

## Analysis of Agency Performance

### Introduction

The USDA Forest Service fiscal year (FY) 2002 Annual Performance Plan committed the agency to delivering a range of natural resource-based benefits to the American people in accordance with the 2000 Strategic Plan goals and objectives. The USDA Forest Service 2000 strategic goals are as follows:

- Goal 1 – Ecosystem Health
- Goal 2 – Multiple Benefits to People
- Goal 3 – Science and Technical Assistance
- Goal 4 – Effective Public Service

The USDA Forest Service's responsibility as a natural resource management agency is to restore and maintain the health of the land. Through various programs, the USDA Forest Service manages and protects public lands, and provides technical and financial assistance to other governmental entities, nongovernmental organizations, private landowners, and others. The agency strives to provide exemplary service to its customers and to track its accomplishments through the annual performance plans. These plans are the basic management tools used to direct resources and implement key strategies and efforts in achieving long-term goals and objectives.

At the end of this section, a table lists performance goals and accomplishments of the USDA Forest Service during FY 2002 as measured against the goals established in the Annual Performance Plan for FY 2002. At the time of the audit, the agency did not have final accomplishments to report for some of the activities and outputs due to varied reporting cycles with cooperating agencies, mainly State programs of various authorities. Most of the accomplishments affected were within the Cooperative Forestry Staff of State and Private Forestry (S&PF) and report data on a calendar year basis.

### Highlights

Several performance highlights are presented below to illustrate the progress the USDA Forest Service made during FY 2002 in "caring for the land and serving people."

#### National Fire Plan

During FY 2002, the National Fire Plan (NFP) program built on the accomplishments the USDA Forest Service made in FY 2001, the first year of the program. Much was accomplished, both internally and with cooperators. Fund transfers from NFP projects to support fire suppression, however, impacted projects in the S&PF, National Forest System (NFS), and Research and Development (R&D) deputy areas.

Approximately 1.3 million acres were treated for hazardous fuel reduction. In addition, NFP funds were used to treat fire-damaged lands through insect and pathogen suppression projects. Due to program impacts from the severe fire season, much of the work will be undertaken in the spring of 2003.

The *10-Year Comprehensive Strategy Implementation Plan* was signed by the Secretaries of Agriculture and the Interior, along with 17 State governors on May 23, 2002.

The USDA Forest Service, in cooperation with the Department of the Interior, collaborated with tribes and States and continued work to identify and prioritize fuel treatments. The groups focused on projects to reduce the wildland fire risk to wildland-urban interface communities. This effort is designed to bring together Federal and State land managers, local community leaders, and other partners to develop a cohesive strategy for protecting people and sustaining natural resources.

R&D projects in FY 2002 supported hazardous fuels reduction through the Joint Fire Science and Forest and Rangeland Research programs. Fuels reduction research focused on prioritizing areas for treatment; determining the impacts of treatments on wildlife, fish, and riparian areas; and developing new uses and systems for harvesting forest undergrowth and small-diameter trees. Other research is under way through R&D for key areas of the NFP.

#### Watershed Restoration

The USDA Forest Service developed and used watershed restoration business plans to direct and prioritize collaborative recovery efforts, establish accountability mechanisms, develop and strengthen public and private partnerships, identify on-the-ground work accomplishments, and provide direction in the development of annual reports for large-scale watersheds.

Collaborative watershed restoration efforts during FY 2002 resulted in many environmental improvements throughout the Nation. Examples include the improvement and reestablishment of riparian and wetland habitats; rehabilitation or obliteration of low-use and unused road networks; improvement of recreational sites and trails; restoration of wildlife and fisheries habitat; instream habitat improvement; stabilization of stream banks; and the production of traditional forest products, such as timber.



## Invasive Species

Noxious weeds and other invasive species threaten forest and rangeland health nationwide. In FY 2002, aggressive actions were taken to control insect infestations such as gypsy moths in the East and Midwest, southern pine beetles in the South, and Douglas-fir tussock moths and bark beetles in the West. Treatments and research efforts were also made to control Sudden Oak Death disease and cheatgrass in the West, Formosan subterranean termites in the South, exotic pine shoot beetles in the Midwest and Northeast, and hemlock woolly adelgids in the Northeast and Northwest. Control actions have been undertaken on aquatic invasive species, such as the zebra mussel.

## Financial Accountability

In FY 2002, the USDA Forest Service attained an unqualified audit opinion from the Office of Inspector General. This is the highest audit opinion attainable. The agency achieved this opinion through the hard work and dedication of employees at all levels of the organization. For more details, refer to Appendix B – *U.S. Department of Agriculture Office of Inspector General Financial and IT Operations Audit Report for FY 2002*.

## Performance Management in the Future

In FY 2002, the USDA Forest Service began to move toward a new, outcome-oriented budget and planning structure that provides linkages among resources, program activities, and results. Future budgets will integrate data from the strategic goals and objectives and will demonstrate the consequences of various funding levels on actual on-the-ground work accomplished. A results-oriented budget and planning structure will provide the Congress, Department of Agriculture, USDA Forest Service leadership, and the public with a clearer understanding of the benefits attained through taxpayers' dollars that finance the management of agency programs.

The ability of the USDA Forest Service to effectively integrate budget and performance management depends on having appropriate measures, as well as collecting high-quality data to support these measures. In FY 2003, the USDA Forest Service will continue to refine accomplishment reporting requirements and the links to both the Budget Formulation and Execution System and the Foundation Financial Information System. The agency will focus on the relevancy, accuracy, and burden associated with data collection efforts and accounting codes used to charge costs of various activities.

## Summary of FY 2002 Performance Measures

The tables on the following pages display revised performance activities and outputs for FY 2002. The USDA Forest Service FY 2002 Annual Performance Plan is based on the USDA Forest Service 2000 *Strategic Plan*. The table identifies activities and outputs by strategic objective as presented in the performance plan.

Most activities for FY 2002 shown in the table have verified accomplishments. To be consistent with the independent audit, those activities that were not verified at the time of audit remain unreported.

The effect of FY 2002 transfers to support fire suppression requirements cannot be easily and fully quantified. Although a number of programs were able to accomplish their FY 2002 goals (as shown in the following table), there are significant impacts which will continue to be manifested in FY 2003 and beyond. Examples of impacts, though not inclusive, are illustrative of how transfers will affect USDA Forest Service programs.

If funding is replenished in FY 2003, an extremely heavy workload would occur as limited agency personnel would be tasked with trying to meet procedural requirements for developing and awarding grants, agreements, and contracts. It is probable that accomplishments could be delayed until FY 2004 or longer. Additionally, the extra workload would also fall on our cooperators, including States, territories, tribes, and nongovernmental organizations. For example, research agreements have been deferred, jeopardizing relationships with partners and reducing research capacity; one result is that some critical insect control work has been deferred.

Another example of impacts of fund transfers will be observable through delays in the National Environmental Policy Act (NEPA) process. In many cases, project environmental documentation had to be postponed due to fund transfers. This will have a ripple effect, causing certain projects to be delayed or even cancelled, thus affecting longer-term programmatic efforts. Loss of planning dollars for certain programs will have serious consequences and may result in court actions because of nonperformance. Further, if funding is not repaid, it could affect the necessary gathering of data and inventory information for specific NEPA documents.

The examples of agency-wide impacts will continue to be visible. With over 20 percent of the agency's entire budget being transferred to support fire suppression costs, the on-the-ground effect is major and long term. It will be manifested in many programmatic efforts that are either delayed or foregone in FY 2003 and beyond.

