work plans are developed separately without a unifying set of priorities. This has commonly been referred to as the "managing separate chimneys" problem within the department. The improvement of the linkage between plans and spending activities should, over time, enhance the effectiveness of planning department-wide.

The goal of the common authority for budget/spending authority is to provide the greatest potential for sharing of available resources to meet commonly agreed priorities at all levels. For example, some units presently have no budget/spending authority at the area level - this limits the awareness and ability of staff to provide input to their peers and has frustrated cooperative efforts.

Finally, the work group realizes that the changes recommended in this report will require attention and guidance if they are going to be implemented. Therefore, the implementation team recommendation is included as a means to assist with and monitor the results achieved. The realistic first steps outlined in the following pages may take time to become reality across all units and levels of the department.

IV) RECOMMENDATIONS

1. The department needs to develop a separate document that defines common resource management priorities for a 5-10 year period that are consistent with the Department's Strategic Plan ("Directions").

The work group finds that the current version of Directions is too broad in its content to be very useful for developing programmatic and/or regional plan contents and that the use and interpretation of the Directions document by regions and divisions is inconsistent at best and lacking entirely in many instances. Priorities stated in "Directions" should set the framework for a second "stepped down" document that would define the agency's resource management priorities and assist in preparing programmatic work plans and regional work plans that are more integrated and supportive of each other. It is also important to have active participation by field staff, regional management teams, and stakeholder groups in the development of these priorities. The priorities document should not micro-manage activities, but provide more specific guidance than is currently given in "Directions."

Central office operations and program managers from divisions and bureaus need to coordinate the development and review of work plans that support the department's longer-term resource management priorities. Programmatic work and spending plans should also consider and be compatible with regional management team plans. There is currently no established mechanism for central office operations and program managers to share program objectives and strategies. Senior managers will need to structure this group and delegate monitoring of implementation of resource management priorities.

The work group believes that by focusing planning and budgeting efforts on integrated resource management priorities, the department can better advance concepts of ecosystem health and sustainability. Improved stakeholder involvement will be necessary to achieve support and input and may also help in reducing the amount of reactive resource management. The process of involving stakeholders will need to be carefully designed to result in meaningful outcomes for the department.

The selection of a 5-10 year time frame for priorities should be viewed as a flexible or sliding scale of time, so that the department is always looking forward 5-10 years. This approach would assist in focusing agency staff and stakeholders on the longer term objectives while setting shorter term plans.

Implementing this recommendation: *The existing process for development the "Directions" document should be retained, but with greater opportunity for field level input. The Office of Planning, division and bureau planners, and regional planners should coordinate the "Directions" process and the recommended improvements.*

A standing group of central office operations and program managers needs to

be established to create the document for agency priorities. This group should be constituted by SMC and should be charged with the responsibility of better integrating the department's strategic direction and common resource management priorities with program planning. The group should also improve the interdisciplinary awareness of each others' programs and plans through information exchange and meetings.

The central office operations and program managers group should develop a document containing a set of recommended 5-10 year common resource management priorities that are consistent with "Directions". The group will need to design and recommend strategies to SMC for enhanced stakeholder involvement in developing the common resource management priorities document. The Office of Planning and regional planners should participate in this activity to provide better coordination and necessary support. These priorities must be approved by the SMC and then used in the biennial budget planning and annual work plan/spending plan processes (see Recommendation #6).

Divisions, bureaus, and regions should provide written interpretation and guidance related to the "Directions" document and the common resource management priorities document. Additional written guidance should be provided by the Field Operations Manager (for the regional planners) and by the Division Directors for field, regional and central office staff involved in the planning and budgeting process.

2. The biennial budget process should proceed on an earlier timetable than in past years, to allow time for collaborative budget development efforts. Budget initiatives submitted should be consistent with the department's EBM direction.

The budget initiative process would be kicked off by the release of the department's biennial guidance document in January of even calendar years, or about 6 months earlier than current practice. The guidance document should be issued by senior managers and the commissioners management team and should include basic fiscal assumptions (including some practical limits on number and size of initiatives) and a rough statement of budget priorities for the biennium.

Central office program and operations managers would forward the department biennial budget guidance document and their respective discipline guidelines and priorities to the regions and field in January. Regional managers/supervisors would then be able to develop program enhancements or budget initiatives based on department and discipline priorities during the first six months of the calendar year. Regional managers/supervisors would forward their program enhancements and/or initiatives to their respective central office program managers by the end of June. Discipline initiatives (including any submitted by Operations Support units) would then be finalized over the next month, and submitted to Financial Management Bureau by the end of July.

As the department continues to implement ecosystem-based management, it is

likely that a series of place-based management teams (representative of several DNR units and external stakeholders) will continue to evolve. As these teams meet and help determine the priority natural resource management actions for that geographic area, they will identify and negotiate the work effort and project funding necessary to carry out those management actions as part of the annual spending plan process.

It is likely that such teams may also desire to submit an initiative for consideration in the biennial budget to supplement the work they are doing through the collaborative use of discipline resources and funds leveraged from outside the department. These place-based teams are encouraged to do so only as a last resort, after explaining why base budget resources and "partnership" or external funding do not permit them to accomplish management goals for the area.

Any such place-based initiatives should be submitted to the regions, evaluated, and prioritized by the end of June, and submitted to the field operations manager. In this process, regional management teams may suggest how to accomplish the goals stated within existing resources, rather than through an initiative. Should funding ultimately be acquired for such a team project, a project manager would be selected to be responsible and accountable for expending the funds appropriately.

During August, the central office operations and program managers group (including the field operations manager) would meet to review initiatives from all sources and make recommendations to SMC.

Senior Managers and CMT would meet during September to review those recommendations, to set priorities, and make final decisions on the budget request to the Governor's Office. October would be the time for final processing and editing of the departments budget package for final submittal on October 31.

Implementing this recommendation: *The Financial Management Bureau should be responsible for keeping the above timetable on track, by prompting SMC/CMT to complete and distribute the department biennial budget guidance document by January 1, by developing standard budget initiative forms and instructions, and for forwarding Department of Finance instructions when received. RA's should assure that regional review of any place-based initiatives occurs on schedule with the oversight of the Field Operations Manager. Discipline operations and program managers should be responsible for ensuring that proposals are received from field locations on time and that the disciplines' final budget proposals are submitted to Financial Management Bureau by the end of July. The central office operations and program managers group (see recommendation 1) should meet to assure that the various discipline proposals are coordinated (with input from the Field Operations Manager) and to make funding recommendations to SMC and CMT, who will make the final decisions on the department's budget submission.*

3. That department field and central office units conduct operating budget reviews and prepare budget and accomplishment reports.

Budget reviews would consist of developing work plan activities and associated spending plans in a common format useful to resource managers for identifying their operating budget requirements. This should be accomplished in a fashion that enables them to more systematically plan their activities and adjust for projected changes in biennial or annual budgets and measure and evaluate progress. Several units already have such information available in varying formats. Core budgetary requirements could readily be segregated from those portions of operating budgets used to fund specific management programs. For purposes of this report, core budgetary requirements are defined as fixed costs necessary to maintain full time staff, facilities, and activities currently required by law, rule, or policy to accomplish professional natural resource management. A better understanding of core budgetary needs, management programs, missions, goals and objectives would be available to staff from other disciplines and bureaus and to external stakeholders. Knowing the status of core budgets is especially important for budget managers when they begin the process of working with internal or external groups in developing proposals for EBM initiatives and may be asked to commit staff or funds from operating budgets for cooperative projects.

It will become increasingly necessary with continuing budget constraints to prioritize activities in a better and more integrated fashion to reach management objectives. In order to fund high priority EBM projects, some traditional activities will need to be reduced in frequency. It is recognized that there will be subjective interpretations of what core budget needs are and what funding may be available for EBM projects. The department should continue to rely on the professional judgement of field staff to prioritize management needs and seek opportunities to cooperate and leverage funding whenever possible. A key to the success of funding cooperative projects fairly and objectively is a participative management process that involves all levels in the department and stakeholders. Managers and supervisors need to be knowledgeable of management programs and of the prioritization decisions being made by staff. Budget reviews and the accomplishment reports described in the following paragraph will help managers better understand management responsibilities and challenges of other managers and reduce some of the perceptions that "they have the funds, but are unwilling to cooperate," and should also help identify potential funding sources. While there will still be judgement calls and difficult decisions to be made, increased levels of understanding and trust resulting from cross-discipline sharing of work activity and funding information should result.

Accomplishment reports would summarize progress towards planned activities. Accomplishment reports could consist of periodic updates to the documents prepared for the budget reviews and could also serve as a basis for planning the following years activities. They should also add to the understanding of other resource managers and stakeholders of how operating budgets are being used within the department, identify potential EBM activities, and identify activities which might positively or negatively impact activities of other internal or external managers.

It would be anticipated that a high initial effort would be needed to develop report formats and content needs. The formats would need to be as simple as possible be of value to those using them, and would likely evolve over time as working documents. Dividends of increased efficiency and more integrated work efforts should result. Initial reports should be developed by field managers for use in the geographical team meetings. Reports for use at regional and central office levels should be based on compilations of field reports with any additional information needs added.

Implementing this recommendation: *The information needs and detail desired in the budget review and accomplishment reports may be different at the area, geographic team, regional and central office levels. SMC should solicit disciplines and bureaus for candidates and select a representative group of field staff, regional managers, and regional and departmental planners to meet with the Field Operations Manager and the central office operations and program managers group to develop common report formats that are useful for at the various levels and to external stakeholders. Staff from regions 4 and 5 should be considered because of the pilot project in which they are involved. Several reports currently prepared by units and bureaus are available as prototypes, such as the "Report to the Legislature on Game and Fish Fund Expenditures." This group should be appointed and the report formats developed by May 1, 1996 to allow for review and report preparation for FY96. Cost coding in all units and bureaus (Recommendation 8) will need to be implemented as soon as feasible to provide the information required in the reports.*

4. Each unit should determine means and methods to provide resources for application towards EBM efforts.

The implementation of EBM as a basic management principle or mind set within the department is paramount to overall success. The need to develop this concept into the day to day work activities of the department has been referenced in the text and several recommendations within this report. Assuming this is accomplished, most of the EBM efforts will be addressed in the context of coordination and integration developed within the geographic teams and reflected in the work and spending plans which result.

The work group found, however, that in addition to the integration of EBM into daily activities, the need for supplemental or additional funds for specific activities was almost always identified as a need by department staff. These needs might be for FTE's, specific projects, equipment, or others. While there may be some continued opportunities for funding via legislative initiatives, these will likely be limited. The work group felt that disciplines and bureaus should determine means and methods to provide resources for application towards these efforts. Such resources would include funds, staff, equipment, in-kind services, and other resources within the department, as well as active solicitation of outside funding and partnerships. Implicit was a need to increase communication with and involvement of stakeholders. Also identified was a strong sense that a system of rewards and incentives needed to be developed for those achieving

increased efficiency and integration towards EBM goals and objectives.

One source of potential funding that was specifically discussed was be full-time complement salary savings. Most units currently use these salary savings to cover unexpected expenditures or purchase equipment, other items, or cover budget deficits near the end of the fiscal year. Control of these funds is generally in central office, though most units prioritize allocation of these funds via meetings of unit management staff. The committee felt that these funds should remain under the control of central office due to the need to cover statewide budget deficits or plan for anticipated reductions. Each unit should, however, consider salary savings as potential for contribution towards EBM projects as well as other unit priorities.

While there were comments by some that such projects should be funded via reprogramming or top-down mandates that such projects will be funded, there were equal or stronger feelings that formal reprogramming should not occur and that increased communication and integration of efforts would lead towards funding additional activities. There was also concern that there be "equitable" contributions towards EBM projects. To gain equitable and increased contributions towards EBM activities will require that the benefits of the activities can be demonstrated to exceed the benefits of some of the traditional activities which will not be accomplished.

The basic intent of this recommendation is to promote interdisciplinary sharing of resources and provide a forum for central office staff to integrate and communicate in much the same fashion as is being proposed for the geographic and regional teams. That there are many opportunities is obvious from the large number of projects submitted in the form of legislative initiatives last budget session. One potential is to develop a database of projects for funding consideration as opportunities arise.

Implementing this recommendation: *Geographic teams, regional teams, and unit management teams should determine means and methods to fund EBM efforts. The central office operations and program managers group (see Recommendation 1) should meet and discuss opportunities for interdisciplinary EBM efforts.*

5. The development of work and spending plans should be combined into a single, coordinated, concurrent process with common formats for each document.

There is currently an overlap in the schedules for work and spending plan development in most units. Combining the processes and following common time frames within the department will strengthen the link between work plan objectives and spending plan development that most units indicated in survey responses already exists. While individual unit formats are not currently and may

not have to be similar, at some level within the department a common format should be developed to allow a department-wide compilation of work and spending plans. The group of central office operations/program managers that have recently started meeting should develop a common format for programmatic work plans. Formats for this should be reasonable, simple and useful for all involved.

Work planning and annual spending plan discussions should consider all business functions. All resources, including staff time, project funds, equipment, etc., need to be included in the discussion of work plans and spending plans. At the regional management team planning scale, the plans should also reflect geographic area priorities. Work should support common priorities for resource management wherever possible (see Recommendation 1). Stakeholder involvement and input should also factor into the decisions about work priorities. A better understanding of each unit's base needs and specific issues should result in a higher level of trust among units.

Plans should be discussed and developed in the respective locations for the staff involved in the planned work activity; if possible, any conflicts or differences in priorities should be resolved at the level where the planned work is to occur. If differences cannot be resolved at the work unit level, they should be noted in the document and forwarded to the next level for discussion and resolution. The SMC should be the highest level of resolution for work plan differences that have not been resolved by unit staff.

Implementing this recommendation: *The common formats for documents should be coordinated by the Office of Planning, Assistant Planning Manager, with input from the central office operations and program managers group (see recommendation 1) and the regional planners (as a collective group). These individuals should also be cognizant of the recommendations and concepts of an integrated planning and budgeting process contained in the remainder of this document. In particular, the process by which stakeholder input is obtained and factored into work plan development must be developed.*

6. Each unit should initiate annual work and spending plan development by November 1st and should follow a common department schedule.

Each unit should be provided preliminary budget estimates for the upcoming fiscal year at the start of the work and spending planning process, which should begin by November 1st. It would be understood that plans based on initial estimates and assumptions need to be flexible and capable of being adjusted to reflect final legislative action or other decisions. Inconsistent work and spending plan development schedules have been cited as an impediment to interdisciplinary cooperation. All work planning is currently conducted between November 1st and July 31st. Changes will occur which impact budget estimates, but in most years estimates of staffing patterns and basic budget items can be made with a fair degree of confidence. Having estimates will allow field managers to initiate development of work and spending plans. This would include meeting

with peers in other units, and will reinforce the idea that work planning is primarily a process of deciding how to best use available funding and staff in the upcoming fiscal year in a cooperative, coordinated fashion, not just developing a list of projects that could be done with unlimited funds and staff. Planning for funding increases or decreases could also be addressed within the process outlined in this recommendation.

The early start will allow field managers time to work together and adjust work plans. Units that need more time could start earlier, but final decisions should be made within common time frames by all units. Involvement and input from support bureaus and units not having staff at all field locations should be incorporated early into the various steps of the process. Stakeholder involvement should be considered during each step of the process and recommendations made as to the best way to implement that involvement. Most of the processes will be pilots during fiscal year 1997, as several of the deadlines have already been passed. A more complete picture of the process, what works and what does not work, and how to involve all pertinent players will be more apparent for the FY 98-99 biennium. The following is a recommended department schedule for work and spending plan development. The dates listed should be considered "no later than" dates, or planning deadlines.

- a. November 1: Each unit evaluates accomplishments from the fiscal year to date with current work and spending plans.
- b. December 1: Central office communicates direction, priorities and budget predictions for the upcoming fiscal year to region and field offices.

Central office staff should prepare and regularly update a listing of discipline work activities that summarizes program efforts, future direction, and discretionary efforts. Summaries should be widely distributed and discussed at all levels of the department to promote a better understanding of workload and progress toward common resource management priorities. It is not expected that these would be unrealistically detailed and time consuming to produce, but provide basic information on departmental work programs.

- c. January 1: Field, regional and central office units perform an operating budget review. The purpose of this review is to identify budget requirements in a fairly simple format to help other managers and stakeholders better understand each unit's business needs as well as identify management resources that could be made available for program enhancements and initiatives, or EBM initiatives. Knowing the status of budgets is especially important for regional manager/supervisors when they begin the process of working with their regional teams in developing pro-

posals for EBM initiatives and may be asked to commit staff or funds from core budgets for interdisciplinary efforts. Managers and supervisors will need to be know enough about their operating budgets to ensure interdisciplinary efforts are pursued wherever feasible.

- d. February 1: Field managers (e.g. parks managers, area foresters, area conservation officers, area hydrologists, etc.) within a local geographic area (e.g. consolidated area, watershed, landscape, county) have plan sharing meetings to look for common objectives, opportunities to share personnel or equipment, possibilities for leveraging funds from outside sources, etc. Based on the outcome of the plan sharing, each field manager prepares their preliminary work/spending plan and forwards to their respective regional manager/supervisor. These meetings should be annual initially, but may evolve into biennial meetings over time.

It is important to identify geographic areas around which resource planning can be oriented. While it would be most desirable to have standard geographic areas used department-wide to facilitate statewide continuity and planning with other agencies, an initial step should be having each region identify which areas they wish to work within. This will at least facilitate regional planning. The concept of standard geographic planning areas, such as the 84 watersheds, Ecological Classification System, or other areas found to be effective by the regions, should seriously be considered by senior managers.

- e. March 1: Regional managers/supervisors compile, compare, renegotiate area work/spending plans. Regional management teams identify priority interdisciplinary activities to be included in the Regional Annual Work Plan. Regional managers/supervisors submit their proposed work/spending plan through their respective unit processes. Regional administrators submit proposed Regional Annual Work Plan to the assistant commissioner for operations.
- f. April 1: Central office staff in each unit compile proposed regional and central office unit work/spending plans. Division and bureau managers review and approve or modify proposed work/spending plans.
- g. June 30: Final work/spending plans prepared. Budgets distributed to appropriate level based on approved plans.

Implementing this recommendation: *The processes and deadlines outlined in the recommendations should be implemented. The primary responsibility for administration and implementation of the calendar will fall to the Assistant Commissioner for Operations. The Financial Management Bureau and the Office of Planning will provide support (see recommendation 2.)*

7. Budget authority and accountability for operational funds should be at the area level within each unit in the department.

Those individuals planning and implementing activities within a given geographic area should have similar levels of discretion in committing financial and human resources to facilitate coordination, leveraging of funds, and cooperative projects. Authority to commit such resources should be delegated to the lowest appropriate administrative levels, which would be the equivalent of an area/park supervisor. Each area/park supervisor should have a separate, identifiable budget and the same level of budget authority and responsibility as other supervisors at comparable levels. Budgets would still be approved through the individual unit work planning processes that builds on input from other disciplines and stakeholders (see Recommendation 5).

Once these plans have been approved, responsibility for expenditures and associated accountability would reside with the area/park supervisor, with the exception of full-time employee salary savings. Area/park supervisors will need clear direction from the department or individual unit on any guidelines or restrictions on how the funds can be expended. Program managers and regional supervisors would monitor expenditures by review rather than case by case approval.

Based on survey results, most units have already or could move budgets to the area/park level. Some exceptions include the Section of Wildlife due to the large number of dedicated stamp and surcharge accounts and the need to specifically account for expenditures within strict guidelines. In some cases it may be necessary to allocate budget authority to the respective area supervisor, but actually allocate the funds to the regional office. Responsibility and accountability to execute the work and spending plan would rest with the area supervisor, but fund disbursement and coding would be done at the region. Each unit should delegate budget authority to the lowest appropriate field level, or that commensurate with a management area.

Implementing this recommendation: *Senior Managers, with the input of their respective central office operations and program managers, should implement an area budget authority structure within their unit. The implementation team for this report (see Recommendation 9) will need to recommend specific steps for SMC to implement this recommendation pertaining to expectations for staff roles, responsibility for modifying duties, accountability for implementation and time frames for conversion to an area budget structure.*

8. The department should develop project planning and reporting systems that integrate with MAPS so that project accomplishments can be matched with project expenditures.

Common automated project planning systems might facilitate sharing of work plans among disciplines. As a first step, a common cost-coding structure for the department, with all units coding activities worked on is important for cost management and for linking expenditures to accomplishments.

For the future, desired outcomes of the budget and work planning integration effort are to have one-time data entry where ever possible, and to support automated accomplishment reporting. The survey input indicated that Minerals, Wildlife, Fisheries, and Forestry are using computer-based project planning and tracking systems. Examples of this include BREM's acquisition tracking system, Wildlife's project development system, and Forestry's forest development module system.

If the various systems were compatible, they could be used to plan and track resource management projects across units. This would be a significant step toward integrated resource management. It would not mean that each unit would have to necessarily use exactly the same system, but that at some point the individual unit systems accounting would merge and allow identification of department expenditures on given projects. Tracking project efforts (cost-coding) by all involved units will need to occur; at present, some units have not implemented a cost-coding system.

Implementing this recommendation: Senior Managers should commit that all units will begin coding activities in MAPS for FY 1997. The Financial Management Bureau, through its existing interdisciplinary workgroup, should take the lead in developing the cost-coding structure. Care needs to be taken so that the coding scheme meets discipline management requirements and is not unnecessarily detailed. The workgroup needs to take into account data entry workload in developing the system; in order to accommodate the codes needed by new units coding, some existing units may need to streamline their coding structures.

During the next biennium, the Information Management Team (IMT), with input from central office operations and program managers and the regions, should discuss the various systems presently being used and discuss the potential to merge at least portions where feasible.

9. Establish a planning and budgeting integration implementation team.

The recommendations and actions contained in this report will require support, clarification and guidance as they are implemented. Affected staff in various disciplines and bureaus will need assistance, direction and information.

The implementation team should consist of the co-chairs of this workgroup (for consistency), the Field Operations Manager, the Financial Management Administrator and Budget section manager, the Assistant Planning Administrator and the *Directions* coordinator position from the Office of Planning, and 2 technical support staff as needed. It is expected that this group would work with a variety of department staff in order to implement the recommendations.

The implementation team's charge is to define in detail and institutionalize the processes suggested in this report. Specifically, the team needs to address:

- Rec.2: the time lines and formats for regional planning need to be examined to ensure that they reconcile with the biennial budget and annual spending plan time lines suggested in this report. In addition, an interim implementation schedule needs to be developed for the 1998-99 biennial budget process so that interdisciplinary work on initiatives can begin in March 1996.
- Rec.4: the team needs to think about ways to ensure that such a review takes place meaningfully in all department units, and should examine ways to generate savings at a department level to generate funds for EBM projects that need additional funds.
- Rec.5: the most critical task here is to develop standardized formats for sharing work plan information so that the interdisciplinary reviews in the field, regions, and central office can be meaningful.
- Rec.6: the team should develop a request and criteria for the Regions to select a set of common geographic resource management areas along with a list of area managers within each in order to facilitate area level plan sharing. The team also needs to refine the budgeting calendar and write specific procedures for the steps involved; Financial Management Bureau will then be responsible for maintaining the calendar and issuing instructions at appropriate times.
- Rec.7: A common definition of "area level budget authority" needs to be refined and presented to SMC for approval.

Implementing this recommendation: *The Senior Managers Council should identify members of this team and charge them with the foregoing tasks. The team should also be responsible for responding to requests for clarification of the report's recommendations and direction, overseeing the implementation of the recommendations of this report, monitoring for successes and missed opportunities for integration of planning and budgeting activities, and providing periodic status reports to the Senior Managers Council. Members of this team would need broad latitude to operate across divisions and bureaus to accomplish their charge. The implementation team should be formed immediately upon adoption of the work group report.*

V) PLANNING AND BUDGET WORK GROUP MEMBERS

John Linc Stine, Co-Chair
Dale Peterson
Charlie Mitchell
Mark Heywood
Cindy Wheeler
Wayne Frankenburg
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Work Group Facilitators

Terri Yearwood

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APPENDIX A

SURVEY LEARNINGS

The work group's survey analysis (see page 4) included the first step of looking at the results and LDDL summarizing what was learned from the responses.

Biennial Budget

A team approach is used for biennial budget development, involving mostly central office discipline managers.

When regional teams propose new biennial budget initiatives, the relationship between and the process to resolve statewide program priorities and regional priorities is not clear.

Currently, there is no common timetable for setting budget priorities. Much of the priority-setting occurs after the appropriations process, during the annual spending plan development.

The Regional EBM planning process is not integrated with the discipline process for determining budget priorities.

Annual Work Plan and Spending Plan

Work plan development is concentrated in the period from January through June. Work plans and spending plans are often developed simultaneously. Fisheries is the notable exception, starting work planning four months before starting the spending plan.

Work plan development shows less standardization than biennial budget development or spending plan development.

Most units involve all of their administrative levels (central office, region, field) in developing work plan. The central office sets direction; field proposes and prioritizes projects within the areas; regions consolidate and set regional priorities; central office and regions make final decisions.

Most units indicate stakeholders have indirect influence on work plans. Bureaus view Divisions as their principal external stakeholders.

Most units' spending plans are linked to, or reflect, their work plans. Those units with significant project or development budgets show a stronger relationship between work and spending plans.

Completion of spending plans is driven by deadlines established by the Financial Management Bureau. Larger units and those with extensive field operations tend to start spending plan development earlier. Field level involvement in spending plan development is limited to those units that have budget authority at the field level.

Units typically have separate budgets at each level at which they have staff. The exceptions are Waters and Wildlife, who have staff at the area level, but don't have separate area budgets. The manager at each level that has a separate budget usually has authority/responsibility for spending the budget according to approved spending plans.

Most units have developed ad hoc approaches to dealing with unexpected expenses or budget cuts imposed during a fiscal year. Decisions are often made by Central Office after consultation with Regional staff. Field staff may be involved if there is time.

Planning and budgeting for long-term interdisciplinary efforts has been difficult. Existing discipline programs and projects tend to have priority and EBM may be considered after providing for basic program operations.

Most budget managers are authorized and/or encouraged to support EBM projects within the limits imposed by work plans and spending plans. Cooperative projects that leverage funds from other units or outside agencies or groups often receive priority.

Level of Budget Authority

There are many differences in definitions and terminology used for describing budget authority: supervisor, administrators, operations manager, program manager, chief, station supervisor, teams, groups.

Generally, minor budget adjustments are made at the field level. Major adjustments vary, but they tend to be at the central office, with decisions made by consensus.

