

Stewardship & the U.S. Forest Service

WHAT IS THE STEWARDSHIP AUTHORITY?

Congress created the stewardship program to give the U.S. Forest Service (USFS) and Bureau of Land Management (BLM) the authority “to perform services to achieve land management goals for the national forests and the public lands that meet local and rural community needs.” The seven land management goals include:

- road and trail maintenance or obliteration to restore or maintain water quality;
- soil productivity, habitat for wildlife and fisheries, or other resource values;
- setting of prescribed fires to improve the composition, structure, condition, and health of stands or to improve wildlife habitat;
- removing vegetation or other activities to promote healthy forest stands, reduce fire hazards, or achieve other land management objectives;
- watershed restoration and maintenance;
- restoration and maintenance of wildlife and fish habitat; and
- control of noxious and exotic weeds and reestablishing native plant species.

WHEN WAS THE STEWARDSHIP AUTHORITY DEVELOPED?



HOW IS THE STEWARDSHIP AUTHORITY IMPLEMENTED?

The USFS or BLM can award both stewardship contracts and stewardship agreements. *This overview describes the process and details within the U.S. Forest Service.*

HOW ARE STEWARDSHIP CONTRACTS DIFFERENT FROM TIMBER SALE CONTRACTS?

First, all stewardship contracts and agreements include both forest product removal and service work items. Stewardship work is also awarded on a “best value” basis, and excess funds remain on the forest as “retained receipts,” whereas timber contracts go to the highest bidder and excess funds are returned to the U.S. Treasury or collected in trust funds.

WHAT DO WE MEAN BY “BEST VALUE?”

Best value is the basis for evaluating all proposals for stewardship contracts based on price criteria *and* non-price criteria. Non-price criteria may include, but are not limited to, past

performance, work quality, experience, and benefits to the local community. Some criteria are unique to the Forest Service. For example, Forest Service stewardship agreements also take into account mutual benefit/mutual interest.

WHAT DO WE MEAN BY “RETAINED RECEIPTS?”

Stewardship contracts and agreements involve trading goods (usually timber) for services (stewardship work). When goods and services are traded, receipts or credits are generated. If a contractor is awarded a stewardship contract and builds two miles of new roads, he will receive credit for the work. The contractor can then be reimbursed for the work by removing timber equal in value to the credit he received and then selling the timber to a mill. Alternatively, if a contractor removes timber from a forest as part of a stewardship contract, he will then be responsible for performing stewardship work equal to the value of the

receipts. If the value of the timber exceeds the value of the service work the remaining funds are kept by the forest as retained receipts which can be used on future stewardship contracts.

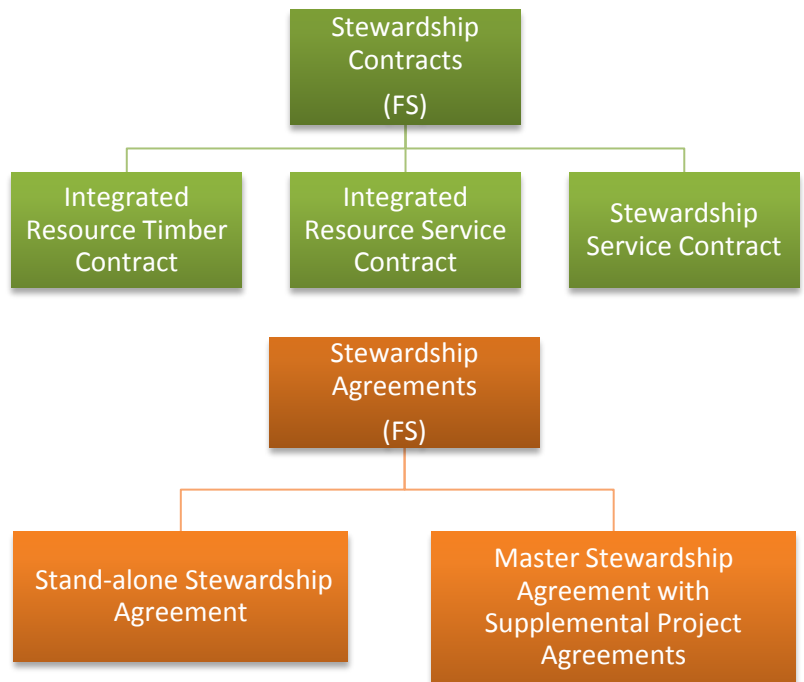
WHAT ARE THE DIFFERENT TYPES OF STEWARDSHIP CONTRACTS AND AGREEMENTS?

INTEGRATED RESOURCE TIMBER CONTRACTS (IRTCs) are used when the value of goods is greater than the value of services. All service work is identified up front in the form of mandatory and optional work. IRTC can produce retained receipts.

INTEGRATED RESOURCE SERVICE CONTRACTS (IRSCs) are used when the value of goods is less than the value of services, so funds must be added to the contract in the form of appropriated dollars or retained receipts. Funding can be added to the contract but receipts cannot be retained.

STEWARDSHIP SERVICE CONTRACTS do not involve a goods-for-services trade (they are used to spend retained receipts). Usually Service Contracts are awarded for a single task or category of work, and are designed for small and/or highly specialized projects that do not involve timber removal.

STEWARDSHIP AGREEMENTS provide for the mutual interest and benefit of the land management agency and a partner (which can be a state or local government, tribe, and/or non-profit). Agreements can be terminated by either party, require ongoing involvement from the agency, and require cost-sharing from the partner. Therefore, in addition the best value criteria described above, considerations for agreements include the extent of mutual interest and benefit and the advantages and effectiveness of mutual participation. Stewardship agreements do not require a trade of goods for services.



Agreements are very flexible, and additional work can be added after the agreement is finalized.

Partners are required to provide a 20% project match (cash, non-cash, or in-kind contribution) based on 20% of the total project value *less the value of timber*. The funding levels of the agency and partner should reflect the benefit each receives.

MASTER STEWARDSHIP AGREEMENTS (MSAs) WITH SUPPLEMENTAL PROJECT AGREEMENTS (SPAs) are used to designate large areas, typically at the regional level, where a series of projects may take place across a landscape, and may be entered into at the region or forest level. SPAs tier from a MSA and outline the details of a specific project. SPAs cannot serve as stand-alone agreements. MSAs with SPAs are useful mechanisms for partners who intend to have multiple stewardship agreements with the agency.