



Investment Opportunities for Improving Local Organizational Capacity in Oregon: FEDERAL AGENCIES

credit: Coast Fork Willamette Watershed Council.
Planting native trees and shrubs.

Background

Over the past 20 years, the Oregon Watershed Enhancement Board (OWEB) has provided Operating Capacity grants to watershed councils (councils) and soil and water conservation districts (districts) across the state by working in close coordination with the Oregon Department of Agriculture. To evaluate the impact of this funding and 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 their Operating Capacity grant program. These findings are intended to provide useful knowledge about what fosters and impedes local organizational capacity to inform future capacity investments.

From 2011 to 2021, OWEB has provided over \$80 million in Operating Capacity grants to councils and districts. These funds generated a total of \$128.6 million in additional economic activity as grantees purchased products and services; and as employees, suppliers, and service providers spent their income. With this essential funding, councils and districts have also leveraged over \$140 million from OWEB's Open Solicitation grants alone to engage in on-the-ground restoration projects, which support state agencies in meeting state-wide restoration goals. They have also leveraged multiple other sources of public, private, and philanthropic funds.

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 local organizational capacity to better position these organizations for these resources since community-based organizations are essential partners in implementing restoration work on the ground.

Summary of Operating Capacity Investments to Councils and Districts from 2011 to 2021.

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.

Operating Capacity Grants (July 2011-December 2021)

\$82,013,681

Funds Leveraged from OWEB's Open Solicitation Grants (January 2011-December 2021)

\$142,730,455

Flexibility in Operating Capacity Grants

Flexible operating capacity grants allow organizations to leverage other funds and develop projects and partnerships to get more work done on the ground.

Councils and districts commonly use OWEB Operating Capacity grants for:

- Project development through relationship/partnership building including paid staff time to participate in local committees/boards, attend events, and meet with landowners to develop joint priorities and project concepts with these partners, and acquired funds.
- Cash match for restoration and conservation projects.
- Participation in local boards and committees to cultivate relationships, support board member recruitment and advance strategic plan goals.
- Development of ad-hoc regional groups to support collaboration and partnership needs, including training, information and resource sharing.
- Staff and board training and updating operational policies/procedures and strategic plans.



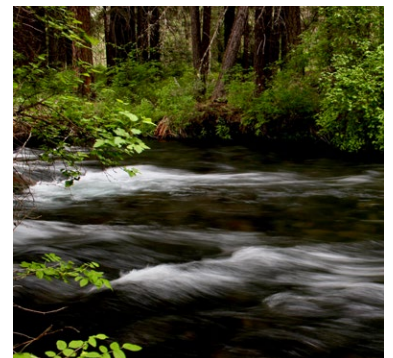
credit: Upper Willamette Stewardship Network.
Sampling Northwest pond turtles.



credit: Curry Soil and Water Conservation District.
Youth outreach in Port Orford.



credit: South Fork John Day Watershed Council.
Range monitoring.



credit: EJ Davis.
Metolius River.

Partnerships: Opportunities & Challenges

Partnerships help organizations learn from the expertise and experiences of others to develop and implement restoration and conservation projects. Over time, some partnerships evolve as they create shared understanding of needs and resources, and move beyond project-to-project planning to landscape-scale restoration and conservation projects.

Partnership opportunities and challenges vary by geographic areas and landownership. Councils and districts, as community-based organizations, are positioned to find common goals and work towards landscape-scale restoration and conservation.

Common partnership challenges councils and districts face include partner staff transitions and challenging relationship histories. To address partner staff transitions, lead staff orient new agency personnel to joint project grants and shared priorities. Challenging partnership histories are typically addressed by lead staff efforts to rebuild the relationship through action, such as funding to work together on a project or monitoring.



credit: Coast Fork Willamette Watershed Council.
Surveying bees.

Governance: Essential Functions, Roles, and Capacity Challenges

Lead Staff

Role/Function:

Leadership, relationship building, personnel management, fiscal management, grant writing, and conservation knowledge.

Opportunities: Invite agency staff or other relevant experts to provide project updates and upcoming funding opportunities to help boards understand regional priorities and inform decision-making.

Challenges: Turnover of lead staff can be difficult for organizations to overcome and can lead to a downward cycle from inherent challenges related to limited qualified local applicants and difficulty attracting external applicants due to non-competitive wages, access to health and retirement benefits, and remote locations. Precipitating factors for lead staff turnover are connected to an unsustainable workload and a lack of joint organizational priority setting between staff and board.

Some organizations face difficulties with stagnation, wherein lead staff lack the necessary, capacity, skills, or training to lead. In these situations, board members lack skills or experience in personnel and organizational management and face difficulties of attracting qualified candidates.

Board Members

Role/Function:

Organizational direction setting, reviewing and updating governing policies and procedures, fiscal oversight and management, and providing guidance to lead staff.

Opportunities: Engage in targeted board recruitment by participating in local boards/committees and attend community events to identify potential board members and encourage their involvement in projects.

Incorporate 15-minute educational content and skills training into board meetings to help boards understand their roles and responsibilities.

Challenges: Many organizations described recruitment challenges with varying commitment levels of board members; level of responsibility and liability considering that board members are unpaid; level of experience with organizational, personnel, and fiscal management; and diversity in terms of younger residents as well as Black, Indigenous, and People of Color (BIPOC) community members due to time and financial constraints. Recruitment challenges are difficult to overcome since they have been a product of established OWEB and ODA board requirements or reflected community perspectives around not wanting state agencies to regulate lands and practices and/or negative experiences with agency representatives.

Strategic Planning

Role/Function:

Strategic plans and annual work plans support decision-making between lead staff and board. (Plans and processes differ depending on regional contexts and organizational structure).

Opportunities: 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 with relevant technical expertise.

Challenges: When strategic plans and/or annual work plans lack specificity in their objectives and measures, they may 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, organizations can face increased lead staff workload, which can lead to burn-out.

Funding: Strategies & Challenges

Councils and districts use numerous strategies to acquire funding for projects and operating capacity, including from unrestricted and longer-term sources:

- 🍃 **Assessment of staffing and organizational capacity to inform which grants to pursue and when,** development of a strategic plan and funding opportunities spreadsheet, and defining a feasible project workload. This structure helps implement project work in a timely manner, which builds partner trust and attracts additional funding opportunities. Additionally, some 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 allow.
- 🍃 **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 cash match. The designation of a partnership coordinator is particularly useful for identifying landscape-level restoration and conservation funding for multiple organizations.
- 🍃 **Developing unrestricted funding sources by networking to learn about diverse funding opportunities and build partnerships.** 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.
- 🍃 **Councils and districts face challenges inherent to 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 sources. Some geographic areas have had greater access to funding opportunities, and some rural communities have fewer available local partners and/or lack local government funding for conservation, and therefore have fewer cash match options. This can contribute to difficulties in finding and retaining qualified staff, which in turn affects ability to manage and obtain larger restoration and conservation grants. **Some have developed and participated in regional partnerships** to help mitigate these challenges.



credit: North Coast Watershed Association. Outreach on project sites.



For more information, view the [Executive Summary](#)

Conclusion

OWEB Operating Capacity grants have positively impacted communities' local economies, supported completion of on-the-ground restoration, and built capacity among local partners. Investing in local councils and districts around Oregon through the Operating Capacity grants program enables progress toward statewide and federal restoration and conservation goals. Without sufficient capacity funding, particularly in the face of rising costs and inflation, many councils and districts would not be able to maintain their operations because restoration work can require months or years of networking, planning, and leveraging projects, which cannot be charged to restoration project grants. 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 important to consider councils' and districts' operational capacity funding needs to do this work. Because they are small, community-based organizations with relationships with local communities, they are well-poised to engage in restoration work at the local level; but need operational support to scale up to engage in this work.

If federal agencies want to treat more acreage on-the-ground, agencies need to invest in local organizations by providing operating capacity funding. This in turn will also support local agency staff and increase operational efficiencies for federal agencies through partnerships.



This work is funded in whole by the Oregon Watershed Enhancement Board (OWEB) with consultation from key agency staff at OWEB and Oregon Department of Agriculture (ODA), as well as an Advisory Group chaired by OWEB and ODA, which consisted of a selected group of council and district leadership.



Investment Opportunities for Improving Local Organizational Capacity in Oregon:

FOUNDATIONS AND FUNDERS

credit: Marion Soil and Water Conservation District.

Students survey macro-invertebrates during a Salmon Watch field trip on the North Santiam River.

Background

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credit: North Coast Watershed Association.
Tours engage communities.

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- 🍃 Staff and board training and updating operational policies/procedures and strategic plans.



credit: South Fork John Day Watershed Council.
Range monitoring.



credit: Curry Watersheds Partnership.
Councils provide community outreach.



credit: Wheeler Soil and Water Conservation District.
Weed spray equipment clinic.

Partnerships: Opportunities & Challenges

Partnerships help organizations learn from the expertise and experiences of others to develop and implement restoration and conservation projects. Over time, some partnerships evolve as they create shared understanding of needs and resources, and move beyond project-to-project planning to landscape-scale restoration and conservation projects.

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Common partnership challenges councils and districts face include partner staff transitions and challenging relationship histories. To address partner staff transitions, lead staff orient new agency personnel to joint project grants and shared priorities. Challenging partnership histories are typically addressed by lead staff efforts to rebuild the relationship through action, such as funding to work together on a project or monitoring.



credit: EJ Davis.
Restored floodplain, Morrow County.

Governance: Essential Functions, Roles, and Capacity Challenges

Lead Staff

Role/Function:

Leadership, relationship building, personnel management, fiscal management, grant writing, and conservation knowledge.

Opportunities: Invite agency staff or other relevant experts to provide project updates and upcoming funding opportunities to help boards understand regional priorities and inform decision-making.

Challenges: Turnover of lead staff can be difficult for organizations to overcome and can lead to a downward cycle from inherent challenges related to limited qualified local applicants and difficulty attracting external applicants due to non-competitive wages, access to health and retirement benefits, and remote locations. Precipitating factors for lead staff turnover are connected to an unsustainable workload and a lack of joint organizational priority setting between staff and board.

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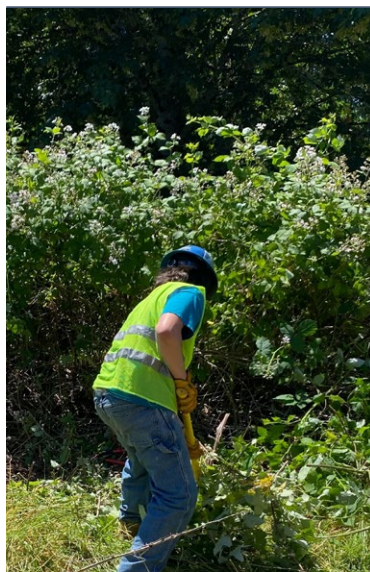
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Funding: Strategies & Challenges

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credit: Coast Fork Willamette Watershed Council.
Removing invasive blackberry.



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If agencies, funders, and foundations want to treat more acreage on the ground, they need to invest in local organizations by providing operating capacity funding. This in turn will also support local agency staff and increase operational efficiencies for federal agencies through partnerships.



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Investment Opportunities for Improving Local Organizational Capacity in Oregon: COUNTIES AND CITIES

Credit: EJ Davis.

Councils and districts work to protect important Oregon White Oak habitat, Wasco County.

Background

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credit: Coast Fork Willamette Watershed Council.
Sampling Northwest pond turtles.



credit: Coast Fork Willamette Watershed Council.
Snorkel survey in Mosby Creek.



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



credit: EJ Davis.
Livestock exclusion fencing.

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credit: Marion Soil and Water Conservation District.
Summer Kickoff table at Stayton High School.

Governance: Essential Functions, Roles, and Capacity Challenges

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credit: Upper Willamette Stewardship Network. Post wildfire recovery.



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If counties and cities want to be able to capture some of these funds from federal agency dollars and support local job creation and development, councils and districts need operating capacity funding from county and city budgets, so they can scale up their organizations to engage in this work.



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