

Oregon Department of State Lands

Mission: To ensure a legacy for Oregonians and their public schools through sound stewardship of lands, wetlands, waterways, unclaimed property, estates and the Common School Fund.



DSL is the administrative arm of the State Land Board



- Land Board established at statehood
- Federal government granted 3.4 million acres of land to fund public education
- Revenue from state lands deposited in Common School Fund; earnings distributed to schools twice a year

2012 – 2016 Strategic Plan

Six Goals to Guide Our Work:

- 1 – Manage State Lands for Schools
- 2 – Protect Oregon’s Wetlands and Waterways
- 3 – Safeguard Unclaimed Property and Estates
- 4 – Oversee Common School Fund Distributions
- 5 – Deliver Excellent Customer Service
- 6 – Serve as State Partner for South Slough

Organizational Structure

Land Board



Director's Office



Divisions/Programs

Land Management

(Trust Lands, Waterways, Real Estate Portfolio)

Wetlands and Waterways Conservation

(Removal-Fill Permits and Wetland Planning)

Finance and Administration

(Estates, Unclaimed Property, Fiscal, IT, HR)

South Slough National Estuarine Research Reserve

Goal 1: Land Management

Manage state lands to benefit public schools, sustain a healthy landscape and meet public trust obligations

- About 780,000 acres of surface land
- 1.2 million acres of waterways
- 775,000 acres of mineral and energy resources
- 2.1 million acres of mineral rights underlying surface acreage owned by other state agencies
- Navigable waterways are managed to preserve public trust values (fishing, navigation, recreation and commerce)

Land Management Programs

- Trust and statutory land management; revenue generation from lands
- *Real Estate Asset Management Plan*: increasing value of state-owned lands + managing for conservation



Land Management, cont.



- Forest and territorial sea planning
- Renewable energy on state lands
- Portland Harbor Superfund Site

HB 2031: Mineral Rights Releases

FY 2012

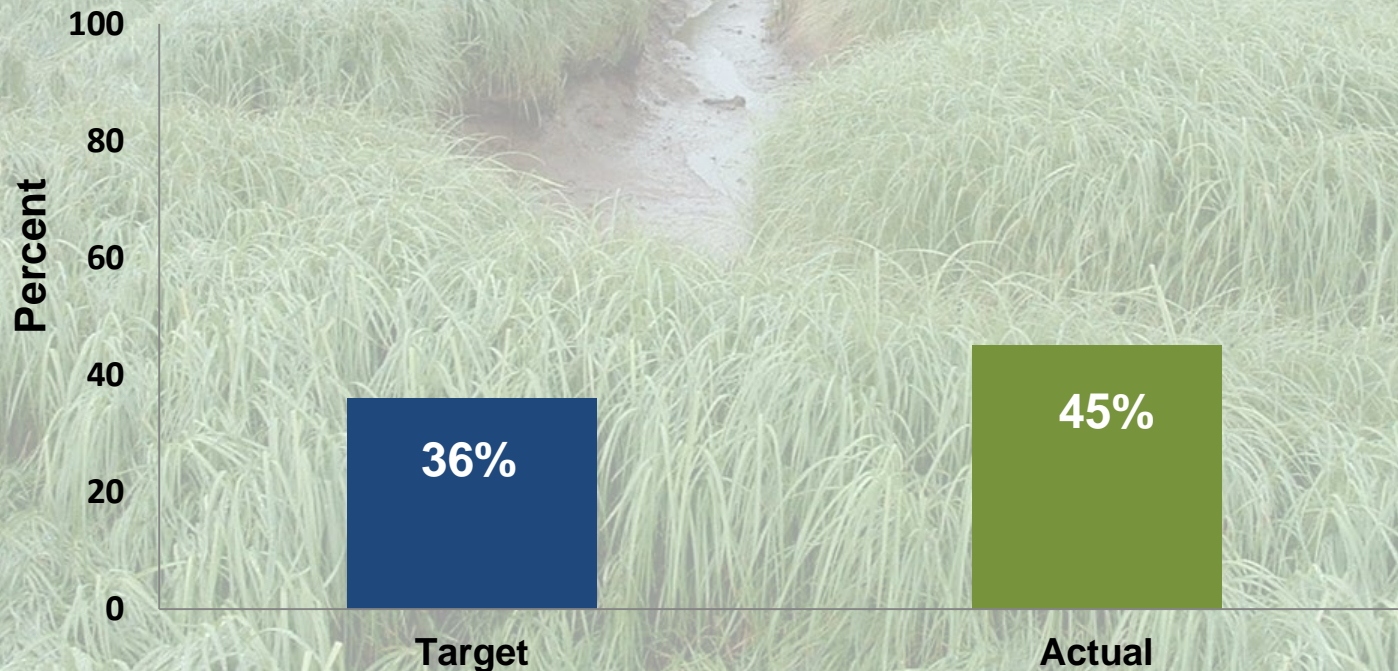
Estimated total value of CSF trust land assets: \$518 – 570 million

- \$13.0 million in gross revenues generated from proprietary authorizations on state trust lands (land sales not included)
- Another \$2.4 million from waterways
- 4869 total active authorizations



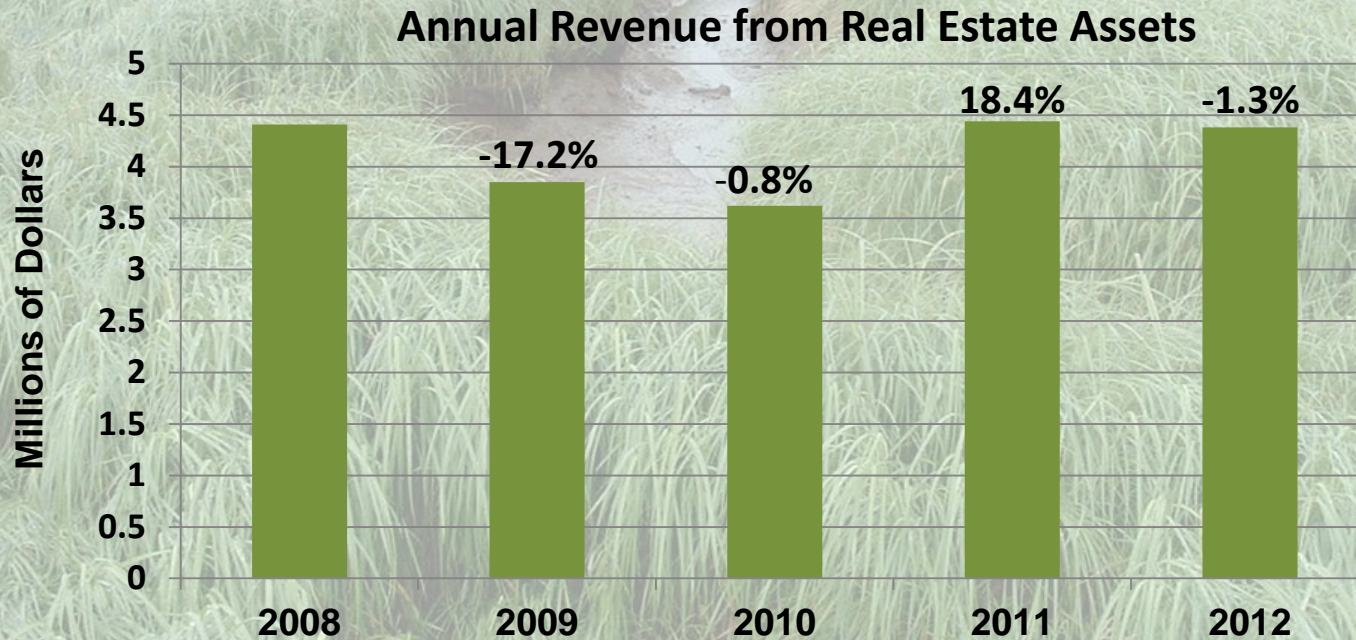
Performance Measurement

KPM 2a (new measure): Percent of revenue streams used to cover administrative and operational costs of forestry programs



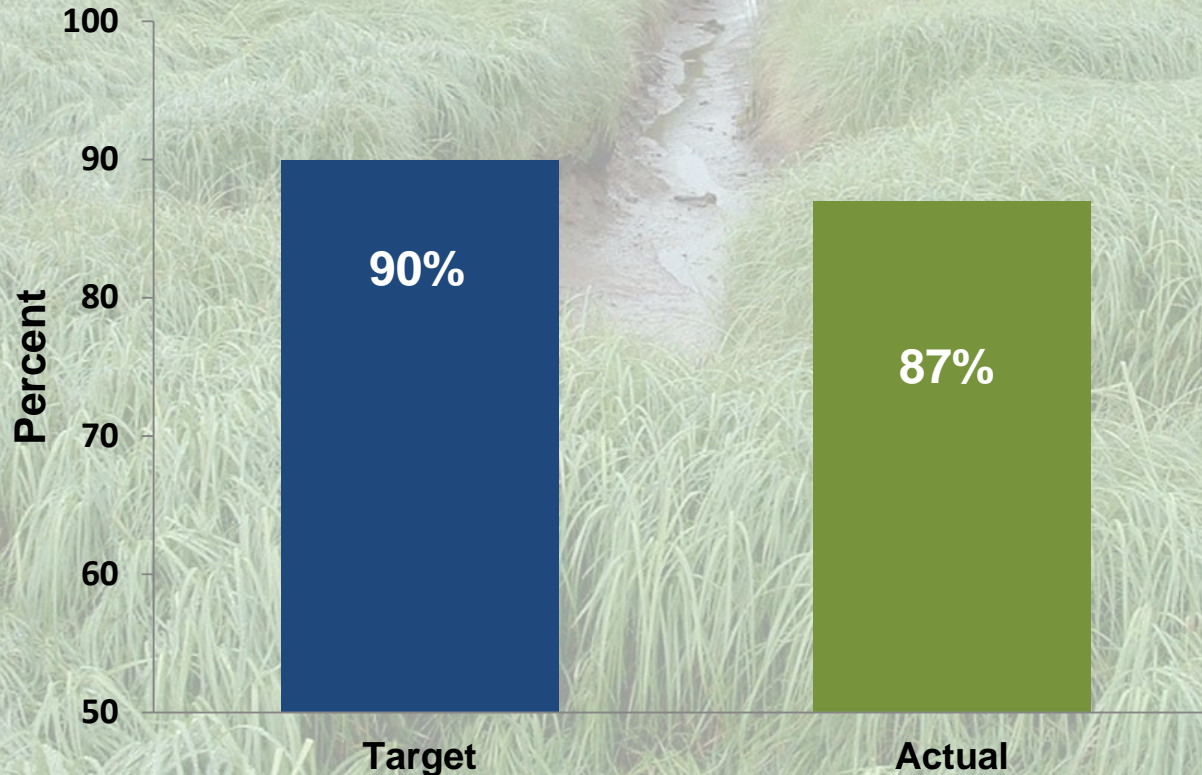
Performance Measurement

KPM 3: Percent increase in revenues from all land management activities, excluding timber receipts



Performance Measures, cont.

KPM 4: Percent of DSL lands and waterways with completed area management plans



Program Option Packages

POP 101: Portland Harbor cost allocation
\$1,000,000 OF

POP 102: Budget limitation to pay Lane
County property taxes
\$28,000 OF

POP 104: HVAC upgrade at Salem
headquarters building
\$300,000 OF

Goal 2: Wetlands and Waterways

- Administer Oregon's removal-fill law
- Provide planning assistance to protect wetlands
- Oversee mitigation programs required by permits
- State benchmark:
 - No net loss of wetlands

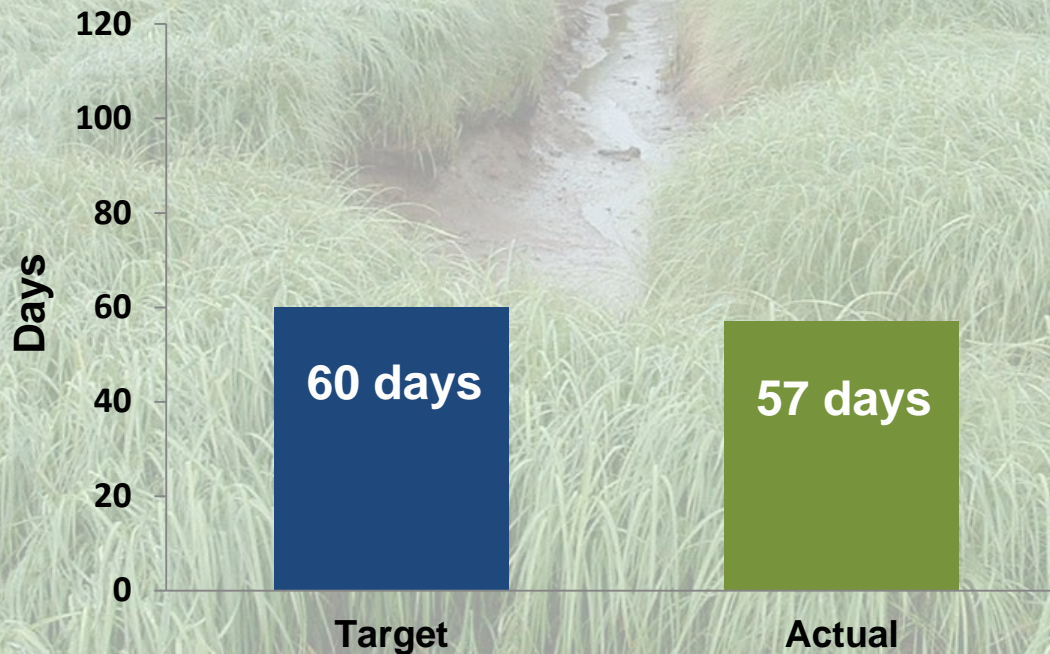


FY 2012

- 2,793 removal-fill permits (includes 2,409 placer mining authorizations)
- 646 wetland delineation report reviews, wetland determinations and wetland land-use notices
- \$443,000 in fees

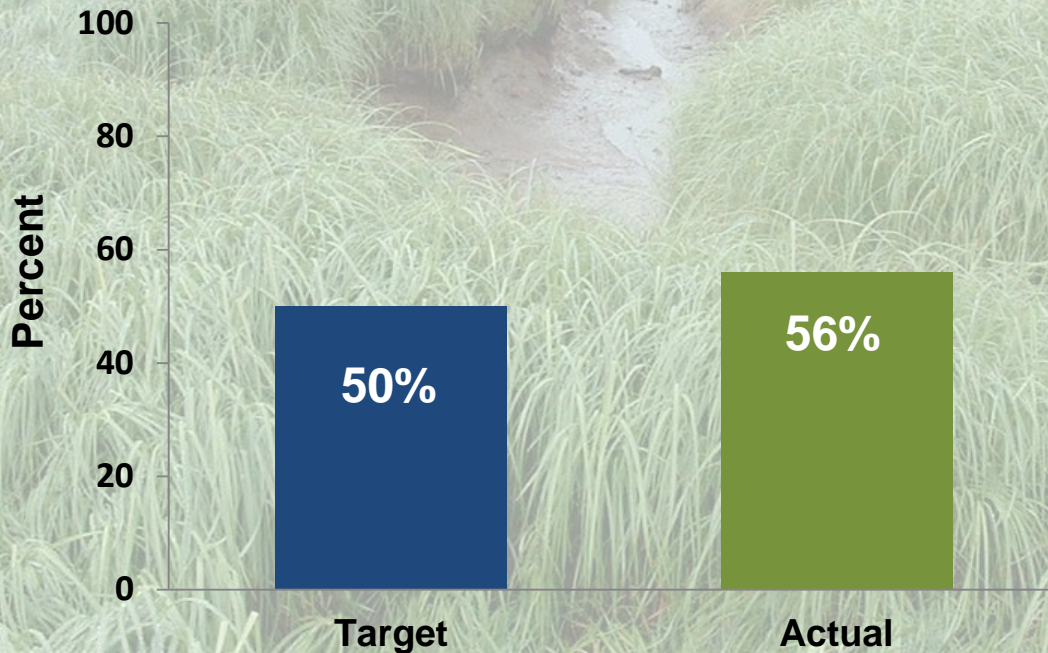
Performance Measures

KPM 6: Average number of days for a permit decision after receipt of a complete application



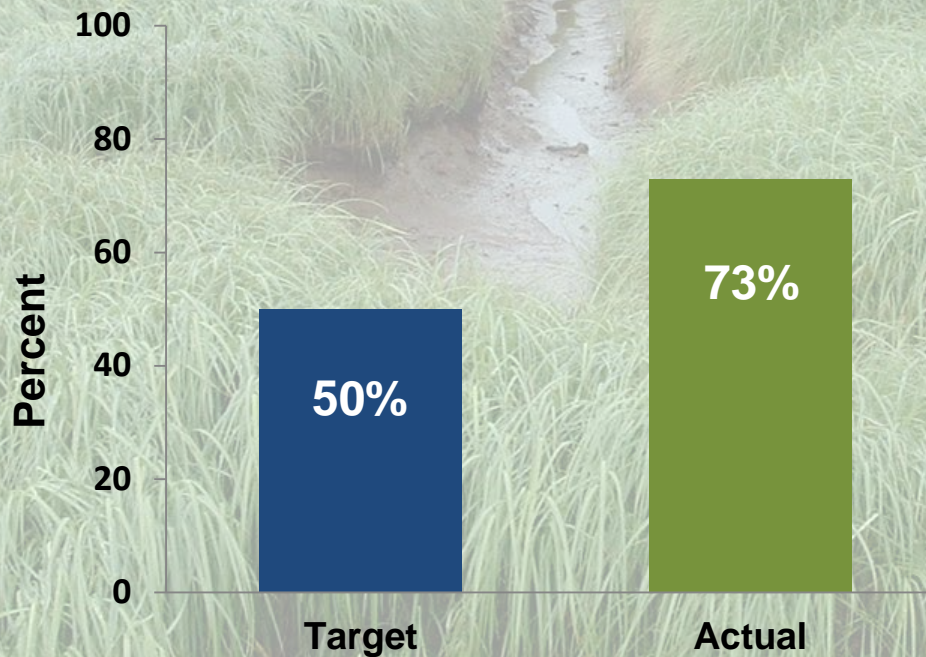
Performance Measures, cont.

KPM 7 : Percent of removal-fill permit non-compliance conditions with a final resolution within 12 months



Performance Measures, cont.

KPM 8: Percent of removal-fill violations with a final resolution in place within 12 months



Economic Development Assistance

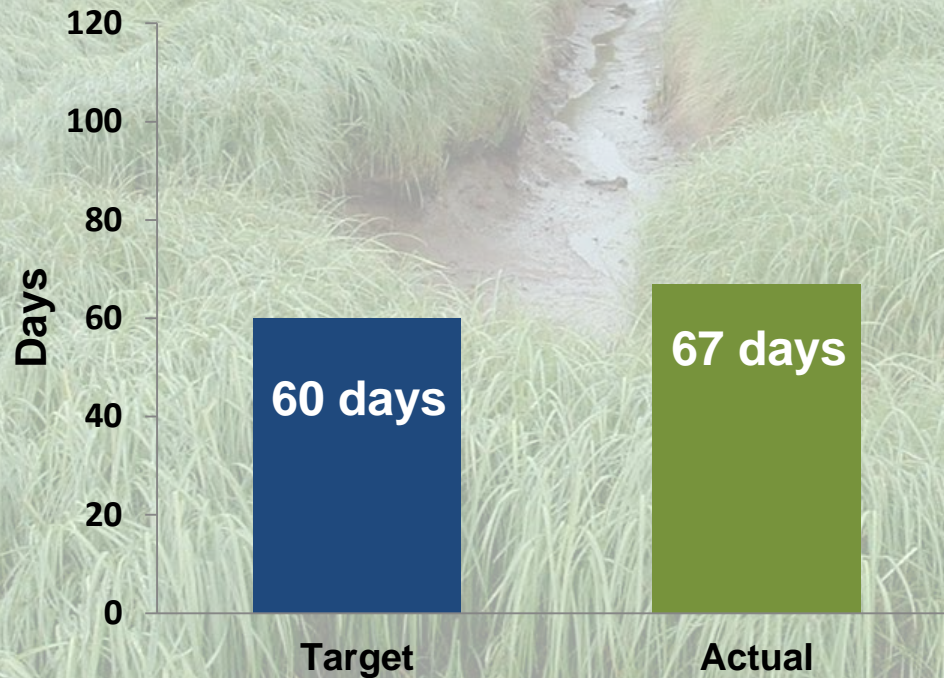
- Wetland mitigation banks
- Removal-fill mitigation fund
- Technical assistance for Certified Industrial Sites
- Participation on Economic Recovery Review Council
- Permit streamlining



HB 2032: Mitigation Fund Pricing

Performance Measures, cont.

KPM 9 Average number of days to complete wetland delineation report reviews



Performance Measures, cont.

KPM 10: Average number of days for response to wetland land use notices



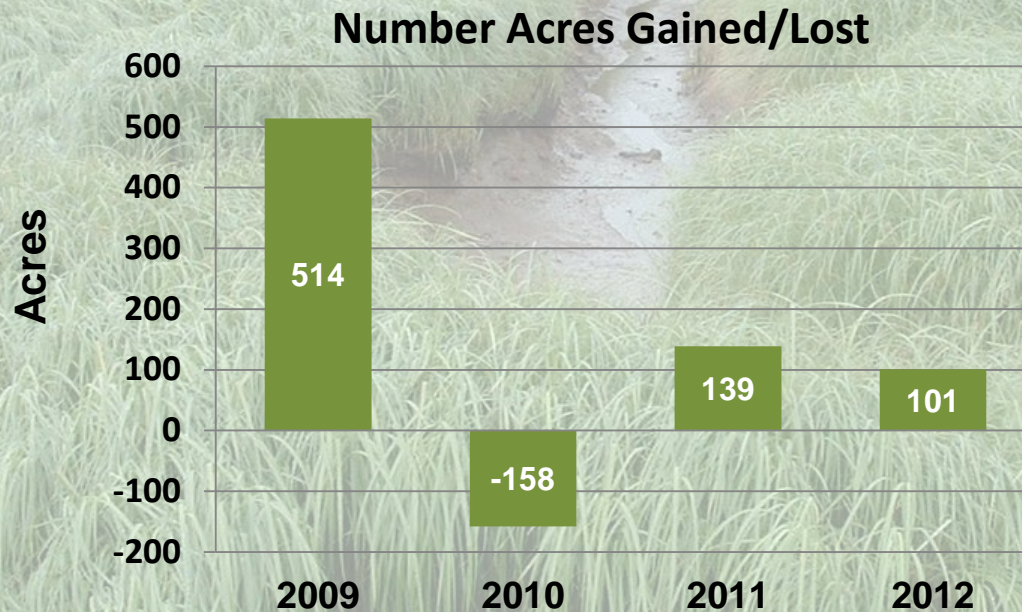
Performance Measures, cont.

KPM 11: Percent “payment-in-lieu” money received in Removal-Fill Mitigation Fund obligated within one year



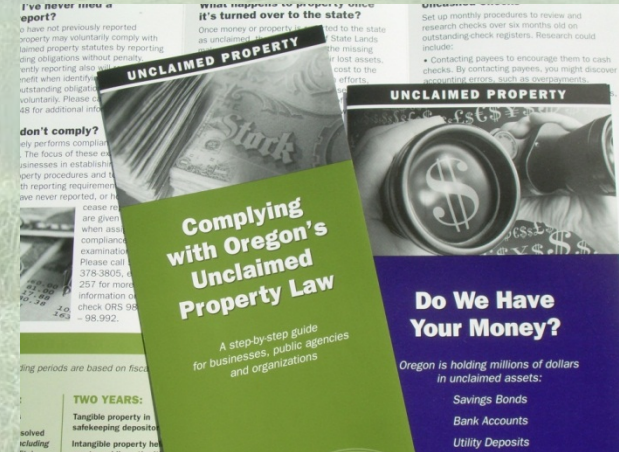
Performance Measures, cont.

KPM 5: No net loss of wetlands due to permit actions



Goal 3: Unclaimed Property and Estates

- Consumer protection programs
- Outreach and education components
- Improved online services
- Funds held in Common School Fund to enhance earnings distributions to schools

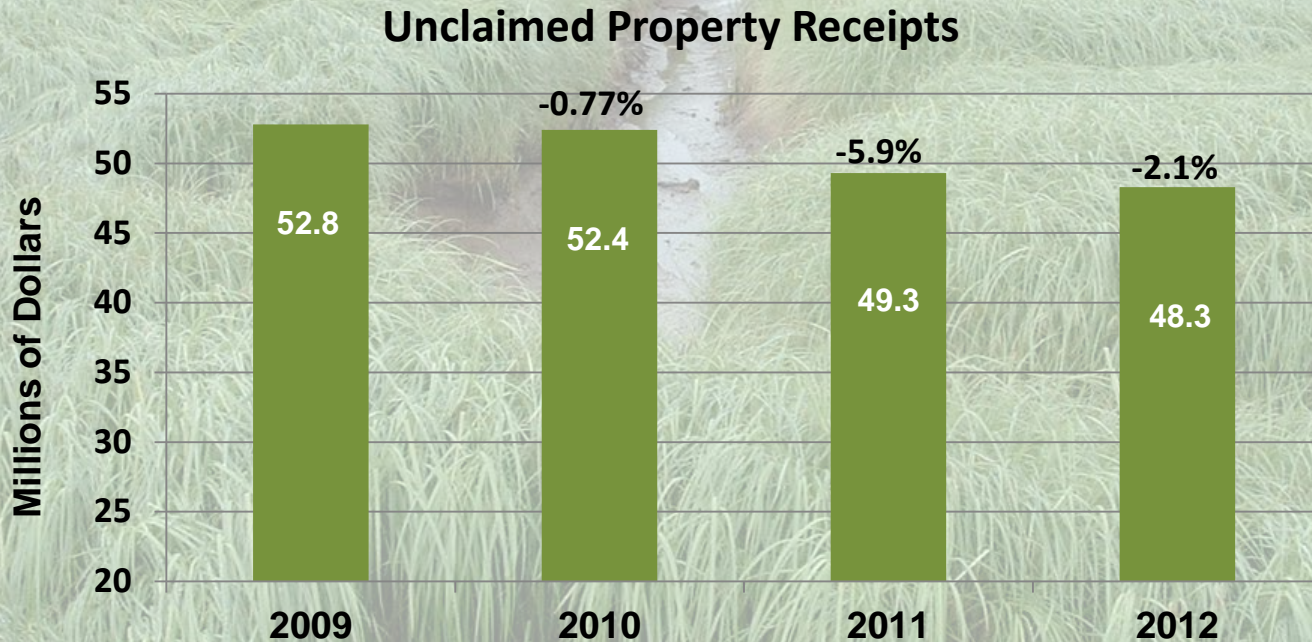


FY 2012

- \$48.3 million in unclaimed property received
 - \$23.2 million in claims paid to rightful owners
 - 19,377 claims paid
-
- 152 estates administered
 - \$4.9 million pending permanent escheat to Common School Fund

Performance Measure

KPM 12: Annual increase in holder reporting



Goal 4: Maximize Common School Fund Fund Distributions

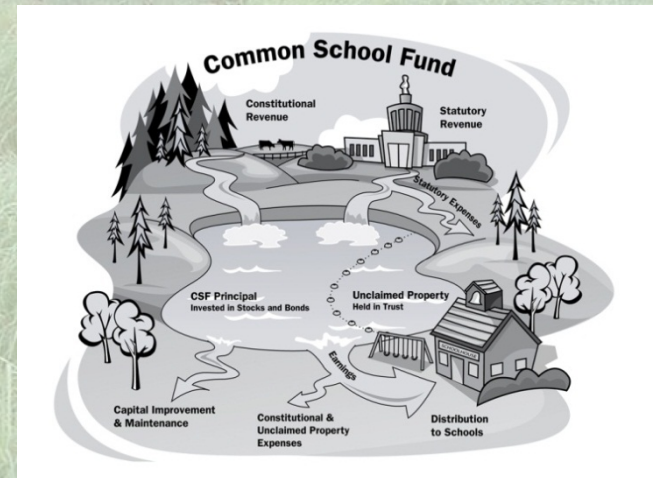
- Distributions to K-12 public school districts stabilized:

2006: \$45.4 million

2008: \$55.4 million

2010: \$50.4 million

2012: \$48 million



- State Treasurer and Oregon Investment Council oversee the investment portfolio

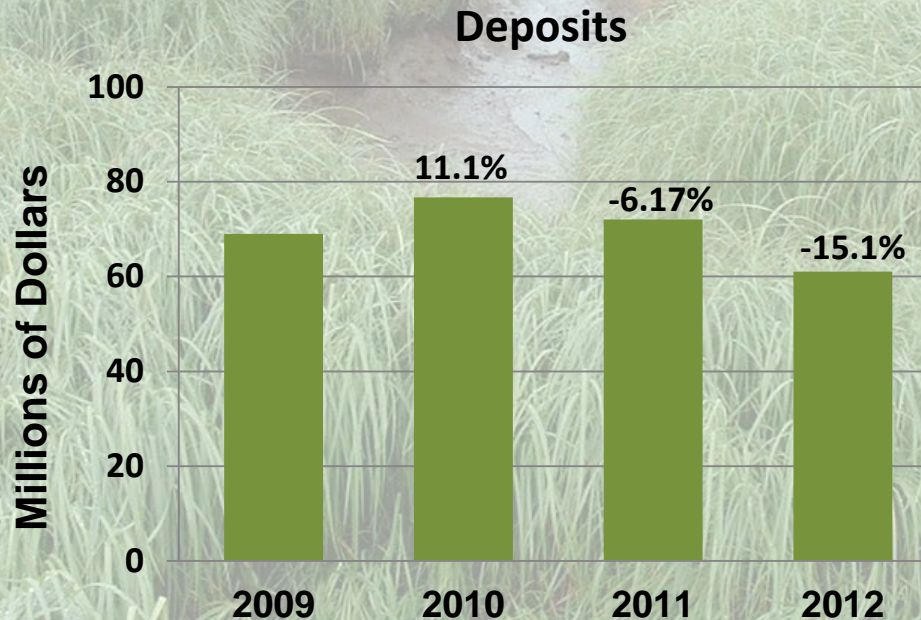
Common School Fund

- Fund exceeded its performance target over the three-year period ending in 2012, earning an 8.5 percent average annual return
- Market value of CSF is over \$1.1 billion

SB 24: Allows CSF to be managed like an endowment fund

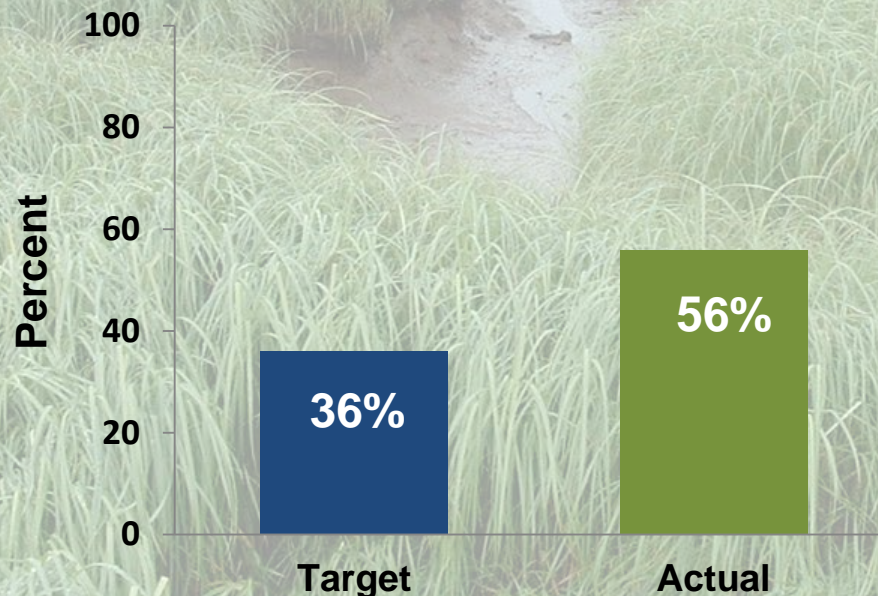
Performance Measure

KPM 1: Percent annual increase in cash generated by agency activities deposited in Common School Fund



Performance Measures, cont.

KPM 2b: Percent of program revenue streams used to cover agency administrative and operational costs



Goal 5: Customer Service

- Improve internal and external customer relations
- Improve service delivery and save money
- Implement systems that keep pace with technology
- Communicate with customer groups more effectively



Customer Service, cont.

- Paperless administrative processes (timesheets, leave requests, invoice approvals)
- Expanded electronic filing and records retention
- More online customer services (unclaimed property, wetland land use notices, removal-fill authorizations); moving toward implementing others (waterway registrations)

Department of State Lands



Check for Unclaimed Property

Oregon is holding millions of dollars in unclaimed funds. Check for your name, and check often. The list is updated regularly.



Recreational Placer Mining

Apply for General Authorization, file Year-End Report and view application information.



Check Removal-Fill Permit and General Authorization Status

View application information, provide comments and track status.

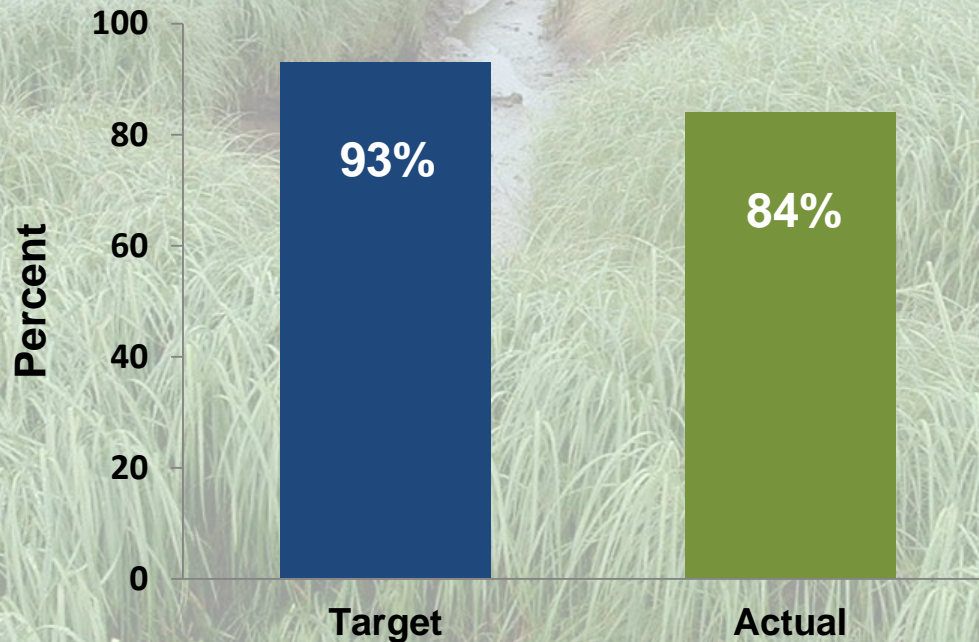


Check Wetland Delineation Status

View reports and track status.

Performance Measure

- **KPM 13:** Percent of customers rating the agency's customer service as good or excellent



Goal 6: South Slough Reserve

- 5,000-acre protected area located near Coos Bay in Charleston (oversees an additional 1,000 acres of CSF forestland)
- State-federal partnership with NOAA; first of 28 reserves nationwide; established in 1974
- Education, Research and Stewardship

South Slough Programs

- Summer camps, public workshops, interpretive programs, educational events
- 6,755-square-foot visitor/interpretive center
- Collaborative partnerships to restore watershed habitats
- Leader in west coast estuarine research



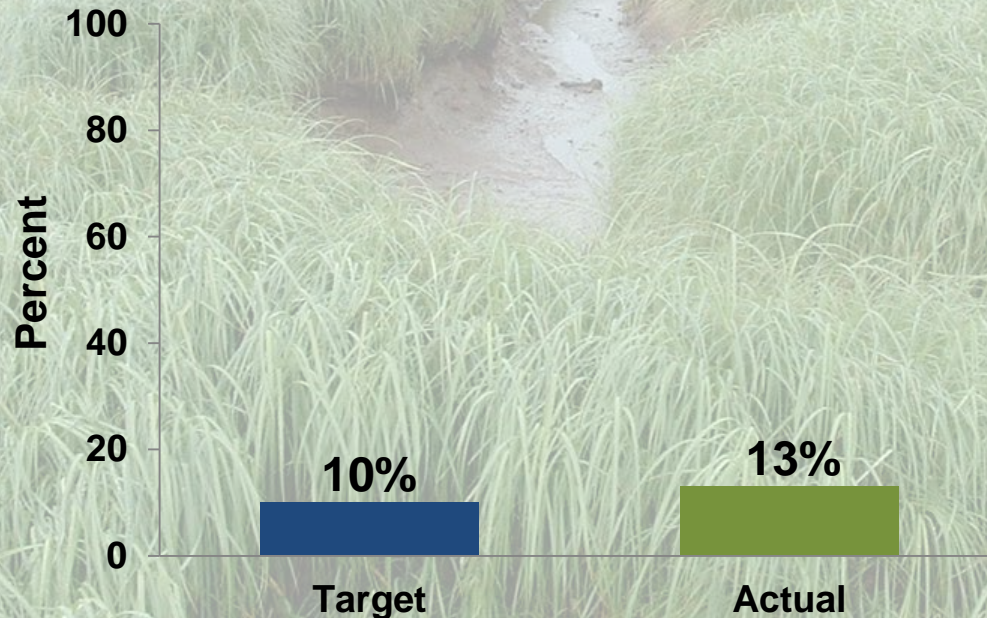
FY 2012

- 182 education/interpretive programs
- 19 training workshops
- 8,626 program participants
- 3,549 visitors at interpretive center
- 16 research projects



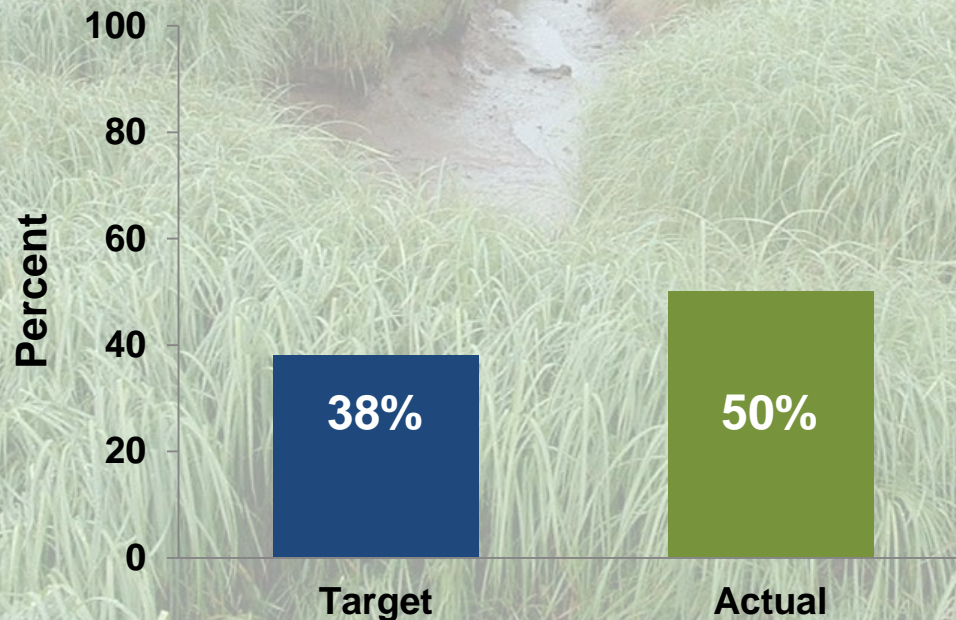
Performance Measures

KPM 15: Percent of SSNERR operations funded from sources other than Common School Fund (grants, fees, program revenues and gifts)



Performance Measures, cont.

KPM 16: Percentage of SSNERR education programs using structured assessment to provide better information for audience needs



Program Option Packages

POP 105: Position Reclassifications
\$0 OF

POP 106: Watershed Stewardship Coordinator
\$152,856 OF

Major Budget Drivers

- Manage state lands sustainably to generate revenue for K-12 schools
- Protect Oregon's wetlands and waterways through regulatory and wetland planning programs



Major Budget Drivers, cont.

- Increase statewide outreach efforts to increase public understanding of agency programs and regulations
- Manage Common School Fund to increase distributions to schools and reduce administrative expenses



Environmental Factors

- Economic downturns affect CSF earnings and land values
- Economic recovery will increase removal-fill permit applications
- Threatened and endangered species impact revenue generation on state lands
- Carbon credits and alternative energy may provide opportunities

Environmental Factors, cont.

- Portland Harbor Superfund Site
- Reduced federal dollars for South Slough
- Legal challenges to agency regulatory actions



Agency Changes

- Reorganized agency divisions in 2005
- Increased staff/management ratios per HB 4131
- Refocused/updated Real Estate Asset Management Plan
- Since 2007, acquired about 2,000 acres of in-lieu lands from the Bureau of Land Management (1,594 still owed)
- Improved unclaimed property reporting and claims outreach to owners

Cost Containment

- Increased use of new technologies to meet increased workload, without adding new staff
- Implemented electronic communications, file storage, fiscal processes and web-based services
- Energy efficiencies at Salem headquarters and at SSNERR



Streamlining

- Coordination of federal and state processes for removal-fill permits
- Coordination with state agencies on permitting (DOGAMI and Energy)



Major Budgetary Issues

- Common School Fund distributions
- Portland Harbor Superfund Site
- Legal challenges to timber harvest on CSF forestlands



Agency Audits

- Secretary of State Common School Fund Performance Audit, February 2012
- Third-Party Financial Audit, December 2012



Oregon Department of State Lands

Mary Abrams, Director



Agency Management Report

KPMs For Reporting Year 2012

Finalize Date: 11/30/2012

Agency: STATE LANDS, DEPARTMENT OF

	Green = Target to -5%	Yellow = Target -6% to -15%	Red = Target > -15%	Pending	Exception Can not calculate status (zero entered for either Actual or Target)
Summary Stats:	50.00%	16.67%	27.78%	0.00%	5.56%

Detailed Report:

KPMs	Actual	Target	Status	Most Recent Year	Management Comments
1 - Increase in Deposits to the Common School Fund - Percent annual increase in amount of cash generated by agency activities deposited to the Common School Fund.	-15	2	Red	2012	This measure was modified during the 2011 Legislative session. Timber and Unclaimed Property receipts are the two largest contributors to the deposit stream. Wide variances, especially in the Timber revenues, will significantly affect the results.
2 a - Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for forest lands.	45.20	36.00	Red	2012	The reduction in revenues due to the ongoing slump in the housing market continues to thwart achievement of this goal.
2 b - Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for all other activities of the agency.	56.40	36.00	Red	2012	Implementation of the 2012 Real Estate Management Plan (REAMP) is expected to increase revenues over the long term. The agency expects to see the trend move downward toward the target as the goals of the REAMP are met.
3 - Increase in Revenues from Land Management Activities - Percent increase in revenues generated by all Land Management activities, exclusive of timber harvest receipts.	4.38	4.96	Yellow	2012	Waterway authorizations currently generate the largest revenue stream in this measure. The implementation of the REAMP is expected to bring increased revenues that are stable and will help achieve the target.

Agency Management Report

KPMs For Reporting Year 2012

Finalize Date: 11/30/2012

KPMs	Actual	Target	Status	Most Recent Year	Management Comments
4 - Complete Management Plans or Policies – Percent of DSL lands and waterways with completed area management plans or policies.	87	90	Green	2011	The agency anticipates meeting the target when the John Day Area Asset Plan is completed in 2013.
5 - No Net Loss of Wetlands - Change in wetland acreage due to permit actions.	101	0	Exception	2012	There has been an average net gain in wetlands since 2005.
6 - Number of Days for a Permit Decision - Average number of days for an agency permit decision after receipt of a complete application.	57	60	Yellow	2012	This new measure was developed to provide a useful metric in the management of workload and measuring agency performance.
7 - Annual Resolution of Removal-Fill Permit Non-Compliance - Percent of removal-fill permit non-compliance conditions that have a final resolution in place within 12 months from date non-compliance is determined.	56	50	Green	2012	This new measure is intended to measure agency actions toward achieving timely resolutions of Removal-Fill permit non-compliance.
8 - Annual Resolution of Removal-Fill Violations Related to Unauthorized Activities-Percent of removal-fill violations that have a final resolution in place within 12 months of receipt of a complaint generating determination of a violation.	73	50	Green	2012	This new measure was developed to measure successful resolution of violations of the Removal Fill law in a timely manner.
9 - Agency Response Time to Wetland Delineation Reports - Average number of days for the agency initial review and response to a complete wetland delineation report.	67	60	Green	2012	Although this is a new measure, the data was readily available for FY 2009 forward.

Agency Management Report

KPMs For Reporting Year 2012

Finalize Date: 11/30/2012

KPMs	Actual	Target	Status	Most Recent Year	Management Comments
10 - Agency Response Time for Wetland Land Use Notices - Average number of days for an agency response to wetland land use notices.	18	22	Green	2012	This is a new measure and will facilitate workload management and help the agency determine needs for process improvements or efficiencies.
11 - Use of Payment to Provide Moneys - Percent payment-to-provide money received in Mitigation Bank Fund obligated and committed within one year.	100	100	Green	2011	The Payment-in-Lieu specialist position approved by the 2007 Legislature that is dedicated to managing this fund and sheparding projects through the process has been the primary factor in the agency's success in meeting this target.
12 - Increase Unclaimed Property Holder Reporting. - Percent annual increase in amount of unclaimed property reported and remitted annually.	48.30	58.00	Red	2012	The slow recovery of the economy is a major factor in the decrease in receipts. The agency will continue efforts toward increasing compliance.
13 - Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	84.00	93.00	Yellow	2011	The agency continues to make progress on this goal.
14 - Regional Solutions Customer Service - Percent of local participants who rank the Department's involvement in the Regional Solutions process as good to excellent.	57.00	85.00	Red	2012	DSL's participates in the Oregon Regional Solutions process is on an as needed basis. The agency will seek removal of this KPM in the next report cycle.
15 - South Slough National Estuarine Research Reserve Operation Costs Leveraged. - Percent of SSNERR operations funded from sources other than CSF, including leverage from grants, fees, program revenues and gifts.	13	10	Green	2011	The Reserve staff continue to seek grant and other revenue sources to leverage federal funds and reduce dependency on Common School Fund.

Agency Management Report

KPMs For Reporting Year 2012

Finalize Date: 11/30/2012

KPMs	Actual	Target	Status	Most Recent Year	Management Comments
16 - South Slough National Estuarine Research Reserve Education Actions - Percentage of SSNERR education programs that use a structured assessment process surveys to provide information and decision support services responsive to audience needs.	50	38	Green	2012	The Reserve is steadily working toward the end goal of using structured market analysis and needs assessments in all programs.
17 - Best Practices - Percent of total best practices met by the Land Board.	93	93	Green	2012	The agency is confident that its board will consistently achieve high scores in the evaluation of best practices.

This report provides high-level performance information which may not be sufficient to fully explain the complexities associated with some of the reported measurement results. Please reference the agency's most recent Annual Performance Progress Report to better understand a measure's intent, performance history, factors impacting performance and data gather and calculation methodology.

**DSL Position Reclassifications
2011 - 2013**

FROM:		TO:	
<u>Classification/Title</u>	<u>Salary Range</u>	<u>Classification/Title</u>	<u>Salary Range</u>
1 C0322 - Public Service Rep 2	12	C0103 - Office Specialist 1	12
2 C5641 - Fiscal Auditor 1	23	C0860 - Program Analyst 1	23
3 X8504 - Natural Resource Specialist 4	30	X7006 - Principal Executive Manager D	31X
4 X0113 - Support Svc Supervisor 2	19X	C0108 - Administrative Specialist 2	19
5 C0108 - Administrative Specialist 2	19	C0107 - Administrative Specialist 1	17

**New Hires into DSL by Classification
2011 - 2013**

	<u>Classification/Title</u>	<u>Position Number</u>	<u>Hire Step</u>	<u>Fill Date</u>	<u>Justification</u>
1	X7006 - Principal Executive/Manager D	105001	6	11/1/2011	Promotion from another agency
2	C0107 - Administrative Specialist 1	4002002	6	11/1/2011	Re-employment off layoff list
3	C0211 - Accounting Technician 2	211091	3	4/24/2012	Master's degree and work experience
4	C1484 - Information Systems Spec 4	1484072	1	5/21/2012	
5	C8501 - Natural Resource Specialist 1	8501906	3	6/4/2012	Work experience
6	C8501 - Natural Resource Specialist 1	8501071	2	6/14/2012	
7	C0107 - Administrative Specialist 1	14001	2	6/25/2012	
8	C8503 - Natural Resource Specialist 3	810005	1	7/23/2012	
9	C8503 - Natural Resource Specialist 3	9113002	2	9/17/2012	
10	C0104 - Office Specialist 2	103902	3	9/26/2012	Work experience
11	Z7014 - Principal Executive/Manager H	141001	8	10/29/2012	Executive appointment by Land Board
12	C1484 - Information Systems Spec 4	1484093	1	11/14/2012	
13	C0104 - Office Specialist 2	8003	2	12/3/2012	
14	C8503 - Natural Resource Specialist 3	9313002	5	2/4/2013	Doctorate and work experience