



CAPACITY MATTERS

A 20-Year Review of the Oregon Watershed Enhancement Board's
Operating Capacity Investments

EXECUTIVE SUMMARY



Surveying bees with the US Forest Service. credit: Coast Fork Willamette WC.

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Acronyms

BEF	B onneville E nvironmental F oundation	ODA	O regon D epartment of A griculture
BIPOC	B lack, <i>I</i> ndigenous, and P eople of C olor	OGMS	O regon W atershed E nhancement B oard's G rant M anagement S ystem
BPA	B onneville P ower A dministration grant	OPSW	O regon P lan for S almon and W atersheds
DEI	D iversity, E quity, and I nclusion	OrCP	O regon C onservation P artnership
DEQ	O regon D epartment of E nvironment Q uality	ORS	O regon R evised S tatutes
DM	D istrict M anager	OSU	O regon S tate U niversity
ED	E xecutive D irector	OWEB	O regon W atershed E nhancement B oard
FAAP	F ocus A rea A ction P lan	OWRI	O regon W atershed R estoration I nventory
FIPs	OWEB's F ocused I nvestment P artnership program	PCSRF	P acific C oastal S almon R ecovery F unds
FTE	F ull-Time E quivalent	P-TA	OWEB's P artnership T echnical A ssistance program
GIS	G eographic I nformation S ystems	RCPP	R egional C onservation P artnership P rogram (NRCS grant program)
GWEB	G overnor's W atershed E nhancement B oard	SIA	S trategic I mplementation A rea
HR	H uman R esources	SOW	S cope of W ork
JDBP	J ohn D ay B asin P artnership	SWCC	S oil and W ater C onservation C ommission
MOU	M emorandum of U nderstanding	SWCD	S oil and W ater C onservation D istrict
NGO	N on- G overnmental O rganization	TMDL	T otal M aximum D aily L oads
NOAA	N ational O ceanic & A tmospheric A dministration	UO	U niversity of O regon
NOWC	N etwork of O regon W atershed C ouncils	UWSN	U pper W illamette S tewardship N etwork
NRCS	N atural R esources C onservation S ervice	WA	W atershed A ssociation
OACD	O regon A ssociation of C onservation D istricts	WC	W atershed C ouncil
OCEAN	O regon C onservation E ducation and A ssistance N etwork		

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Outreach table at City of Cottage Grove Tree Giveaway Arbor Day Celebration. credit: Coast Fork Willamette WC.

Executive Summary

Over the past 20 years, the Oregon Watershed Enhancement Board (OWEB) has provided Operating Capacity grants to watershed councils (“councils”), and in close coordination with Oregon Department of Agriculture (ODA), to Soil and Water Conservation Districts (“districts”) across the state.



The underlying theory for this capacity funding assumes *“that investment in districts and councils will increase their ability to purposefully and effectively act and interact within their spheres and influence and thus effect measurable and meaningful change in the health of watersheds.”*¹



¹ Request for Proposals #691-1013-19, p. 5

OWEB’s 2018 Strategic Plan further emphasizes the importance of community capacity and strategic partnerships. To evaluate the impact of this funding on councils and districts and help inform future capacity-building investments, OWEB engaged a team from Oregon State University and the University of Oregon to conduct a 20-year programmatic review of Operating Capacity grants provided to councils and districts. A secondary intent of this evaluation is to support best practices for capacity investment funding and identify potential needs for training and guidance for lead council and district staff and boards. We found that many challenges and opportunities were common across councils and districts, and as such, we only point to differences between these when relevant. To better understand factors affecting organizational capacity, we gathered data across five capacity dimensions of (1) internal governance and operational practices, (2) resources obtained and leveraged, (3) adaptive and resilient governance, (4) types of partners engaged, and (5) partnership types engaged in.

From 2011 to 2021, OWEB has provided over \$80 million in Operating Capacity grants to councils and districts. With this essential funding, councils and districts have leveraged over \$140 million from OWEB’s Open Solicitation grants alone to engage in restoration and conservation projects, which supports state agencies in meeting state-wide restoration and conservation goals; and have leveraged multiple other sources of public, private, and philanthropic funds. These initial OWEB funds generated additional economic activity as councils and districts purchased products and services; and as employees of councils, districts, suppliers, and service providers spent their income. The initial investments for councils supported \$64.5 million of total economic activity (the original investment plus additional multiplier effect economic activity) and initial investments in districts translated into \$64.1 million of economic activity.

Given the influx of federal funding from the 2022 Inflation Reduction Act (P.L.117-18) and the 2021 Bipartisan Infrastructure Law (P.L.117-58), it is particularly important to understand what helps build or reduce organizational capacity at the local level to better position grantees for these resources, since community-based organizations are essential partners in implementing federally funded restoration and conservation work on the ground.

Figure 1. Summary of Operating Capacity Investments to Councils and Districts from 2011 to 2021.²



² We chose to calculate OWEB’s total operating capacity investments from 2011 to 2021 because in July 2011 OWEB began to provide capacity funds directly to districts, so we could easily track how much funding each district and council has received, over a consistent time period.

Approach

This project applied a mixed-methods and participatory approach including:

- an online survey
- a phased case study process
- capacity programs review with partner and advisory input

Online Survey

From April - May 2022, a survey was administered to all councils and districts that have received Operating Capacity grants from OWEB and ODA. We had an 81% response rate from councils and a 91% response rate from districts. We collected data on number of employees and shared staffing arrangements for the purpose of arranging grantees into similar organizational types (i.e., capacity typology) to frame sampling of case study grantees. We also gathered data on factors affecting organizational capacity including: (1) internal governance and operational practices, (2) resources obtained and leveraged, (3) adaptive and resilient governance, (4) types of partners engaged, and (5) partnership types engaged in.

Phased Case Studies

From June 2022 - February 2023, we engaged in a phased case study approach examining a selection of councils and districts with different staffing levels, in rural and urban contexts, and with varying resource classes. To categorize grantees by resource classes, we looked at Oregon Watershed Restoration Inventory (OWRI) and OWEB Grant Management System (OGMS) data from 1997 to 2019, calculated total cash spent and in-kind contributions for each grantee, and used quartile statistical breakpoints to define resource classes. Then, we conducted a 20-year grant document review of 20 selected grantees, to develop in-depth organizational profiles to identify common themes. Using these profiles, we further selected seven case study grantees for in-depth interviews with lead staff, board members, and partner organizations. These strategies helped us create a process that was achievable within our project timeline, while improving the applicability of results.

Capacity Programs Review

We gathered available information about similar capacity-building programs that invest in local organizational capacity (i.e., administrative, financial, technical) in natural resources and conservation management in the United States to identify applicable lessons learned for OWEB's capacity grant context (Refer to Appendix 5).

These findings are intended to provide useful knowledge about what fosters and impedes local organizational capacity, and how these factors can lead to upward or downward trajectories for organizational health. They are relevant to lead staff and board members of councils and districts, OWEB and ODA staff, conservation-focused statewide service providers, the OWEB Board, the Soil and Water Conservation Commission (SWCC), and other state agencies and external funders interested in collaborating to ensure that collective investments and capacity resources are coordinated and effective.

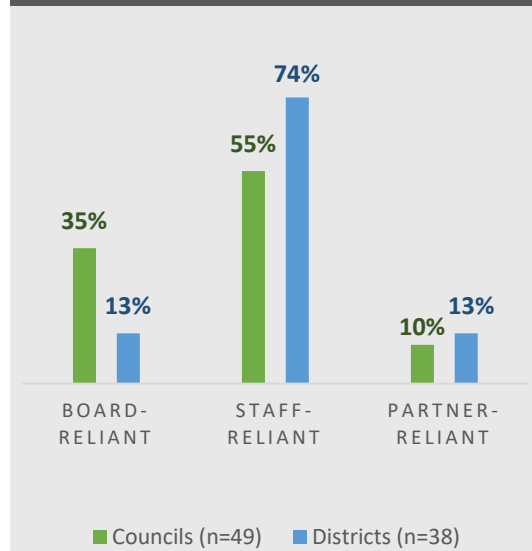
Grantee Organizational Models

We used Dr. Margerum’s “Reliance Model of Collaborative Capacity” to categorize grantees into three broad types based on staffing levels and shared staffing arrangements (journal article in review).

Board-reliant indicates lower staffing levels with a greater reliance on a working board. **Staff-reliant** indicates higher staffing levels where staff fulfill more management capacity and boards are encouraged to take a more strategic role. **Partner-reliant** indicates shared staffing arrangements with another organization, with staff also fulfilling more management roles.

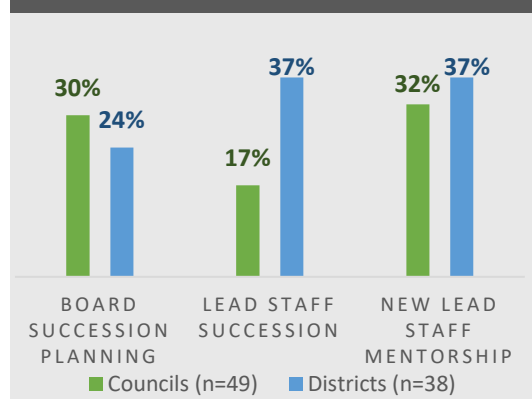
Most grantees were staff-reliant (**Figure 2**). Most districts were staff-reliant, including all districts with a permanent tax rate. This may indicate that tax bases may help districts shift towards greater staffing capacity. However, it is important to acknowledge that while taxes serve as an ongoing base of support, organizational management is just as essential.

Figure 2. Comparing Council and District Typology Results



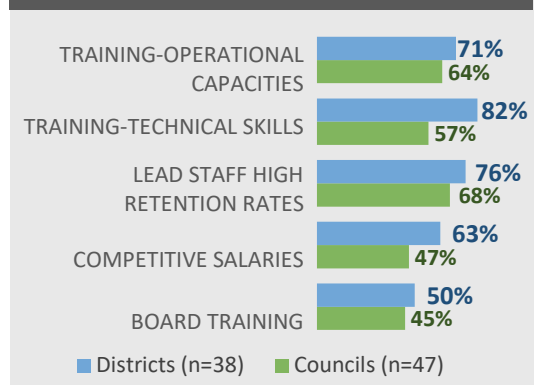
Overall, most councils and districts responded that they had written personnel and operational policies (>95%) with clear position descriptions for staff (>83%) and board members (>76%) that were well-implemented (> 89%). Additionally, 66% of districts and 70% of councils indicated that their board took initiative in managing the organization. However, regardless of capacity typology, less than half of councils and districts indicated that they had succession planning or mentorship for lead staff, or succession planning for board members (**Figure 3**). Furthermore, only 45% of councils and 50% of districts indicated that they had board member training for financial management, facilitation, or personnel management.

Figure 3. Comparing Council and District Capacity for Board and Lead Staff Transitions



Taxing districts, which were all staff-reliant, were more likely to respond that they had competitive salaries and benefits (90%), access to adequate equipment and technology for virtual meetings (90%), and staff training on key operational capacities (e.g., project management, contracting, and administrative tasks; 80%) compared to non-taxing districts. Regardless of whether a district had a tax base, they still led councils in reported competitive salaries and benefits, staff training on technical skill building and key operational capacities, and lead staff retention rates (**Figure 4**). This may indicate that access to competitive wages and more training may support retention rates.

Figure 4. Comparing Councils and Districts in Training, Staff Salaries, and Retention Rates





Outreach and coordination with local loggers. credit: North Coast Watershed Association.

Operating Capacity Grant Uses

We found that councils and districts commonly used Operating Capacity grants for project development by building networks to develop joint priorities and obtain funding. This included creating ad-hoc regional groups as a collaborative approach to sharing training, information, and resources. This demonstrates the value of allowing greater flexibility for Operating Capacity funding. Additionally, it is important to recognize that project development can be a multi-year process depending on project complexity and the number of partners involved. This points to an essential function of Operating Capacity grants in providing on-going support for project development through paying staff time to meet with and coordinate with partners until they obtain a grant with these partners to engage in implementation of restoration and conservation projects. Councils also used capacity grants as cash match for restoration and conservation projects, which has helped leverage additional federal grants that require match funding. Councils also described using Council Capacity funds to participate in local boards and committees to identify and cultivate relationships with potential future board members to advance their goals. All councils and districts used the Operating Capacity grants for operational support (e.g., administrative staff), as well as training for staff and boards. This was essential for maintaining their day-to-day operations and governance. Districts indicated an interest in increased flexibility in how they could use their District Capacity funds for staffing and capacity building. Currently, 75% of District Capacity funds are directed towards districts' Scope of Work and Focus Area Action Plan, while 25% are for operations. Council Capacity grants have become more flexible over time, where any expense eligible in other OWEB grants is also eligible in a Council Capacity Grant. Councils have appreciated this flexibility and have found it extremely valuable to use funds based on their self-determined needs.

We learned that Operating Capacity grants have positively impacted communities' local economies, supported the completion of restoration and conservation projects, and helped build capacity among local partners. Investing in local councils and districts around Oregon through the Operating Capacity grants program has enabled progress toward state-wide restoration and conservation goals. Furthermore, many grantees expressed that there is insufficient external capacity-building funding in the face of rising costs and inflation. Without Operating Capacity grants, many councils and districts would not be able to maintain their operations because restoration and conservation work can require months or years of networking, planning, and leveraging projects—which cannot be charged to restoration and conservation project grants. The potential loss of councils and districts would have negative repercussions on conservation efforts throughout the state. State and federal natural resource agencies have also depended on councils and districts for their ability to leverage funding, implement projects, and provide community connections.



Aspen workshop in an old schoolhouse. credit: South Fork John Day WC.

Critical Governance Characteristics

Governance refers to how an organization is managed and led, which relates to board and lead staff roles and responsibilities, along with the structures and processes they use for defining priorities and making decisions. Together, these have a large influence on grantees' functioning and trajectory. Across case study grantee organizations, we found three critical characteristics that affected the operating capacity of councils and districts. These were (1) lead staff capacity and retention, (2) board composition and recruitment, and (3) strategic planning.

Key Factors in Effective Governance:

- Lead staff capacity and retention is supported by board engagement and regional networks.
- Targeted board recruitment supports organizational direction.
- Strategic and annual work plans establish and reinforce organizational priorities.

#1: Lead Staff Capacity and Retention: Board Engagement and Formation of Regional Networks Supports Lead Staff

Lead staff have played an important role in grantees' stability and overall trajectory. Crucial lead staff skills include leadership, relationship building, personnel management, fiscal management, grant writing, and conservation knowledge. Factors affecting lead staff capacity and retention include level of board engagement and supportive regional networks.

- (1) Level of board engagement:** Effectively engaged boards provided lead staff with organizational direction for strategic planning, supported lead staff decision-making and development of organizational policies/procedures, contributed guidance on lead staff work plans, and provided fiscal oversight. An effective board was one that is neither too engaged (i.e., micromanaging lead staff), nor too disengaged (i.e., not providing sufficient organizational direction and support for lead staff). Engaged boards were better able to manage lead staff turnover, often supporting operations and interim staff through the transition. Lead staff have used various strategies to improve board engagement and help train them in their role, since not all board members have a background in organizational management. Some lead

staff incorporated 15-minute educational content and skills training into board meetings to help them understand their roles and responsibilities. Other lead staff invited agency personnel or other relevant experts to provide project updates and upcoming funding opportunities to help boards understand regional priorities and inform their decision-making.

- (2) **Regional networks:** In rural and urban settings, some grantees established regional networks, using OWEB Focused Investment Partnership (FIP), Partnership Technical Assistance (P-TA), or the Natural Resources Conservation Service's Regional Conservation Partnership Program (NRCS RCPP) grants, which provided additional support for grantees experiencing lead staff transitions. By building on pre-existing relationships, some grantees developed more formalized partnerships with shared by-laws, memorandums of understanding (MOUs), and other governing documents. The intentionality of these partnerships has allowed for increased points of connection between local conservation partners for shared peer learning through regular meetings. Furthermore, the consistency of these meetings and the development of group agreements built trust, which led to some grantees becoming more transparent with each other about how they operated and managed finances. This helped develop a culture that leveraged the diversity of knowledge and expertise of the group for mentorship, rather than relying solely on past lead staff or the board chair.

Challenges: Lead Staff Turnover and Capacity

Turnover of lead staff was challenging for many grantees to overcome and sometimes led to a downward cycle of additional challenges, including issues with recruitment and replacement. Precipitating factors for lead staff loss included: unsustainable workload, lack of joint organizational priority setting between staff and board for strategic plans or annual work plans, and a board that was too engaged (i.e., micromanaging of lead staff) or too disengaged (i.e., not providing sufficient organizational direction or fulfilling essential board functions as described in Table 14). Some lead staff found themselves in a position of managing a challenging workload, while navigating their concerns around pay, health, and retirement benefits, which have been affected by rising costs of living and housing in Oregon. Because of this, some lead staff have left to seek out positions with increased pay and benefits.

Other grantees experienced challenges with organizational stagnation, wherein lead staff lacked the necessary capacity, skills, or training to lead organizations at a particular point in time. In these situations, board members: (1) lacked skills or experience in personnel and organizational management, (2) were disengaged and did not recognize what skills were needed for lead staff positions, and/or (3) faced difficulties of attracting qualified candidates due to the grant-funded nature of lead staff positions, and lack of health and retirement benefits and competitive wages, coupled with the challenges of hiring in rural communities. Rural areas, like the rest of Oregon, have faced rising housing values and increased costs of living in part associated with the COVID-19 pandemic. Some interviewees indicated that effects from organizational stagnation made partners less likely to work with them, which led to missed opportunities for project work and funding. These challenges were particularly acute for board-reliant organizations, while staff and partner-reliant organizations had more opportunity to support advancement of lead staff from within.

#2: Board Recruitment: Targeted Recruitment Helps Grantee Organizations Work Towards Strategic Plan Goals

Boards have held an essential role in organizational direction setting. Essential board member skills included reviewing and updating governing policies and procedures, fiscal oversight and management, and providing guidance and support to lead staff. As part of their operational strategy, some grantees engaged in targeted board recruitment through ongoing, intentional participation in local committees, other boards, or foundations; and by attending local events. This helped access existing community networks to identify potential board members, encourage their broader involvement in projects, and cultivate future candidates. They looked for individuals who could help them move closer to the organization's strategic plan goals and strengthen communication/information sharing across agencies and industries. To pay for lead staff and other project managers' time to participate in these activities, some grantees built their operational budget over time as part of their operational strategy.

In addition, some districts have innovated around the legal requirements for board directors. Typically, to become a zone director, an individual must own or manage at least ten acres of land, while at-large or associate directors do not have these same criteria.³ Some districts recruited non-landowners or those who own or manage less than ten acres of land to become at-large or associate directors to address issues of diversity or lack of expertise in board composition. After one year in this position, they became eligible to serve as zone director if they were a registered voter who lived within the zone they represented and had a conservation plan approved by the district.

Challenges

Common board recruitment challenges have included issues with identifying and recruiting members with the time and capacity to commit, with organizational/personnel/fiscal management skills, and from a diversity of perspectives. These were difficult to overcome since they have been a product of established OWEB and ODA board requirements or reflective of community contexts. Furthermore, when board positions were posted or spread by word of mouth only, organizations typically had a less diverse board. These challenges were particularly acute in rural areas with a limited pool of potential board members, or key potential board members were already serving in numerous community volunteer roles.

#3: Strategic Planning: Joint Priority Setting Supports an Upward Trajectory

Strategic plans support decision-making between lead staff, boards, and partners. Here, we refer to individual organizations' strategic plans, rather than strategic action plans used to coordinate goals and actions across multiple organizations for a large geographic area as part of an OWEB-FIP, P-TA, NRCS RCPP grant, or others. The planning processes for an individual organization's strategic plan are shaped by regional contexts, vary based on organizational structure, and serve distinct purposes depending on how the organization is managed. Because strategic plans have different functions depending on these factors, it is necessary to account for these nuances. For some organizations, an effective strategic planning process took a more detailed approach. The plan incorporated diverse perspectives and needs and engaged relevant technical expertise to identify geographic project and/or programmatic priorities that could result in tangible benefits or improvements with clearly

³ Refer to ODA's SWCD Guidebook Chapter 3: Conservation District Directors (updated 12/2022) for more information as well as ORS 568.560(2) and (3) to see the eligibility requirements for a person to become a conservation district director.

measurable objectives. These priorities were sometimes laid out as short, medium, and long-term goals, with identifiable potential partners and funders. These organizations typically had access to more regional funding opportunities. For other organizations, an effective strategic planning process needed a wider scope and to be broader in nature. These plans included organizational history, land uses, and limiting factors, which allowed the organization to be more adaptable to emergent funding opportunities that arose. These organizations typically had fewer regional funding opportunities available. The annual work plans were then derived from these strategic plans to incorporate more detail to guide daily operations and establish geographic project and/or programmatic priorities between lead staff and board. Both approaches supported organizational efficiencies through joint priority setting by lead staff and board, which simultaneously led to a shared understanding of what constituted a manageable project workload based on staffing capacity. This knowledge also streamlined pursuit of key partnerships and funding sources.

However, it is important to recognize that for a strategic plan to gain momentum and foster an upward organizational trajectory, lead staff still needed to be able to move from planning to action by creating “small wins” early on that demonstrated commitment and developed trust that the organization would be reliable and consistent in following through on their plans. This was the case regardless of whether the organization had greater access to funding opportunities or not, though, of course having more funding opportunities in a geographic area was helpful for this.

Challenges

When strategic plans and/or annual work plans lacked specificity in their objectives and measures, the plans did not offer enough organizational direction setting for lead staff to develop projects, seek out partnerships, or identify funding sources. Without joint organizational priority by lead staff and board members, some organizations faced increased lead staff workload, which often led to burn-out from a lack of direction for their strategic and/or annual work plans. In other instances, some organizations faced difficulties with board micromanagement, which led to organizational gridlock and departure of lead staff.



Post-wildfire team efforts. credit: Upper Willamette Stewardship Network.

Building Partnership Capacity and Working through Challenges

Partnerships helped organizations to learn from the expertise and experiences of adjacent councils, districts, and other local conservation partners to develop and implement restoration and conservation projects. Over time, some partnerships evolved as they created shared understanding of needs and resources available. These types of partnerships were able to move beyond project-to-project planning and work towards the development of larger-scale restoration and conservation projects. Partnership opportunities and challenges varied in different geographic areas and landownership and land contexts. When neighboring landowners differed in their priorities, it could be challenging to implement a program of work across a landscape. However, councils and districts, as community-based organizations, were positioned to find common goals and work towards landscape-scale restoration and conservation.

Councils and districts built their partnership capacity through participation in city or county committees and other local boards to establish their local reputation and contribute to the community. They also developed strategic plans with key partners to establish priorities for their watersheds through identification of key players (e.g., landowners, city/county officials/boards, public events/outreach) and formation of joint priorities to acquire funds. Additionally, they created diverse models of partnership to meet the needs of those involved through resource-sharing arrangements (e.g., staff positions, staff expertise, equipment) and establishment of group networks.

Challenges

Common partnership challenges that councils and districts faced included partner staff transitions and challenging relationship histories. To address partner staff transitions, lead staff oriented new agency personnel to joint project grants and shared priorities. Some invited agency partners to attend board meetings or one-on-one settings. Challenging partnership histories were typically addressed by lead staff efforts to rebuild the relationship through action, such as funding to work together on a project or monitoring to collect and share information for project development. These approaches supported each other's capacity since each organization had access to complementary skills, knowledge, and community connections necessary for restoration and conservation.

Top Funding Strategies and Challenges

Councils and districts have used various strategies to acquire funding for projects and operating capacity, including from unrestricted and longer-term sources. It is important to keep in mind that these strategies vary by resources available in a given geography. To successfully obtain project funding, top strategies included assessment of staffing and organizational capacity to inform which grants to pursue and when, and development of a strategic plan and funding opportunities spreadsheet.

- To strategically pursue grants, organizations defined what a feasible project workload would look like based on their staffing and project capacity. This structure helped them to implement project work in a timely manner, which built partner trust and attracted additional funding opportunities. Additionally, some described how they learned to build additional capacity into grant applications by budgeting for more project management time and accounting for future costs and expenses (e.g., staff wages and materials), as grants allowed. Strategic plans helped to identify watershed goals and related project priorities, which then helped organizations position themselves for grant opportunities. Some organizations also created a funding opportunities spreadsheet that connected their strategic plan to various funders' priorities. They periodically updated this to keep track of grants, deadlines, and key contacts to maintain awareness of upcoming opportunities. Some also described fostering regional networks using partnership grants (e.g., OWEB-FIP, P-TA, or NRCS RCPP) to formalize partnerships, share information and resources, coordinate projects, and identify partners for project cash match. The designation of a partnership coordinator was particularly useful for identifying landscape-level restoration and conservation funding for multiple organizations.
- To develop unrestricted funding sources, organizations networked in their communities to learn about diverse funding opportunities and build partnerships helped them to find longer-term funding to supplement OWEB's Operating Capacity grants. Examples include: (1) annual federally negotiated indirect cost rate agreements, (2) local government budgets, (3) local community institutions that sponsor non-profits (e.g., local banks, grocers, breweries), and (4) fundraising.

Challenges

Councils and districts faced challenges inherent to with navigating a variable funding landscape and lack of external programmatic capacity funding not tied to specific projects. External funders' priorities change over time, which can lead to loss of reliable funding sources. Additionally, some geographic areas of the state have had greater access to funding opportunities, such as Bonneville Power Administration grants (BPA), district tax bases; species-specific funds for salmon, steelhead, and greater sage-grouse; and other agency regional funding priorities. Further, some rural communities have fewer available local organizations to partner with on projects and/or a lack of local government funding for conservation, and therefore, fewer cash match options for grants. This also ties into difficulties some rural organizations described of finding and retaining qualified staff, which had indirect impacts on their ability to manage and obtain larger restoration and conservation grants. Some have developed and participated in regional partnerships to help mitigate these challenges to the extent possible.



Golden paintbrush, Threatened and Endangered Species. credit: John D. Anderson, cc.

Proposed Recommendations: Agencies and Service Providers

Coordinate Across Agencies and Improve Cross-Agency Understanding of Grantees' Needs

Although several agencies and service providers offer technical assistance and support for grantees (e.g., NOWC, OrCP, OCEAN, and the SWCD Operations Specialist), there is a need to improve awareness of this. As the COVID-19 pandemic altered what was provided over the past few years, and as more in-person events are happening, it is important to re-introduce and offer additional opportunities for peer networking and information sharing. Additionally, we heard interest from council and district staff in connecting directly with OWEB and ODA staff. Hosting regional in-person forums could be particularly beneficial for organizations in more rural areas, who typically must travel further and face greater travel costs for professional networking opportunities. Lastly, new lead staff may have different needs than those who have been in their positions longer. This emphasizes the ongoing importance of mentorship and peer learning networks to create information exchanges and learn from each other's experiences at all stages.

Potential Strategies

For councils, NOWC could play an enhanced role in supporting regional peer forums, since their board includes regional representatives, and they support regional peer networking groups open to all councils. Additionally, they have created a NOWC Insider Webinar series that covers a variety of topics (e.g., nonprofit board governance, legal issues, financial best practices, partnership opportunities, fundraising strategies, and other relevant topics) with content experts. However, these services are currently limited to councils who are paying NOWC members, because the organization depends on membership dues for funding its part-time coordinator and operations currently. OWEB could also engage with ODA's SWCD Operations Specialist's skills to develop regional round-table trainings for lead staff on management and operations for councils, in addition to those already offered to districts.

Topics for Capacity Building

Content that grantees most wanted to learn more about included OWEB-specific and general grant writing and reporting requirement courses; fiscal management and terminology; guidance on developing unrestricted funding sources to maintain critical operations; best practices or examples of organizational policies, procedures, and bylaws; board management and education; handling personnel management and lead staff transitions; and navigating the management of multiple projects, with a balanced project workload for lead staff. It is important to acknowledge that lead staff may not have a background in project management or organizational management, which are essential functions for this position, and have often needed to learn on-the-job.

Strategic Planning

Requiring greater specificity in strategic plans or annual work plans as part of OWEB Council Capacity Grant Merit Criterion 2, depending on the functions of these plans for the organization, could allow for objectives and measures for how councils are identifying and implementing watershed restoration and conservation while engaging with partners (refer to [Proposed Metrics Scorecard](#) in Section VII-C, page 52 for more nuances). It is important to acknowledge that strategic planning processes take time, energy, and resources, which can draw capacity from an organization's other activities and project work. As such, organizations may benefit from additional technical and financial support from OWEB and ODA and other supportive organizations to assist their strategic planning and annual work plan processes to incorporate diverse perspectives and needs and engage relevant technical expertise for identifying priorities. Regional peer learning forums, webinars, and conference sessions may help grantees, particularly lead staff, gain valuable insight into project development, management, and implementation, while making the best use of OWEB's various grants in project design (e.g., technical assistance, stakeholder engagement, monitoring, and restoration).

Board Management

Grantees may benefit from board training guidance, either using existing resources available from ODA, NOWC, and Oregon Conservation Partnership (OrCP), or development of new guidance through these outlets. Considering that lead staff capacity and turnover are common organizational challenges, it is important to continually promote relevant and available board resources for lead staff awareness. Offering these via webinars would allow for increased opportunities to meet the scheduling needs of retired or working board members. Key training areas included strategic plans, organizational policies and procedures, fiscal responsibilities, and personnel management of lead staff.

Staff Benefits and Retirement

A key aspect of lead staff succession planning and staff retention is pay, health and retirement benefits, which are further challenged by the rising costs of living and housing, even prior to the COVID-19 pandemic. It is challenging for councils and districts as smaller grant-funded organizations to afford group health insurance for their staff. It can be challenging to maintain organizational longevity when lead staff leaves to seek out positions with increased pay and benefits. Additionally, based on the survey results, less than half of councils and districts indicated that they had succession planning or mentorship for lead staff, or succession planning for board members. Furthermore, only 47% of councils and 63% of districts indicated that they had competitive salaries and benefits compared to similar types of organizations. Grantees may benefit from a toolkit or an online resource page (including relevant resources from OCEAN, OACD, NOWC and OrCP webinars) for how to incorporate health and retirement benefits into their organization. Regional peer learning forums, CONNECT and OACD conference sessions, and access to legal experts may be helpful as well.

Coordinating with and Educating External Funders on the Significance of Longer-Term Funding

By reviewing other capacity building programs, we learned that other funders (e.g., the Ford Family Foundation and the Wilburforce Foundation) acknowledge the need to support long-term partnerships through long-term granting, and the importance of collaborating among funders to ensure that collective investments and capacity resources are coordinated and effective. OWEB and ODA have provided ongoing, programmatic support for 20 years to councils and districts' efforts in improving local watershed quality and health. OWEB has developed longer-term funding strategies to help support grantees in partnership capacity and larger landscape-scale restoration (P-TA and FIP grants), while NRCS has developed RCPP grants to support collaboration with other councils and districts for landscape-scale conservation projects with private landowners. External funders often see OWEB and ODA as essential funding partners in getting restoration and conservation work done on the ground through these locally based councils and districts. As such, OWEB can play a role in educating funders on the significance of longer-term grants to work toward landscape-scale restoration and conservation.

To read the full report, visit:

<https://www.oregon.gov/oweb/Documents/2023-Jul-ItemN2-Capacity-Matters-20-Year-Full-Report-2023.pdf>