



Feather River Stewardship Coalition Watershed Group Development & Watershed Restoration Planning

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Executive Summary

Date: 8/20/2024

Applicant Name: Sierra Institute for Community and Environment

City: Taylorsville

County: Plumas County

State: California

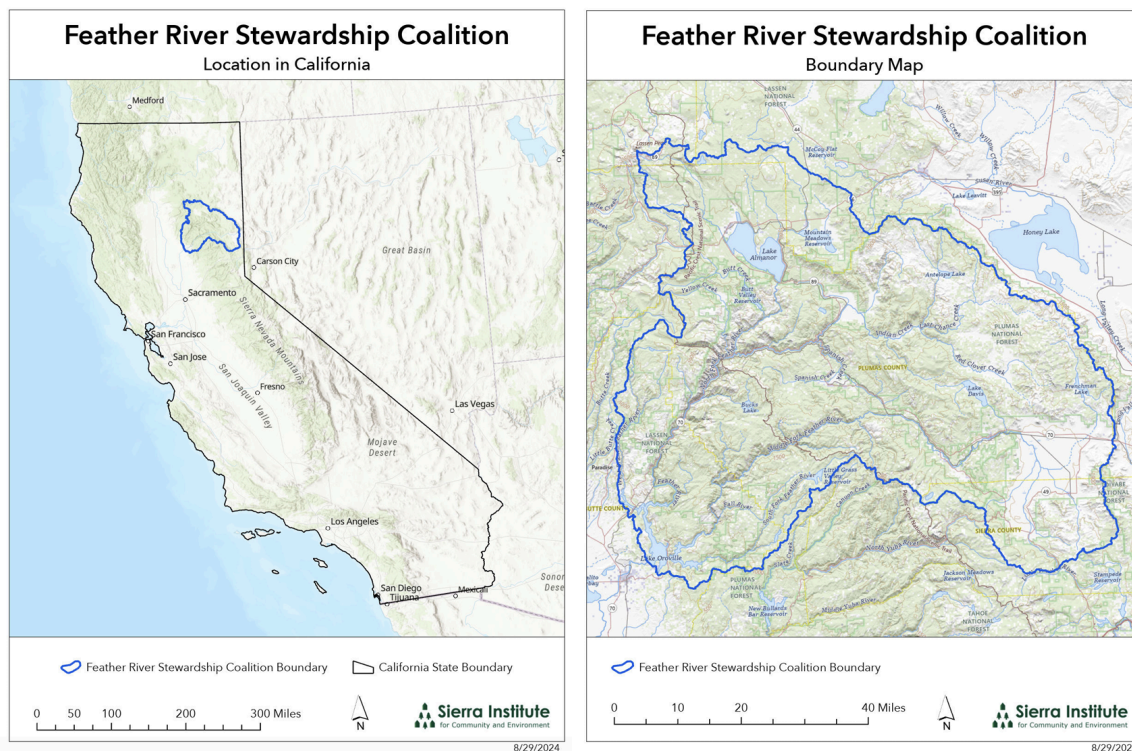
Sierra Institute for Community and Environment (Sierra Institute) will work to re-establish the Feather River Stewardship Coalition (FRSC), a watershed group rooted in the Feather River Watershed. Following the 2021 Dixie Fire, local stakeholders have expressed a noticeable gap in collaborative efforts within the Plumas National Forest, Plumas County, and the Feather River Watershed. This is a critical time for collaboration within the Feather River Watershed following a series of wildfires and the influx of Wildfire Crisis Strategy funds to the Plumas National Forest. Further, multiple large-landscape NEPA are moving forward on the Plumas National Forest, and projects will enter the implementation phase in 2025. These circumstances call for developing a collaborative vision, a long-term strategy, and a road map that positions the Watershed for the next 20 years. The Feather River Watershed is at an inflection point, and the Feather River Stewardship Coalition is the venue needed to promote cohesion across the Watershed. As part of this project, the Coalition will solidify group development (Task A), including organizing a steering committee, revising the charter, and finalizing an MOU. The Coalition will also complete a watershed restoration plan (Task B) for the Feather River Watershed, including a detailed implementation plan outlining which projects will be implemented over the next 20 years, a prioritization process, and a cohesive implementation strategy. This work will take place over two years, and be completed by September 30th, 2027. Much of the implementation planning will take place on federal lands, such as the Plumas National Forest, but will also look across boundaries at surrounding private lands and county lands.

Project Location

The project area is the Upper Feather River Watershed (see Fig. 1), which falls within the Sacramento-Lower Cow-Lower Clear Watershed (HUC 18020101). Located in northeastern California, it encompasses portions of Plumas, Butte, Lassen, and Sierra Counties in the northern Sierra Nevada. The watershed encompasses 2.3 million acres, with a majority draining southwest to Lake Oroville, the largest reservoir in the California State Water Project¹, as well as the Sacramento River. Lake Oroville is the primary storage for the State Water Project, which supplies water to over two-thirds of California's population and to the

¹ Upper Feather River Regional Water Management Group, (2016). *Upper Feather River Integrated Regional Water Management Plan Update 2016*. Retrieved from: <https://featherriver.org/wp-content/uploads/2015/03/Complete-Plan-without-Appendices.pdf>

Central Valley for agricultural production. Some of the communities within the Watershed include Chester, Sierraville, Berry Creek, Quincy, Portola, and Greenville. Within the Watershed, focal areas for the Coalition will include Plumas County and the Plumas National Forest. Plumas County is a rural area with a population of less than 20,000 individuals and a land area of 1,672,320 acres. These lands are the traditional homelands of the Mountain Maidu and Konkow Maidu Tribes. The Plumas National Forest covers over 70% of the county's land. The Upper Feather River Watershed encompasses 3 HUC 8 watersheds: the North Fork of the Feather River (HUC 18020121), the East Branch North Fork of the Feather River (HUC 18020122), and the Middle Fork of the Feather River (HUC 18020123). FRSC's boundaries coincide with these watersheds (see fig. 2). The North Fork contains critical infrastructure for hydroelectric and water supply demands. The Middle Fork has 70 miles designated as a Wild and Scenic River, home to critical habitat and recreational opportunities. The East Branch drains to Eagle and Honey Lakes and supplies water to the communities of Indian Valley, Quincy, and surrounding areas.



Figures 1 & 2. Location of the Upper Feather River Watershed, which is also the FRSC boundary.

Applicant Category

Sierra Institute for Community and Environment submits this proposal with the FRSC as a New Watershed Group. FRSC existed previously but has been on an indefinite hiatus for over a year and a half due to the Covid-19 pandemic and a series of recent megafires.

FRSC was originally formed succeeding the Quincy Library Group, a collaborative group encompassing Plumas, Sierra, Lassen, Shasta, and Butte Counties that formed in 1992 and promulgated the Herger-Feinstein Quincy Library Group Forest Recovery Act of 1998 (HFQLG). The Quincy Library Group (QLG) actively influenced landscape-scale projects on the Lassen and Plumas National Forests and the Sierraville Ranger District of the Tahoe National Forest until the act ended in 2013. With the end of the HFQLG and the promotion of the Forest Service Collaborative Forest Landscape Restoration Act, the Plumas County Fire Safe Council anticipated the need for continued collaboration with the USDA Forest Service and other land ownership jurisdictions. An opportunity arose with the Collaborative Forest Landscape Restoration (CFLR) Act of 2009, which is intended to award funds to developing collaboratives for the planning and implementation of projects.

The Plumas County Fire Safe Council applied to the Plumas County Resource Advisory Committee for Title II funds from the Secure Rural Schools and Community Self-Determination Act and received funds from the Plumas National Forest to develop a collaborative that generally focuses on Plumas County. In June of 2015, a small but significant group of dedicated individuals from a range of interests formed the Feather River Stewardship Coalition to build a collaborative forest landscape restoration group that could utilize resources from not only the CFLR Act, but multiple beneficial opportunities.

With the COVID-19 pandemic and a series of mega fires, the social and ecological landscape in the Feather River Watershed has drastically altered, necessitating the revitalization of the Feather River Stewardship Coalition. The collaborative has been stopped for over a year.

Notable recent wildfires include the 2007 Moonlight Fire, 2012 Chips Fire, 2019 Walker Fire, 2020 North Complex Fire, and the largest continuous wildfire in California's history, the 2021 Dixie Fire. Since 2017, nearly two-thirds of the Plumas National Forest has burned, destroying the communities of Greenville, Canyon Dam, Indian Falls, and Warner Valley.

Following the Dixie Fire, a significant portion (285,000 acres) of the Plumas National Forest was designated as a Wildfire Crisis Strategy Landscape and saw a surge of funding (\$273,930,000)². Local partners, including non-profits and Resource Conservation Districts, experienced an uptick in funding from grant opportunities following the Dixie Fire. While this has provided funding for much-needed restoration projects, it has led to entities focusing on their projects and unintentionally siloing efforts. A revitalized Coalition will support the

² USFS, (2023). Wildfire crisis landscape investments: Confronting the wildfire crisis, expanding efforts to deliver on the Wildfire Crisis Strategy. FS-1187f. Retrieved from: https://www.fs.usda.gov/sites/default/files/fs_media/fs_document/WCS-Second-Landscapes.pdf

development of a collaborative vision, a long-term strategy, and a road map that positions the Watershed for the next 20 years. As partners across the Feather River Watershed plan projects, there is an urgent need to coordinate implementation efforts to build a cohesive implementation strategy with a clear prioritization process.

Eligibility of Applicant

Sierra Institute for Community and Environment--a non-profit--and the Plumas Fire Safe Council are co-facilitative partners in reinitiating Feather River Stewardship Coalition and have been working collaboratively to initiate its relaunch efforts.

The Plumas County Fire Safe Council has been awarded funding from the Sierra Nevada Conservancy's Regional Forest and Fire Capacity Program to support a quarter-time staff facilitator for the FRSC. Sierra Institute does not yet have any funding to support staff time for coordinating the FRSC, and a quarter-time position with the Fire Safe Council is not enough to provide the backbone support needed to get this New Watershed Group started. Sierra Institute staff will be sponsoring the development of this New Watershed Group and ensuring its success going forward.

Sierra Institute has twenty-five years of experience facilitating collaborative multi-stakeholder efforts to develop innovative projects that contribute to ecological restoration and benefit rural communities. Currently, Sierra Institute coordinates and facilitates multiple local forest and watershed collaboratives, including the Lake Almanor Watershed Group, the South Lassen Watersheds Group, and the Burney Hat Creek Community Forest and Watershed Group. These collaborative groups bring together a mix of local partners interested in pursuing high-priority, multi-jurisdictional projects to improve forest and watershed health, reduce wildfire risk, protect critical habitat, and support local contractors and industry. Sierra Institute staff are experienced in facilitating collaborative processes that unite diverse partners to build a unified and cohesive vision for the landscape and surrounding communities.

With funds from the WaterSMART Cooperative Watershed Management Program, Sierra Institute supported the South Lassen Watersheds Group in planning the West Lassen Headwaters Project (WLHP)--a landscape-scale restoration initiative to improve forest resilience, watershed health, and vital community protection across 169,000 acres of diverse habitats in critically important headwaters flowing from Lassen Peak. Sierra Institute staff designed and facilitated three workshops for collaborative group members to guide project planning by identifying existing conditions, desired conditions, and proposed actions. Workshops had participants from the Lassen National Forest, the Lassen Volcanic National Park, Collins Pine

Company, Feather River RCD, RCD of Tehama County, Battle Creek Meadows Ranch, Friends of Warner Valley, and other groups and community members.

In the first workshop, Sierra Institute staff facilitated discussions with South Lassen Watersheds Group members to describe the existing conditions of the WLHP landscape using geospatial data, relevant literature, and first-hand field experience. The second round of workshops provided a forum for collaborative group members to discuss and align on desired conditions for the WLHP landscape. Sierra Institute staff hosted a third round of workshops, in which SLWG members outlined proposed actions to meet their defined desired conditions. These workshops helped the group co-define a vision for the landscape and have needed discussion about how to achieve desired conditions. As the project has developed, Sierra Institute has continued to design and facilitate additional workshops coinciding with key project development milestones to give collaborative members a strong voice in each phase of the planning process. Sierra Institute staff are interested in conducting similar work on the Plumas National Forest, and bringing lessons learned from the South Lassen Watersheds Group's development to the Feather River Stewardship Coalition.

On the Plumas National Forest, Sierra Institute is leading planning and initial implementation actions within the North Fork Forest Recovery Project (NFFRP), a 166,889-acre post-fire recovery effort. The NFFRP is a collaborative project that amplifies community voices and will strategically enhance, restore, protect, and recover values (e.g., forests, watersheds, communities) within the project area, which was heavily impacted by the Dixie Fire, as well as by the 2007 Moonlight Fire, 2012 Chips Fire, and 2019 Walker Fire. Sierra Institute has heavily engaged local partners throughout the planning phase of the NFFRP. Over the last year, Sierra Institute held four community meetings, two Tribal outreach meetings, and a field tour; these events had robust participation from partners and key stakeholders, including the Indian Valley Fire Department, the Dixie Fire Collaborative, Friends of Plumas Wilderness, Plumas Corp, Sierra Butte's Trail Stewardship, the Taylorsville Firewise Committee, the Greenville Firewise Committee, the Seneca Firewise Committee, J&C Enterprises--a family-owned logging operation, Greenville Rancheria, Susanville Indian Rancheria, the Konkow Maidu Tribe, and others. Collectively, these entities represent local collaborative groups, non-profits, Firewise Committees, industry and loggers, and Tribes. Meetings and field tours were designed to gain partner and community input early in the planning process and provide partners and community members an opportunity to inform the project and ensure their values and needs were reflected in the environmental compliance process.

Beyond working with individual collaborative groups, Sierra Institute also facilitates the Sierra to California All Lands Enhancement (SCALE) project, bringing together 15-18 collaboratives located throughout California to address landscape-scale restoration, community enhancement, and resiliency.

We aim for the Feather River Stewardship Coalition to meet regularly over two years and establish an inclusive, effective structure that can be maintained in the future. We envision partners working with each other and the Plumas National Forest to plan and implement projects to restore the landscape and recover communities. FRSC will work together to leverage funds for the watershed to support the implementation of priority projects to restore forests and watersheds and protect communities. The group will also develop a Watershed Restoration Plan, outlining the implementation actions and strategies in the Feather River Watershed over the next 20 years. Project Objectives include:

Task A: Watershed Group Development

With project funds, Sierra Institute will develop a vision statement and goals for the Feather River Stewardship Coalition, including solidifying the group's Memorandum of Understanding and the Charter. Sierra Institute will also continue conducting stakeholder outreach to establish broad-based and diverse membership in the Coalition.

Task B: Watershed Restoration Planning

Sierra Institute staff will facilitate the development of a Feather River Stewardship Coalition Watershed Restoration Plan. This document will detail a shared vision for FRSC and the Upper Feather River Watershed, and outline a restoration implementation strategy.

The Watershed Restoration Plan will serve as a collective implementation roadmap for priority areas within projects, with the outcome being on-the-ground treatments and long-term maintenance. To achieve this, Sierra Institute will facilitate meetings to unite partners and stakeholders and review current landscape-scale projects. As part of these meetings, stakeholders will jointly conduct mapping and other technical analyses to identify priority implementation areas that meet multiple landscape management objectives (e.g., watershed restoration, fuels reduction, community protection). Through collaborative processes, cultural areas of significance will be identified, priority areas established, and coordinated strategies developed to streamline restoration work.

The Watershed Restoration Plan will detail where on the landscape there are still gaps within the Watershed and no projects have been planned, as well as what mechanisms or interventions are needed to plan projects in those landscapes effectively. Further, the plan will highlight other implementation capacity gaps and outline strategies to address those gaps. This includes but is not limited to: unmet funding needs, available vs. needed workforce, biomass utilization, and engagement of unrepresented partners.

The implementation strategy will outline the alignment of project activities with collaborative-supported goals and objectives, with opportunities for public

involvement pre-implementation. It will serve as a living document that will 1) strengthen the group's capacity, 2) allow for diverse perspectives to inform best practices for complex treatments, 3) collectively target priority areas strategically, and 4) increase the pace and scale of important watershed restoration work.

Evaluation Criteria

Evaluation Criterion A - Watershed Group Diversity and Geographic Scope

Affected stakeholders in the watershed include diverse interests, livelihoods, and concerns. Some of these groups are non-industrial private landowners, industrial timber companies, state and federal agencies, Tribes and tribal organizations, and a diversity of community-based and environmental groups. A primary concern for all is wildfire, with much of the watershed being impacted by recent fires. Historically, this region's mixed conifer vegetation type has evolved to have a natural fire ecology of frequent, low to moderate severity³. In the face of climate change, prolonged drought conditions, and overly dense forests, mass mortality and catastrophic wildfires threaten both human and natural resources, including the watershed. The health of the forests surrounding these rural communities directly impacts all those who live there and the economies that operate there. Downstream users who benefit from the ecosystem services of clean and available water that a healthy upper watershed provides are also important stakeholders outside the watershed. These include: agricultural producers, ranchers, and communities that rely on the hydroelectric power, water with low sedimentation, and drinking water provided by this critical natural infrastructure of healthy forested upper watersheds.

Sub-Criterion No. A1. Watershed Group Diversity

In the revival of the FRSC, a central mission is to include all partners and affected stakeholders across the watershed. Through a snowball approach and direct outreach, a FRSC participant list has grown and continues to expand. Some areas of the Feather River Watershed (e.g., Sierra Valley) need more stakeholder representation within the Coalition. This can be attributed to its location in another national forest, the Tahoe National Forest, and Sierra County. Intentional outreach is needed to engage stakeholders that still need to be represented in the group. Sierra Institute will develop outreach strategies to identify areas of prior nonengagement and meaningfully coordinate outreach and engagement to bring their interests into the group.

³ U.S. Department of Agriculture, Forest Service, Missoula Fire Sciences Laboratory, (2018). Fire regimes of California montane mixed-conifer communities: Information from the Pacific Southwest Research Station and LANDFIRE. In: Fire Effects Information System, [Online]. U.S. Department of Agriculture, Forest Service, Rocky Mountain Research Station, Missoula Fire Sciences Laboratory (Producer). Retrieved from: www.fs.usda.gov/database/feis/fire_regimes/CA_mixed_conifer/all.html [2024, August 29].

As of now, 21 groups have participated in the reformation of FRSC. Degrees of participation are listed below from low to high. These groups cover a diverse range of interests spanning ecological, social, and economic concerns.

Feather River Stewardship Coalition	
Organization	Level of Participation
Lassen Fire Safe Council	Moderate
Sierra Nevada Conservancy	High
Feather River Resource Conservation District	High
CAL FIRE	Low
Spatial Informatics Group	Moderate
Local Foresters	High
Plumas County Fire Safe Council	High
Plumas National Forest	High
Plumas County	Moderate
Great Basin Institute	Moderate
Greenville Indian Rancheria	Moderate
National Forest Foundation	Low
Butte County Fire Safe Council	Low
Sierra Pacific Industries	Moderate
J&C Enterprises	Low
Plumas Corps	Moderate
Feather River Trout Unlimited	Low
Plumas Audubon Society	Moderate
Maidu Summit Consortium	Low
Terra Fuego Resource Foundation	Moderate
Sierra Institute for Community and Environment	High

Maidu Tribes and Tribal Groups are interested not only in managing ancestral Tribal lands within the project area but also in practicing Maidu Indigenous Traditional Ecological Knowledge (ITEK) to reduce fire impacts and strengthen cultural ties and understanding. The Maidu Summit Consortium, a non-profit that includes but is not limited to the Susanville Rancheria, Greenville Rancheria, Roundhouse Council, and Maidu Culture and Development Group, owns and manages timberland and meadow complexes. They have demonstrated a deep commitment to reducing fire risk, mitigating water shortages, and improving environmental health through ITEK in the project area.

The federal government is a major landowner within the project area. The United States Forest Service (USFS) is mandated to preserve and protect the natural resources under its stewardship. The Forest Service manages lands within the Wildland Urban Interface and is engaged in project planning and fire risk mitigation in these high-priority areas. Coordination and participation from the Plumas National Forest representatives will be integral in FRSC's development and strategic planning processes. The Plumas National Forest is supportive of the activities detailed in this proposal.

Industrial interests manage private timberlands (e.g., Sierra Pacific Industries and Collins Pine) and must mitigate water quality impacts and fire risk as part of their resource 14 management obligations. Much of the land surrounding communities and critical watershed areas is owned by private industry and requires coordination to provide landscape-scale effective fuel reduction management across land ownership boundaries. FRSC will conduct targeted outreach with industry partners to highlight the benefit of protecting their wood products through collaborative participation.

CAL FIRE is legally responsible for providing fire protection in State Responsibility Areas. The project area contains significant State Responsibility Areas acreage, as well as lands beyond the project area, due to potential fire spread.

County governmental and non-governmental organizations, including Plumas County, Feather River Resource Conservation District, and Lassen Resource Conservation District, are vested in improving natural resource management, water security, and fire risk reduction in their communities.

Environmental nonprofits, including the Lassen Fire Safe Council, Butte County Fire Safe Council, Plumas County Fire Safe Council, Trout Unlimited, Plumas Corps, Plumas Audubon Society, Terra Fuego, National Forest Foundation, and Great Basin Institute, among others, are involved in ecosystem management and restoration, and ecological research in the region. These groups are affected by water quality, quantity, and fire risk issues. It will be essential to coordinate the

inclusion of these partners into FRSC as they contract work and develop implementation plans.

Sub-Criterion No. A2. Geographic Scope

FRSC operates within 3 HUC 8 watersheds: the North Fork of the Feather River (HUC 18020121), the East Branch North Fork of the Feather River (HUC 18020122), and the Middle Fork of the Feather River (HUC 18020123) watersheds (see figure. 4). These lie within the northeastern portion of the HUC 6 Watershed, the Sacramento-Lower Cow-Lower Clear Watershed.

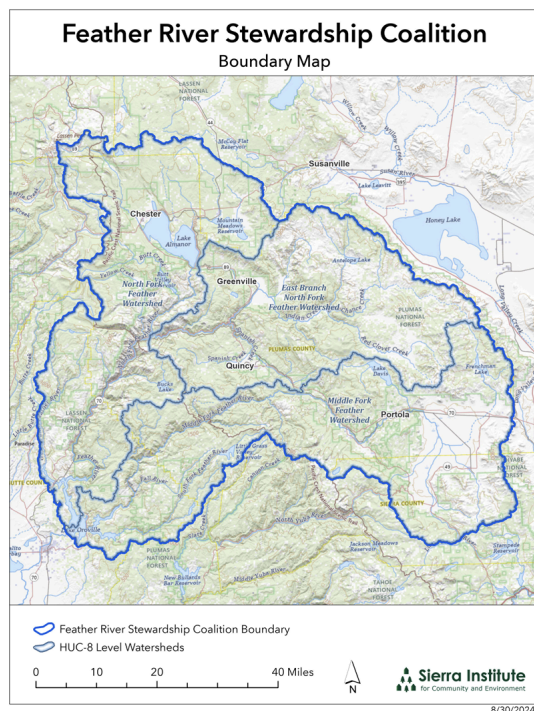


Figure 4. The Upper Feather River Watershed with the HUC 8 watersheds.

FRSC stakeholders currently represent a large portion of the area's major landholders and stakeholder interests. Sierra Institute will lead outreach efforts to include important stakeholder groups, such as other Maidu tribal entities that are both federally and non-federally recognized and whose homelands reside in the watershed. Other important stakeholder groups that will be outreached to include Firewise communities, the Mule Deer Foundation, Friends of the Plumas Wilderness, other local contractors, Feather River College, UC Cooperative Extension, and the Feather River Land Trust. Further, some geographic areas (e.g., Sierra Valley) within the watershed still need strong representation within the collaborative group, and Sierra Institute staff will need to reach these groups further. The location of major public and private land ownership groups in FRSC is indicated on the map in Figure 5.



Figure 5. Land ownership in the Upper Feather River Watershed.

Evaluation Criterion B - Developing Strategies to Address Critical Watershed Needs

Sub-Criterion No. B1. Critical Watershed Needs or Issues

In 2021, the Dixie Fire burned nearly a million acres in Butte, Lassen, Plumas, Shasta, and Tehama Counties. The fire destroyed homes, businesses, and infrastructure in communities, including, but not limited to, Greenville, Canyon Dam, Indian Falls, and Warner Valley. Local businesses that survived missed critical revenue-generating summer months, thousands of residents were evacuated for weeks, and extended periods of heavy smoke posed a public health hazard to locals and millions of Californians.

The Feather River watershed has had a number of large fires in the past two decades, including the 2000 Storrie Fire, 2007 Moonlight Fire, 2012 Chips Fire, 2018 Camp Fire, 2019 Walker Fire, and 2020 North Complex. However, the scale and severity of the Dixie Fire and the North Complex Fire, in particular, suggest a new approach to landscape-level forest and watershed management is needed and requires a re-evaluation of how we sustain communities and ecosystems in the era of megafires.

Since 2017, nearly two-thirds of the Plumas National Forest has burned, and approximately 50 percent of the Almanor Ranger District of the Lassen National Forest experienced high-severity stand-replacing fire from the Dixie Fire alone. Private forestlands were not spared either, with approximately 50 percent of the

Collins Almanor Forest burned by the Dixie Fire. Many of these acres burned during a 24-hour period of critical fire weather, including high winds, resulting in over 100,000 acres of stand-replacing fire and well beyond what scientists would expect under the historic natural range of variation.

The Upper Feather River Watershed is of statewide significance for its many services. The State Water Project originates in the watershed and delivers water to over 25 million people throughout California. The watershed also supports unique biodiverse areas and some of the last of the free-running salmon runs in California, up to 15% of all the hydroelectric power produced in the state, and directly serves tens of thousands of local residents. Learning from catastrophic wildfire events like the Dixie Fire to adapt landscape management practices is critical to not only sustain rural communities and livelihoods in the region, but also to maintain the resources in the Feather River Watershed, including water, hydropower, carbon sequestration, biodiversity, and other ecosystem services from which all Californians benefit. The Feather River Stewardship Coalition is the venue needed to promote cohesion across the Watershed, and a coordinated landscape management approach.

Sub-Criterion No. B2. Project Benefits

FRSC will address the outlined critical watershed issues by collaboratively identifying a management strategy for the Upper Feather River Watershed for the next 20 years. This will include bringing stakeholders together to get an overarching understanding of the projects being planned on the landscape, and collectively prioritizing management actions, considering the interests and priorities of diverse stakeholders.

On the Plumas National Forest alone, there are six major landscape-scale forest restoration projects, focusing on recovering areas that experienced wildfire or on management to protect unburned green landscapes. These projects combine for a total area of 653,600 acres. The Feather River Stewardship Coalition will work with project partners and local stakeholder groups to identify priority areas within these large-scale projects and opportunities to leverage resources to expedite on-the-ground work. Additionally, coordinating treatment types across projects will be crucial for building out landscape resiliency and the ecosystem services the Feather River Watershed provides.

By conducting these implementation planning activities within a collaborative framework, Sierra Institute will constructively engage and facilitate diverse perspectives to improve working partnerships and develop watershed and forest health strategies. Efforts will address the risk of wildfire and subsequent erosion, as well as meadow habitat restoration with positive benefits for downstream water quantity and quality.

Water Group Development

We aim for FRSC to meet regularly over two years and establish an inclusive, effective structure that can be maintained in the future. We envision partners working together with each other and the Plumas National Forest to plan and implement projects to restore the landscape and recover communities. FRSC will work together to leverage funds for the region to support the implementation of priority projects to restore forests and watersheds and protect communities.

Objective 1: Hold full group FRSC meetings quarterly and project or topic-specific field tours at least twice per year.

Objective 2: Develop a Steering Committee representing diverse interests that will meet regularly to guide the group's efforts and ensure the health of the Coalition.

Objective 3: Revise the FRSC Charter and complete a Memorandum of Understanding reflecting the current socio-ecological landscape; these documents will be housed on the FRSC website and other Coalition content.

Objective 4: Increase outreach and participation from historically marginalized and vulnerable populations. Ensure that all geographies are well represented in the collaborative group.

Objective 5: Collectively leverage more funds for the Feather River Watershed to support critical project planning and implementation activities.

This project aims to ensure coordination support for FRSC for the next two years. Coordination capacity is crucial to building the group's long-term viability. A major portion of the funds would be used to support dedicated staff time and services provided by facilitators from Sierra Institute. Staff would convene the group and workgroups, reach out to stakeholders, write meeting notes, revise collaborative documents, coordinate field tours, and apply for grants to support projects that the Coalition is championing.

Further, a major barrier for historically marginalized groups has been overcoming the hurdle of their own capacity to participate, as staff time is highly valued. To aid in addressing this barrier, a portion of the funds would be used for stipends and gas for the most capacity-stressed groups and individuals to allow them to participate when they might otherwise not be able to. This would include assisting in travel and staff time for meetings and field tours and being part of the steering committee.

Watershed Restoration Planning

Watershed restoration planning within the Feather River Stewardship Coalition will facilitate alignment among FRSC stakeholders on desired restoration activities and

resource considerations within the Watershed. FRSC will complete an analysis and prioritize issues within the Watershed by collaboratively creating a Landscape Assessment. The Landscape Assessment will include existing baseline data, current project work, identification of survey needs, and agreed-upon project priorities. Planning efforts will occur in Steering Committee meetings (eight total, four annually) and Full Group FRSC meetings (eight total, four annually). This approach will bring together diverse interests pre-implementation, leading to an intimate research and planning context, and increasing trust and cooperation.

Objective 1: Collaboratively map all existing projects being planned within the Feather River Watershed.

Objective 2: Conduct a Landscape Assessment that will provide an understanding of the existing conditions of the landscape, survey needs, and areas that are high-priority for treatment given diverse resource considerations.

Objective 3: Produce a Watershed Restoration Plan that includes an implementation strategy, highlighting existing conditions on the landscape, desired conditions, and priority actions. The implementation strategy will also outline a phased approach to treatment across the Watershed over the next 20 years and be rooted within the group's shared priorities for the landscape.

Evaluation Criterion C - Readiness to Proceed

Task A - Water Group Development

Task 1: Sierra Institute staff will convene the FRSC for full group meetings and field tours.

Subtasks:

- Sierra Institute staff will work to develop meeting agendas that are pertinent to the needs and desires of the group.
- Meeting notes will be generated, reviewed, and distributed to FRSC participants in a timely manner.

Milestones/Deliverables:

- 8 FRSC full group meetings hosted
- 4 project-specific field tours held

Outcomes:

- Bring local stakeholders together to build a shared understanding of projects happening on the landscape.
- Provide ample opportunities for partners to share resources, feedback, and knowledge to expedite project work being completed on the land.

Timeframe: September 2025 - September 2027

Primary Person Responsible: Zach Browning

Task 2: Sierra Institute will support the establishment of an inclusive Steering Committee, with members from underrepresented backgrounds.

Subtasks:

- Sierra Institute staff will reach out to various stakeholder groups to ensure that the Steering Committee represents the interests within the Feather River Watershed.
- Sierra Institute staff will work with the Steering Committee to identify underrepresented groups and representatives to include.
- Sierra Institute staff will work to develop Steering Committee agendas pertinent to the group's needs and desires.

Milestone/Deliverable:

- 8 Steering Committee Meetings hosted

Outcomes:

- An established Steering Committee that portrays the various interest groups throughout the Watershed.
- The roles and responsibilities of the Steering Committee are defined.

Timeframe: September 2025 - September 2027

Primary Person Responsible: Zach Browning

Task 3: Sierra Institute staff will guide the FRSC in completing revisions to guiding documents for the group, including a Memorandum of Understanding and a Charter.

Subtasks:

- Sierra Institute staff will work with FRSC members to develop a Memorandum of Understanding.
- Sierra Institute staff will work with FRSC members to update the existing Charter and incorporate new priorities.
- Sierra Institute staff will update the FRSC website to host all relevant meeting materials and guiding documents.

Milestones/Deliverables:

- An updated and signed FRSC MOU
- A revised FRSC Charter
- A FRSC website with group resources (e.g., updated guiding documents, meeting notes)

Outcomes:

- New guiding documents will outline the group's shared vision, collaborative structure, and decision-making processes. The documents will be stored on an FRSC website so all group members and the public have access.

Timeframe: January 2026 - December 2026

Primary Person(s) Responsible: Zach Browning and Isabella Bledsoe

Task 4: Sierra Institute will work with low-capacity partners and stakeholders to ensure their ability to attend and participate in decision-making processes by offering a travel and work stipend.

Subtasks:

- Sierra Institute staff will coordinate with low-capacity partners through individual outreach and discussions to identify and work towards overcoming specific capacity needs and challenges to their participation.

Milestone/Deliverable:

- Outreach to at least 10 historically underrepresented groups with the goal of FRSC participation.
- One member of a historically underrepresented group participates in the FRSC Steering Committee.

Outcomes:

- Representatives of historically marginalized groups will have the opportunity to be active in decision-making processes and project work.

Timeframe: September 2025 - April 2026.

Primary Person(s) Responsible: Zach Browning and Vincent Vitale

Task B - Watershed Restoration Planning

Task 5: Sierra Institute staff will facilitate alignment among FRSC stakeholders to create a Watershed Restoration Plan that will include existing baseline data for the watershed, current project work planned in the watershed, identification of survey needs, agreed-upon priority implementation areas, and an implementation plan.

Subtasks:

- In full group meetings and Steering Committee meetings, Sierra Institute staff will facilitate a process to collaboratively map all existing projects being planned within the Feather River Watershed.
- Sierra Institute staff will conduct a Landscape Assessment that will provide an understanding of the existing conditions on the landscape, survey needs, and areas that are high-priority for treatment given diverse resource considerations.
- Sierra Institute staff will produce a Watershed Restoration Plan that includes an implementation strategy, highlighting existing conditions on the landscape, desired conditions, and priority actions. The implementation strategy will also outline a phased approach to treatment across the Watershed over the next 20 years and be rooted within the group's shared priorities for the landscape.

Milestone/Deliverable:

- A complete Watershed Restoration Plan.

Outcomes:

- The Watershed Restoration Plan will represent FRSC's shared goals for the landscape and document a strategic vision for restoration in the Watershed for the next 20 years.

Timeframe: September 2026 - September 2027

Primary Person(s) Responsible: Zach Browning, Vincent Vitale, and Isabella Bledsoe.

Evaluation Criterion D - Presidential and Department of the Interior Priorities

Climate Change

Forests store large amounts of carbon and when high severity wildfires occur, a sudden release of carbon dioxide is emitted into the atmosphere. Maintaining carbon sinks to reach a carbon net neutrality by 2045 is fundamental. It was found that the wildfires in 2020 alone accounted for 30% of California's greenhouse gas emissions⁴. To meet climate resiliency, ensure carbon sinks, protect human health from harmful emissions, and maintain healthy forested watersheds, treatments that focus on returning forest stands to fewer but larger trees per acre and returning low-intensity fire back to the landscape are necessary.

Benefits to Disadvantaged, Underserved, and Tribal Communities

The disadvantaged communities that will be included in this project are:

Number: 06063000400; County: Plumas County; State: California; Population: 2,510

Number: 06007002400; County: Butte County; State: California; Population: 4,660

These communities are both above the 90th percentile risk for projected wildfire risk, expected agricultural loss due to natural hazards, expected building loss rate due to natural hazards, unemployment, and low income.

Housing in this rural area is already stressed from previous fires and with the prediction of an increase of loss of structures due to natural hazards, available and affordable housing is a primary concern. Water availability and quality for agricultural and ranching use relies on the upstream watershed's state. Lastly, these rural communities struggle with employment that provides livable wages.

FRSC coordination and projects within its boundaries would support the reduction of landscape scale high severity wildfires and create more fire resilient communities. FRSC projects would protect current infrastructure and coordinate with local stakeholders to conduct treatments on private lands. Through forest restoration at landscape-scale, water quality and availability for agriculture, hydroelectric, and human use are direct benefits of cross-boundary collaboration. Lastly, in building up the forestry sector workforce to achieve the goals of forest restoration projects, employment opportunities would be available for rural, low-income workers, with FRSC working with partners to provide year-round, livable-wage jobs.

⁴ UChicago News, (2022). Wildfires are erasing California's climate gains, research shows. Retrieved from: <https://news.uchicago.edu/story/wildfires-are-erasing-californias-climate-gains-research-shows>

The FRSC boundary is in the ancestral lands of the Mountain Maidu and Konkow Tribes. There are several federally recognized and unrecognized tribal governments within the area, with tribal nonprofits as well. FRSC co-facilitators and Sierra Institute staff will be developing a tribal outreach strategy with staff from the Maidu Summit Consortium and the Greenville Rancheria to ensure appropriate and meaningful consultation occurs for FRSC decision-making and project planning. There will also be opportunities for implementation and the hiring of tribal crews. Involvement with the correct tribal entity in a particular project area will be crucial for honoring their homelands and ITEK stewardship practices.

Budget Narrative

Salaries and Wages

Salaries and wages cover the time of five Sierra Institute staff members, including the Associate Director at 5% FTE, the Watershed Coordinator at 10% FTE, the Shared Stewardship Advisor at 25% FTE, the Rural Community Outreach Coordinator at 15% FTE, and a Finance Lead 2% FTE for two years. The Associate Director will provide strategic oversight of staff members and project progress. The Watershed Coordinator will oversee the project and provide immediate supervision and guidance. The Shared Stewardship Advisor will be the primary coordinator and facilitator for the Feather River Stewardship Coalition. The Rural Community Outreach Coordinator will provide support to the Shared Stewardship Advisor and contribute to facilitating and coordinating the group. The Finance Lead will be responsible for invoicing and providing administrative support for the grant.

Fringe Benefits

Fringe benefits are calculated at 45% of salaries and wages for full-time employees. This breaks down to 9% for payroll taxes (social security, medicare, unemployment, employment training, and workers compensation), 14% for health insurance, 2% for dental insurance, 8% for retirement, and 12% for vacation/sick/holiday.

Contractual

Contractual costs total \$10,000. These are estimated to support stipends/travel expenses for Tribal organizations, underrepresented community members, and otherwise financially limited entities to participate. Contractual costs may also support stakeholders' time to participate in meetings or the Steering Committee to get diverse participation and representation.

Supplies and Materials

Supplies and materials are budgeted at \$1,100. These will support handouts, flyers, and large-scale maps for project discussions.

Travel

Travel expenses are included for \$2,500. Mileage will account for trips for up to four staff from Taylorsville, CA, to Quincy, CA (42 miles round trip) where FRSC meetings are often hosted in person. Mileage will also support eight field tours to different parts of the FRSC watershed as well as two steering committee retreats for in depth strategic planning. Travel expenses also include lodging for up to four Sierra Institute staff with the steering committee retreats.

Other Direct Costs

Facility rentals for quarterly meetings and steering committee retreats, as well as collaborative capacity training workshops will amount to \$2,200. These funds will be used to secure appropriate venues across two years from which to yield productive engagement with FRSC members.

Third Party Contributions

Sierra Institute applied for and was awarded a grant through the National Forest Foundation to support implementation prioritization and stakeholder outreach across the Plumas National Forest for \$25,000. Sierra Institute will collaborate with Forest Service staff, community members, private landowners and Tribal organizations to identify critical landscapes for management activities.

Indirect Costs

Sierra Institute includes indirect costs at a Federally negotiated indirect cost rate of 13.47%. This rate will be applied to a base of \$171,365. The allowable indirect costs are therefore \$23,083.

Environmental and Cultural Resources Compliance

Environmental and cultural resources compliance will not be included as the proposal does not include monitoring, measurement, or other field work activities.

Required permits and Approvals

No permits or approvals are required for activities included in this proposal.

Overlap or duplication of effort statement

Funds from this proposal do not overlap or duplicate any existing funds that Sierra Institute possesses for the Feather River Stewardship Coalition.

Conflict of interest disclosure statement

Sierra Institute does not possess any personal, organizational or financial affiliations that may give rise to a real or apparent conflict of interest in pursuit of the aforementioned activities with the Feather River Stewardship Coalition.

Uniform audit reporting statement

Sierra Institute's 2022 Audit is attached in the application. The 2023 audit was recently conducted in August, however has not yet been published.

Letters of support

Letters of support were written by personnel from Feather River Resource Conservation District, the Feather River Chapter of Trout Unlimited, and Sierra Nevada Conservancy.. These organizations are significantly involved in the Feather River Watershed, in various capacities, and supportive of continued development of the Feather River Stewardship Coalition collaborative group. Letters are attached in the Appendix.

Official Resolution

An official resolution will be submitted to Sierra Institute's Board of Directors. An executive meeting will take place in October 2024 where Sierra Institute expects to receive a signed copy of the official resolution. This document will then be provided to the BOR.

List of Figures

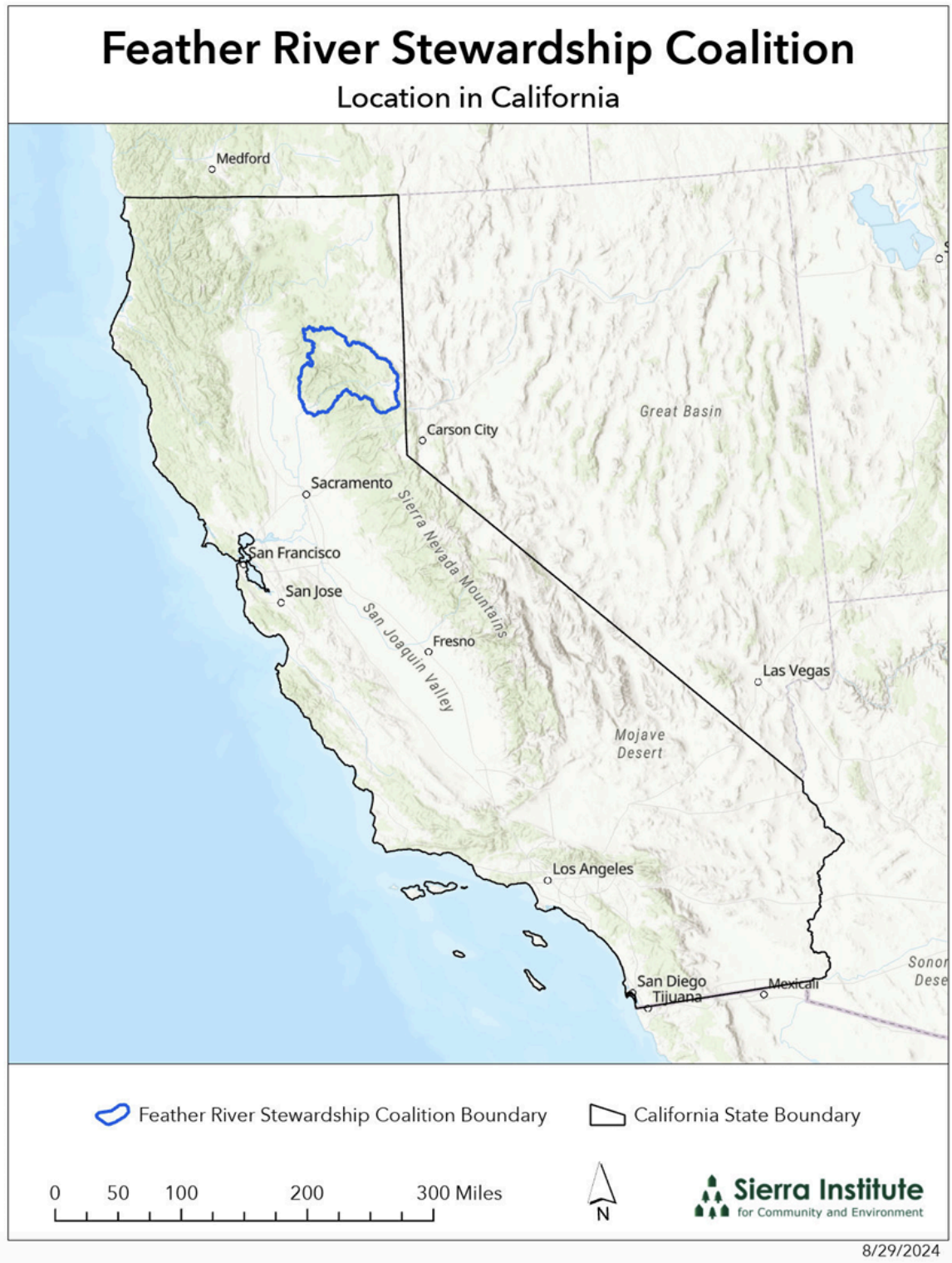


Figure 1. Location of Upper Feather River Watershed. Also the FRSC boundary.

Feather River Stewardship Coalition Boundary Map



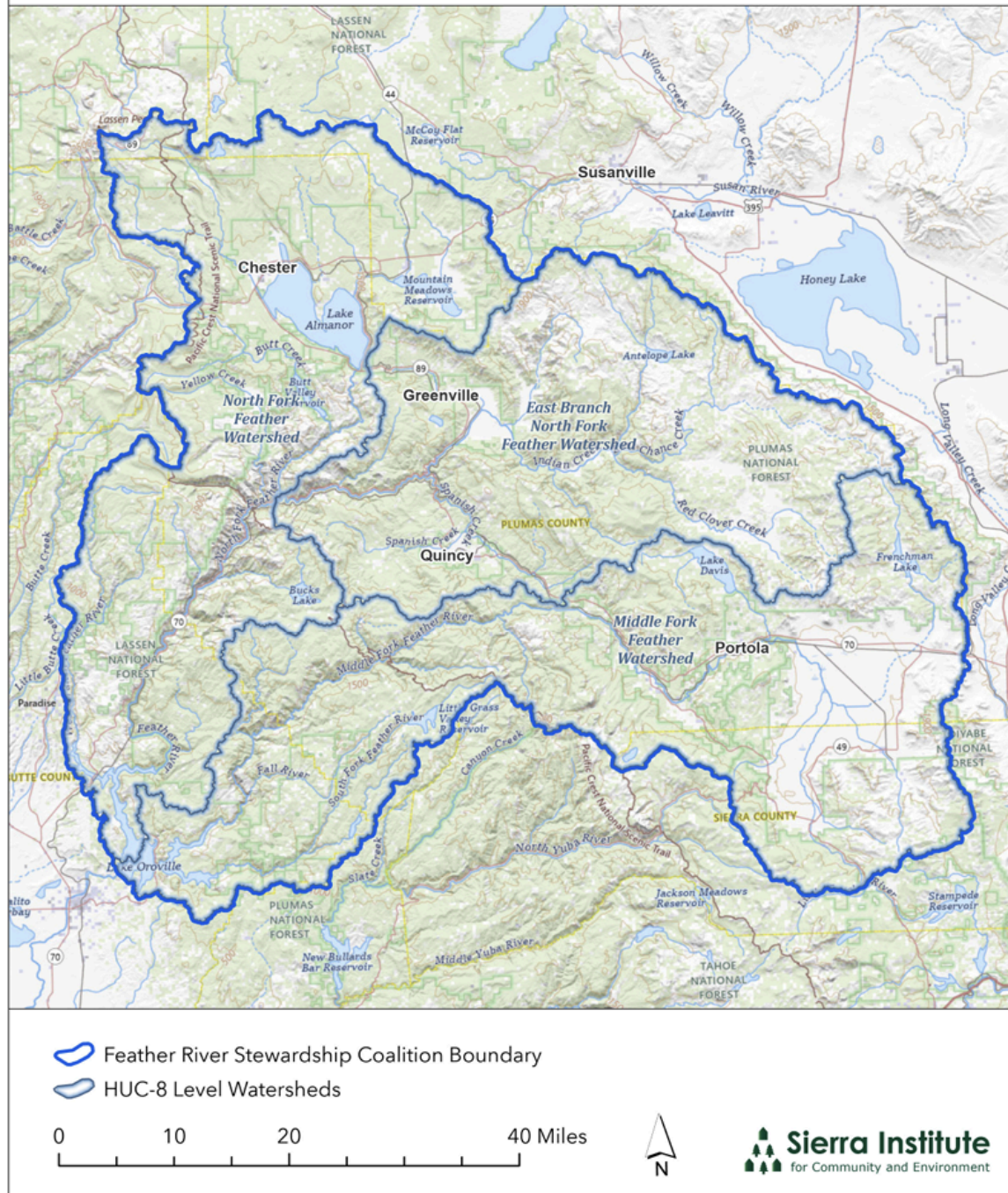
8/29/2024

Figure 2. Zoomed in map of the Upper Feather River Watershed. Also the FRSC boundary.



Feather River Stewardship Coalition

Boundary Map



8/30/2024

Figure 4. The Upper Feather River Watershed with the HUC 8 watersheds.



Figure 5. Land ownership in the Upper Feather River Watershed.

Appendix - Letters of Support

Feather River Chapter of Trout Unlimited
Feather River Resource Conservation District
Sierra Nevada Conservancy



Feather River Trout Unlimited # 905
P.O. Box 278
Graeagle CA 96103

August 30, 2024

To whom this may concern:

The Feather River Chapter of Trout Unlimited (FRTU) hereby confirms our commitment and support as detailed in the Sierra Institute for Community and Environment's (Sierra Institute's) proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program for the Feather River Stewardship Coalition (FRSC) for watershed group development and restoration planning activities.

FRTU is a chapter of Trout Unlimited, a national non-profit organization dedicated to conserving, protecting and restoring North America's cold-water fisheries and their watersheds. In California, our mission is to protect, reconnect, restore and sustain California's salmonid fisheries and their watersheds. FRTU devotes its time to community outreach, education related efforts and resource conservation projects that positively affect the citizens and resources of our region.

A critical component of protecting cold water fisheries, enhancing anadromous fish habitat and restoring hydrological improvements is the continued support of organizations such as Sierra Institute that possess the capacity to develop and lead projects from inception through implementation in a collaborative manner. Sierra Institute's collaborative capacity and leadership are demonstrated through various working groups and collaboratives that they coordinate, such as the South Lassen Watersheds Group, Burney-Hat Creek Community Forest and Watershed Group, and the Lake Almanor Watershed Group. FRTU participates in the South Lassen Watershed Group which works to protect native fishes and their habitat, including the headwaters of five watersheds that provide habitat for anadromous fishes in the Sacramento River system. We look forward to seeing similar emphasis with the FRSC.

FRSC is a diverse community of stakeholders working to improve the watershed health across private and public lands within the Upper Feather River Watershed, the headwaters of the state water project. FRSC's coordination and organizational support serve as a vital link between projects and local communities, nonprofits, local and state agencies, as well as private landowners and Tribes. The collaborative's work helps connect partners so all entities can move forward in coordinated efforts to restore landscapes and recover communities.

We urge your support of this proposal, and the critical coordination work this funding will enable.

Sincerely,

Ken Roby
Board Member
Feather River Chapter, Trout Unlimited



PO BOX 3562 530.927.5299
422 N. MILL CREEK RD. ADMIN@FRRCD.ORG
QUINCY, CA 95971 FFRCD.ORG

August 26, 2024

To whom it may concern:

The Feather River Resource Conservation District (FRRCD) confirms our commitment and support as detailed in the Sierra Institute for Community and Environment's (Sierra Institute's) proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program for watershed group development and restoration planning activities for the Feather River Stewardship Coalition.

In response to the 2021 Dixie Fire and other recent wildfires (e.g., the North Complex and Beckwourth Complex), the FRRCD has been leading a wildfire recovery program supported by Cal Fire funding. This post-fire recovery program assists non-industrial private landowners in Plumas County with conducting mechanical site preparation, reforestation, and follow-up release treatments. In 2022, 236 landowners enrolled in the program with over 9,000 acres of treatable land.

Given the post-fire work the FRRCD has promoted and led on non-industrial private lands, we are eager to see restoration actions begin on public and private lands. A critical component of recovering from recent wildfire and proactively managing the Feather River Watershed is the continued support of partners and organizations such as Sierra Institute.

Sierra Institute's collaborative capacity and leadership are demonstrated through various working groups and collaboratives that they coordinate, such as the South Lassen Watersheds Group, Burney-Hat Creek Community Forest and Watershed Group, and the Lake Almanor Watershed Group. The Feather River Stewardship Coalition (FRSC) is developing collaborative focused on directly enhancing the quantity, quality, and community support of project work in the across the Feather River Watershed.

FRSC is a diverse community of willing stakeholders working to improve the ecosystem health of private and public lands within the Upper Feather River Watershed. FRSC's coordination and organizational support serve as a vital link between Forest Service projects and local communities, nonprofits, local and state agencies, as well as private landowners and Tribes. The collaborative's work helps connect partners and ensures that all entities are moving forward in a coordinated effort to collectively restore the landscape and recover communities.

We urge your support of this proposal, and the critical planning and coordination work this funding will enable.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Hall", is written over a horizontal line.

Michael Hall, District Manager



11521 Blocker Drive, Ste. 205
Auburn, CA 95603
phone: (530) 823-4670
sierranevada.ca.gov

September 3, 2024

Bureau of Reclamation
WaterSMART Cooperative Watershed Management Program

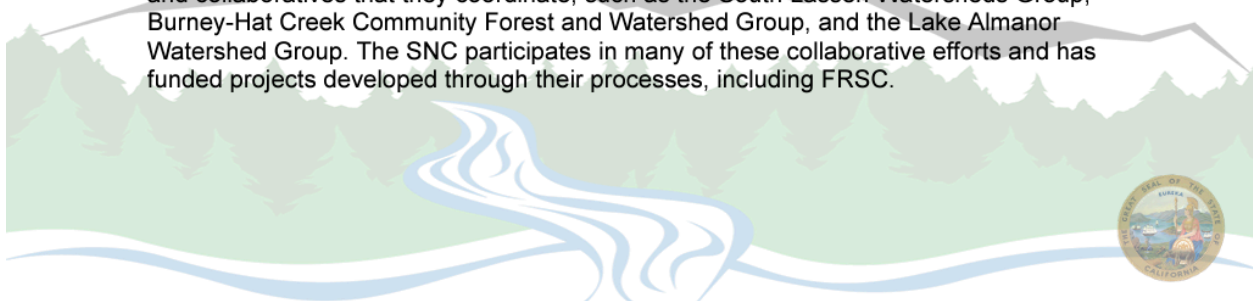
SUBJECT: FEATHER RIVER WATERSHED COALITION PROPOSAL

To Whom It May Concern:

I am writing on behalf of the Sierra Nevada Conservancy (SNC) to express support for the Sierra Institute for Community and Environment's (Sierra Institute's) proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program. The proposal develops a nascent watershed group and identifies priorities for the Feather River Stewardship Coalition (FRSC).

The SNC is a state agency tasked to improve the environmental, economic, and social well-being of California's 27-million-acre Sierra-Cascade Region since 2004. The Region is vital to California's water supply, biodiversity, and climate resilience. The SNC has supported FRSC through the Regional Forest and Fire Capacity Program a large-scale, holistic effort that supports forest and watershed health by increasing regional capacity to prioritize, develop, and implement landscape-level initiatives. This proposal would complement the SNC funding and enable the FRSC revitalization effort to be co-facilitated by two local organizations: Plumas County Fire Safe Council and Sierra Institute.

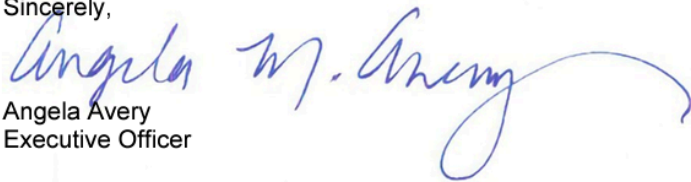
A critical component of creating more climate and fire-resilient landscapes, community protection, and accelerating recovery of hydrological systems is the continued support of partners and organizations to allow for their capacity to develop and lead projects from inception through implementation in a collaborative manner. Sierra Institute's collaborative capacity and leadership are demonstrated through various working groups and collaboratives that they coordinate, such as the South Lassen Watersheds Group, Burney-Hat Creek Community Forest and Watershed Group, and the Lake Almanor Watershed Group. The SNC participates in many of these collaborative efforts and has funded projects developed through their processes, including FRSC.



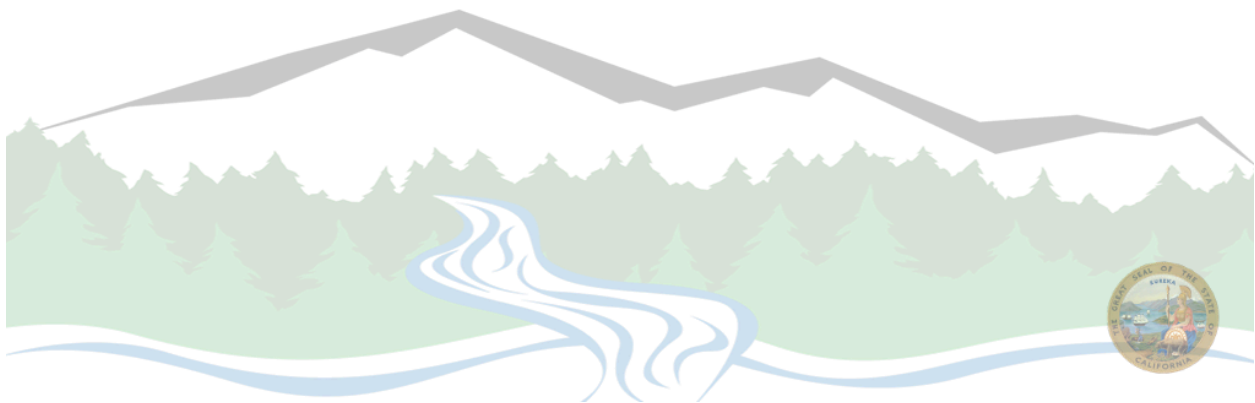
The FRSC is a diverse community of willing stakeholders and tribes working to improve the ecosystem health of private and public lands within the Upper Feather River Watershed, the headwater of the state water project. The FRSC's coordination and organizational support serves as a vital link throughout the planning, recovery, implementation, and maintenance of watershed and forest health projects. Participating entities include the United States Forest Service, nonprofits, local and state agencies, community members, private landowners, and tribes.

The SNC recognizes the critical importance of collaboration, and we urge you to please consider the project for funding. Thank you for taking the time to review our support letter.

Sincerely,



Angela Avery
Executive Officer



ATTACHMENT A
BUDGET DETAIL AND NARRATIVE TEMPLATE

Summary			
6. Budget Object Category	Total Cost	Federal Estimated Amount	Non-Federal Estimated Amount
a. Personnel	\$107,286		
b. Fringe Benefits	\$48,279		
c. Travel	\$2,500		
d. Equipment	\$0		
e. Supplies	\$1,100		
f. Contractual	\$10,000		
g. Construction	\$0		
h. Other Direct Costs	\$2,200		
i. Total Direct Costs	\$171,365		
i. Indirect Charges	\$23,083		
Total Costs	\$194,448	\$194,448	\$0
Cost Share Percentage		100%	0%

ATTACHMENT A
BUDGET DETAIL AND NARRATIVE TEMPLATE

6a. Personnel

This category includes salaries and wages of employees of the applicant organization that will be working directly on the project. Generally, salaries of administrative and/or clerical personnel are classified as indirect or overhead costs in your organization's accounting system included as a portion of the stated indirect costs. If these salaries can be adequately documented as direct costs, they can be included in this section; however, a justification must be included in the narrative. Recommend reviewing **§ 200.430 Compensation - personal services** for more information on the specific requirements regarding compensation costs, including the ***Standards for Documentation of Personnel Expenses at §200.430(i)***.

Narrative: For key personnel such as the project manager or principal investigator, identify the name individual and position/title. Other personnel should be identified by position only. For all positions, identify the project tasks that will be performed. Compensation rates can be expressed as hourly rates and number of hours or annual salary and percentage effort that will be contributed to each task, but must be consistent with your organization's accounting and timekeeping policies. Include estimated hours for compliance with reporting requirements, including the final project report and evaluation. For multi-year projects, identify the level of effort anticipated for each budget year and any estimates increases in compensation rates. Within the budget narrative, provide a certification that the labor rates included in the budget proposal represent the actual labor rates of the identified personnel/positions and are consistently applied to Federal and non-Federal activities. *Note: The annual/hourly labor rate must not include fringe benefits.*

Links: [§ 200.430 Compensation - personal services.](#)

Personnel

Position Title	Time (Hrs or %)	Rate (Hr or Salary)	Total Cost	Rate Basis	Comments (as needed)
Associate Director	208.00	\$67	\$13,936	Average annual salary for personnel occupying this position + 6% increase	
Watershed Coordinator	416.00	\$47	\$19,552	Average annual salary for personnel occupying this position + 6% increase	
Shared Stewardship Advisor	1040.00	\$42	\$43,680	Average annual salary for personnel occupying this position + 6% increase	
Rural Community Outreach Coordinator	624.00	\$42	\$26,208	Average annual salary for personnel occupying this position + 6% increase	
Finance Lead	83.20	\$47	\$3,910	Average annual salary for personnel occupying this position + 6% increase	
Total			\$107,286		

Additional Narrative/Comments: Salaries and wages cover the time of five Sierra Institute staff members, including the Associate Director at 5% FTE, the Watershed Coordinator at 10% FTE, the Shared Stewardship Advisor at 25% FTE, the Rural Community Outreach Coordinator at 15% FTE and a Finance Lead 2% FTE. The Associate Director will provide strategic oversight of staff members and project progress. The Watershed Coordinator will oversee the project and provide immediate supervision and guidance. The Shared Stewardship Advisor will be the primary coordinator and facilitator for the Feather River Stewardship Coalition. The Rural Community Outreach Coordinator will provide support to the Shared Stewardship Advisor and contribute to facilitating and coordinating the group. The Finance Lead will be responsible for invoicing and providing administrative support for the grant.

ATTACHMENT A
BUDGET DETAIL AND NARRATIVE TEMPLATE

6b. Fringe Benefits

Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave (vacation, family-related, sick or military), employee insurance, pensions, and unemployment benefit plans. Fringe costs should also include employer contributions required by law such as payroll taxes such as FICA, unemployment, and workers compensation. Fringe does not include federal income taxes, employee portion FICA, or other such costs. Recommend reviewing **§ 200.431 Compensation - fringe benefits** for more information on the allowability and allocability of fringe benefits. Note: Car allowances and cars furnished to employees for personal and work use are unallowable as a fringe benefit, regardless of whether the costs is reported as taxable income, and must be excluded from fringe benefit rates.

Narrative: Fringe benefits can be expressed as an hourly rate or percentage of personnel costs, but must correspond to how the costs are documented in your organization's accounting system. In the narrative, identify the fringe benefit rates/amounts for each position. If the fringe benefit rate is less than 35% of the estimated employee compensation, no additional information is necessary. If the fringe benefit rate is more than 35%, provide a description and breakdown of the benefits. If the rate is established within a negotiated indirect cost rate agreement (NICRA), provide a copy of the agreement with the application. Do not combine the fringe benefit costs with direct salaries and wages in the personnel category.

Links: [§ 200.431 Compensation - fringe benefits](#)

Fringe Benefits

Position Title	Compensation	Quantity	Total Cost	Comments (as needed)
Associate Director	\$ 13,936.00	0.45	\$6,271.20	
Watershed Coordinator	\$ 19,552.00	0.45	\$8,798.40	
Shared Stewardship Advisor	\$ 43,680.00	0.45	\$19,656.00	
Rural Community Outreach Coordinator	\$ 26,208.00	0.45	\$11,793.60	
Finance Lead	\$ 3,910.40	0.45	\$1,759.68	
Total			\$48,278.88	

Additional Narrative/Comments: Staff benefits (45%) are calculated at 9% payroll taxes (social security, medicare, unemployment, employment training, and workers compensation), 14% health insurance, 2% dental insurance, 8% retirement, and 12% vacation/sick/holiday.

ATTACHMENT A
BUDGET DETAIL AND NARRATIVE TEMPLATE

6c. Travel

Travel costs are expenses incurred by personnel in the performance of project activities. Costs can be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided that the method used is applied to the entire trip and not to selected days of the trip. All charges must be consistent with those normally allowed under similar circumstances for non-Federally funded activities and any established travel policies. Recommend reviewing **\$ 200.475 Travel costs**

Narrative: Provide a narrative describing any travel employees are anticipated to perform. Include the purpose of the travel and how it relates to project tasks, the origin and destination of the trip, number of personnel traveling, length of stay and all travel costs including airfare, per diem, lodging, transportation, and miscellaneous travel expenses. Identify the basis for rates used, (e.g. GSA Per Diem Rates, published prices) and the total of each planned trip.

Links: [§ 200.475 Travel costs](#)

Travel

Purpose	From/To	Number of Events	Miles	Mileage Rate (\$0.67/mile)	Lodging	Total	Basis for Estimate
Quarterly Meetings	Taylorsville to Quincy	8	500	\$335	\$0	\$335	Destination distance and previous expenses witnessed for similar endeavors
Steering Committee Retreat	TBD	2	300	\$201	\$1,160	\$1,361	Previous expenses witnessed for similar endeavors
Field Tours	TBD	8	1200	\$804	\$0	\$804	Previous expenses witnessed for similar endeavors
						\$0	
Total						\$2,500	

Additional Narrative/Comments: Travel expenses are included for \$2,500. Mileage will account for trips for up to four staff from Taylorsville, CA, to Quincy, CA (42 miles round trip) where FRSC meetings are often hosted in person. Mileage will also support eight field tours to different parts of the FRSC watershed as well as two steering committee retreats for in depth strategic planning. Travel expenses also include lodging for up to four Sierra Institute staff with the steering committee retreats.

ATTACHMENT A
BUDGET DETAIL AND NARRATIVE TEMPLATE

6e. Supplies

Supplies is defined in §200.1 as all tangible personal property other than those described in the definition of equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by your organization for financial statement purposes or \$5,000, regardless of the length of its useful life. Recommend reviewing **§ 200.453 Materials and Supplies Costs, Including the Costs of Computing Devices**, regarding the allowability of costs. Supply items must be direct costs to the project and not duplicative of supply costs in the indirect rate. For post-award requirements regarding supplies, recommend reviewing **§ 200.314 Supplies**. For financial management requirements related to supplies, recommend reviewing § 200.302(b)(4)

Narrative: List all expendable supplies noting their purpose in the project and the basis of cost (e.g. vendor quotes, catalogue prices, prior invoices, etc.) For each item, provide the estimated unit cost, quantity, and total cost. General categories may be used, but if a category is viewed as too general or the associated amount is too high, further itemization may be requested.

Links: [§200.1 Definitions](#)
[§ 200.453 Materials and Supplies Costs, Including the Costs of Computing Devices](#)
[§ 200.314 Supplies](#) (post award requirements)
[§ 200.302\(b\)\(4\)](#) (financial management requirements related to supplies)

Supplies

Supply Item	Quantity	Unit Cost	Total Cost	Basis of Cost	Purpose
Large Scale Maps	25	\$43.50	\$1,088	vendor quote	To provide framing and visual illustration of FRSC work
Hand outs/flyers (agendas, meeting materials, informational packets, etc.)	600	\$0.02	\$12	vendor quote	To provide clarity, cohesion and uniformity for FRSC members and meetings
			\$0		
Total			\$1,100		

Additional Narrative/Comments: Handouts, flyers, and other supplies support the objectives of a meeting by enhancing communication, providing clarity, and reinforcing key messages. Handouts and flyers summarize the main points of a meeting, making it easier for participants to understand and remember the key takeaways. They include detailed information that might be too extensive to cover during the meeting itself, allowing participants to review it at their own pace. These materials ensure that everyone has the same information, reducing the risk of misunderstandings or misinformation. They serve as a record of what was discussed or decided during the meeting, which can be useful for tracking progress and accountability.

Maps provide a clear and concise visual representation of geographic locations, making it easier to understand spatial relationships and layouts. They enhance understanding of the physical space, including the arrangement of places, distances between them, and geographical features. They aid in identifying potential issues or opportunities, such as areas needing improvement or regions with high demand for services.

ATTACHMENT A
BUDGET DETAIL AND NARRATIVE TEMPLATE

6f. Contractual

Include all contracts and subawards, (other than those for construction activities) under this Budget Object Class Category. Per § 200.1, a *contract* means, for the purpose of Federal financial assistance, a legal instrument by which a recipient or subrecipient purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a subaward.

For additional information on subrecipient and contractor determinations, see § 200.331 Subrecipient and contractor determinations. Do not include construction contract costs in this subsection. Construction costs should be included in Budget Object Class Category 6g, Construction.

Links: [§ 200.1 Definitions](#)
[§ 200.331 Subrecipient and contractor determinations.](#)

Contracts

For each contract, regardless of dollar value, describe the services to be obtained and the applicability or necessity of each to the project. Identify the total estimated cost and the basis(es) used to develop the estimate. For each contract with an estimated amount meeting or exceeding \$250,000 or represents 35% or more of the total project cost, provide a separate detailed description of the estimated costs. A detailed estimate can be included with the application in lieu of a description. For contracts with an estimated cost equal to or greater than the micro-purchase threshold (currently \$10,000) identify the anticipated procurement method to be used and the basis of selection.

NOTE: Only contracts for architectural/engineering services can be awarded using a qualifications-based procurement method. If a qualifications-based procurement method is used, profit must be negotiated as a separate element of the contract price. See **§200.318 General Procurement Standards** for additional information regarding procurements, including required contract content. The procurement method used must be compliant with **§ 200.319 Competition**, and **§ 200.320 Methods of procurement to be followed**. Recommend reviewing **§200.459 Professional service costs**.

Links: [§ 200.318 General procurement standards](#)
[§ 200.319 Competition](#)
[§ 200.320 Methods of procurement to be followed.](#)
[§ 200.459 Professional service costs](#)

Contractor Name	Purpose and Contracting Method	Total Cost	Description of costs	Basis of cost
Feather River Stewardship Coalition	Reduce financial barriers to participation in FRSC	\$10,000	Personnel and travel costs	Previous grant expenditures for similar purposes
Subtotal		\$10,000		

Additional Narrative/Comments: These funds will support stipends/travel expenses for Tribal organizations, historically underrepresented community members and otherwise financially limited entities to participate in the FRSC.

Subawards

If known, identify the recipient of each subaward. Describe the activities to be performed under each subaward and indicate the applicability or necessity of each to the project. Provide a separate detailed budget for each subaward, regardless of dollar value. A detailed estimate may be included with the application in lieu of a description of budgeted costs. Identify who prepared the estimate (subrecipient, applicant personnel, etc.) and indicate the basis used to estimate each cost. Include any indirect/overhead costs anticipated to be paid and the rate used. If the subrecipient has a Federal negotiated indirect cost rate agreement (NICRA), include a copy of the NICRA with the application.

Subrecipient Name	Description of Activities	Total Cost	Description of budgeted costs	Basis of Cost
N/A	N/A	\$0	N/A	N/A
Subtotal		\$0		

Additional Narrative/Comments: N/A

TOTAL CONTRACTUAL	\$10,000
--------------------------	-----------------

ATTACHMENT A
BUDGET DETAIL AND NARRATIVE TEMPLATE

6h. Other

This category contains items not included in the previous categories, such as tuition remission, rental costs, etc. List items by type or nature of expense, breaking down costs by cost per unit, quantity, and total cost and identify the basis of cost (quote, invoice, etc.). Describe the necessity of the costs for successful completion of the project and exclude unallowable costs. Recommend reviewing **§ 200.420 through § 200.476, General Provisions for Selected Items of Cost**.

Links: [§ 200.420 through § 200.476, General Provisions for Selected Items of Cost](#)

Other

Item Description	Quantity	Unit Cost	Total Cost	Basis of Cost	Purpose
Facility Rentals (Quarterly meetings)	8	\$100	\$800	Rates observed for other collaborative meetings	General convening of the watershed group
Facility Rentals (Steering committee retreat)	2	\$300	\$600	Rates observed for other collaborative meetings	To hold the planed two, 2-day workshop meetings for the steering committee
Trainings	4	\$200	\$800	Rates observed for other collaborative trainings	To host and facilitate collaborative capacity workshops
Total			\$2,200		

Additional Narrative/Comments: Facility rentals for quarterly meetings and steering committee retreats, as well as collaborative capacity training workshops will amount to \$2,200. These funds will be used to secure appropriate venues across two years from which to yield productive engagement with FRSC members.

Third-Party Contributions

Identify any third-party services and donations (personnel costs, supplies, etc.) and include the name of the contributor. Indicate the applicability or necessity of each to the project and describe the basis(es) for the valuation. All third-party contributions must meet the requirements under **§ 200.306 Cost sharing or matching**, including the valuation of the contribution.

Links: [§ 200.306 Cost sharing or matching](#)

Third Party Contributor	Purpose	Value	Description of costs	Basis of Valuation
National Forest Foundation	Support implementation prioritization and stakeholder outreach across the Plumas National Forest	\$25,000	Support of staff time	Grant award
Subtotal		\$25,000		

Additional Narrative/Comments: Sierra Institute applied for and was awarded a grant through the National Forest Foundation to support implementation prioritization and stakeholder outreach across the Plumas National Forest. Sierra Institute will collaborate with Forest Service staff, community members, private landowners and Tribal organizations to identify critical landscapes for management activities.

TOTAL OTHER	\$27,200
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ATTACHMENT A
BUDGET DETAIL AND NARRATIVE TEMPLATE

6 j. Indirect Costs

Option 1: Show the rate reflected in the most recent Federal indirect cost rate agreement, cost base, and proposed amount for allowable indirect costs. If your organization has a current Federal negotiated indirect cost rate agreement, it must be included with your application.

Option 2: If your organization has never received a Federal negotiated indirect cost rate, the budget may include a 10 % de minimis rate of modified total direct costs. Per **§ 200.1 Definitions**, Modified Total Direct Cost (MTDC) means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000. For further information on modified total direct costs, refer to **§ 200.414 Indirect (F&A) costs**.

Option 3: If your organization does not have a federally approved indirect cost rate agreement and is proposing a rate greater than the 10 % de minimis rate, include the computational basis for the indirect expense pool and corresponding allocation base for each rate. *Note: If this option is selected, you will be required to submit an indirect cost rate proposal to your cognizant Federal agency within 3 months after the date the award is issued.* Information on “Preparing and Submitting Indirect Cost Proposals” is available from Interior, the National Business Center, and Indirect Costs and Acquisition Audit Services at <https://ibc.doi.gov/ICS/icrna>.

Note: Construction costs are capital expenditures and must be excluded from the indirect cost base.

Links: [§ 200.1 Definitions](#)
[§ 200.414 Indirect \(F&A\) costs.](#)
<https://ibc.doi.gov/ICS/icrna>

j. Indirect Costs

Rate Type	Current Federal NICRA	Base Description	Base Total	Rate	Total Cost
Indirect Rate	Yes	Overhead	\$171,365	13.47%	\$23,083
Total					\$23,083
Estimated amount of indirect costs to be paid with Federal funds					\$23,083
Estimated amount of indirect costs to be paid with non-Federal funds					

**SIERRA INSTITUTE FOR COMMUNITY
AND ENVIRONMENT**

**Financial Statements, Schedule of Expenditures of
Federal Awards, and Independent Auditor's Report**

As of and for the Year Ended December 31, 2022

SIERRA INSTITUTE FOR COMMUNITY AND ENVIRONMENT
Audited Financial Statements
As of and for the Year Ended December 31, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Sierra Institute for Community and Environment
Taylorsville, CA 95983

Report on the Audit of the Financial Statements***Opinion***

We have audited the accompanying financial statements of Sierra Institute for Community and Environment (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Sierra Institute for Community and Environment as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Sierra Institute for Community and Environment and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Sierra Institute for Community and Environment's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

Susanville:

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-1-

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530.258.2272 Fax: 530.258.2282

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Sierra Institute for Community and Environment's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Sierra Institute for Community and Environment's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2023, on our consideration of Sierra Institute for Community and Environment's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Sierra Institute for Community and Environment's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sierra Institute for Community and Environment's internal control over financial reporting and compliance.

Respectfully submitted,


SingletonAuman, PC

Susanville, CA

June 20, 2023

SIERRA INSTITUTE FOR COMMUNITY AND ENVIRONMENT
Statement of Financial Position
December 31, 2022

	<u>2022</u>
Assets	
Cash and cash equivalents	\$ 1,304,706
Accounts Receivable	2,250,760
Deposit	30,000
Land, Improvements, and Equipment, Net	<u>3,280,431</u>
Total assets	<u><u>\$ 6,865,897</u></u>
Liabilities and Net Assets	
Current Liabilities:	
Accounts payable	\$ 513,718
Accrued payroll liabilities	57,316
Unearned revenue	<u>17,452</u>
Total liabilities	588,486
Net assets:	
Without Donor Restrictions	6,259,671
With Donor Restrictions	<u>17,640</u>
Total net assets:	<u>6,277,311</u>
Total liabilities and net assets	<u><u>\$ 6,865,797</u></u>

See accompanying notes and accountant's report

SIERRA INSTITUTE FOR COMMUNITY AND ENVIRONMENT
Statement of Activities
For the Year Ended December 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and Revenue			
Support			
Grant Income	\$ 6,285,530	\$ -	\$ 6,285,530
Donations/Contributions	801,103	-	801,103
Revenue			
In-Kind	1,351,833	-	1,351,833
Other	612,982	-	612,982
	<u>9,051,448</u>	<u>-</u>	<u>9,051,448</u>
Total support and revenue			
	9,051,448	-	9,051,448
Expenses			
Program Expenses			
Community and Environment	6,164,930		
Total Program Expenses	<u>6,164,930</u>	<u>-</u>	<u>6,164,930</u>
Management and General	338,650	-	338,650
	<u>6,503,580</u>	<u>-</u>	<u>6,503,580</u>
Total Expenses			
	6,503,580	-	6,503,580
Change in net assets	2,547,868	-	2,547,868
Net assets, beginning of year	<u>3,711,803</u>	<u>17,640</u>	<u>3,729,443</u>
Net assets, end of year	<u>\$ 6,259,671</u>	<u>\$ 17,640</u>	<u>\$ 6,277,311</u>

See accompanying notes and accountant's report

SIERRA INSTITUTE FOR COMMUNITY AND ENVIRONMENT
Statements of Cash Flows
For the Year Ended December 31, 2022

	<u>2022</u>
Operating activities	
Change in net assets	\$ 2,547,868
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	57,598
Decrease (Increase) in accounts receivable	(1,569,248)
Increase (Decrease) in accounts payable	(27,123)
Increase (Decrease) in accrued payroll liabilities	34,923
Increase (Decrease) in unearned revenue	(625,508)
Net cash provided (used) by operating activities	<u>418,510</u>
Investing activities	
Purchase of capital assets	<u>(570,424)</u>
Net cash provided (used) by Investing activities	(570,424)
Net cash provided (used) by all activities	(151,914)
Cash and cash equivalents as of beginning of year	<u>1,456,620</u>
Cash and cash equivalents as of end of year	<u><u>\$ 1,304,706</u></u>
Amount Paid for Interest	<u>\$ -</u>
Amount Paid for Income Taxes	<u><u>\$ -</u></u>

See accompanying notes and accountant's report

SIERRA INSTITUTE FOR COMMUNITY AND ENVIRONMENT
Statement of Functional Expenses
For the Year Ended December 31, 2022

	Community and Environment Programs	General and Administrative	Total
Salaries and Benefits	\$ 1,655,165	\$ 204,461	\$ 1,859,626
In-Kind	1,351,833	-	1,351,833
Conferences and meetings	50,189	17,156	67,345
Consultants and Contract labor	2,253,163	39,548	2,292,711
Office	22,781	31,226	54,007
Property Expenses	37,064	16,300	53,364
Travel and Training	43,952	3,883	47,835
Biomass Expense	4,347	1,941	6,288
Other	695,872	17,101	712,973
Depreciation	50,564	7,034	57,598
Total Functional Expenses	<u>\$ 6,164,930</u>	<u>\$ 338,650</u>	<u>\$ 6,503,580</u>

See accompanying notes and accountant's report

Sierra Institute for Community and Environment
Notes to Financial Statements
December 31, 2022

NOTE 1 – DESCRIPTION OF ORGANIZATION

Sierra Institute for Community and Environment (Institute) works with rural communities to advance rural community wellbeing and sustainable ecosystems. Founded in 1993, the Institute is a non-governmental, non-profit research (501(c)(3)) and education organization based in the northern Sierra Nevada town of Taylorsville, California.

Research, education, and community collaboration are the tools of their trade. The Institute's work ranges from researching the outcomes of a national law on rural communities, to leading tours on the land to showcase rural people's involvement in taking care of forests, meadows, and waterways, to pilot bioenergy facilities and sharing lessons learned with partners in and beyond California, to testifying in the halls of Congress.

The Institute partners with diverse communities and decision-makers to address four major program areas; community-based natural resource management, rural community development, wood utilization, and youth stewardship programs.

The accounting policies of Sierra Institute for Community and Environment conform to generally accepted accounting principles. The following is a summary of the more significant policies.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of Sierra Institute for Community and Development have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Sierra Institute for Community and Environment
Notes to Financial Statements
December 31, 2022

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Contributions

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.

Grants

Grants that are determined to be contributions, as defined by Accounting Standards Codification (ACS) 958-695, *Not For Profit Entities – Presentation of Financial Statements*, are reported as temporarily restricted support if they are received with donor stipulations that require certain objectives of the grant to be met. When these donor objectives are satisfied, the purpose restriction is considered accomplished, temporarily restricted new assets are reclassified to unrestricted net assets. Grants that are determined to be an exchange transaction as defined by ACS 958-605 are not considered contributions and are reported as an increase in unrestricted net assets when the revenue is earned.

Gifts and In-Kind Contributions

The Organization periodically receives contributions in a form other than cash or investments. If the Organization receives a contribution of land, buildings, or equipment, the contributed assets are recognized as assets at their estimated fair value at the date of the gift, provided that the value of the asset and its estimated useful life meets the Organization's capitalization policy. Donated use of facilities is reported as contributions and as expenses at the estimated fair value

Sierra Institute for Community and Environment
Notes to Financial Statements
December 31, 2022

of similar space for rent under similar conditions. If the use of the space is promised unconditionally for a period of greater than one year, the contribution is reported as a contribution and an unconditional promise to give at the date of the gift, and the expense is reported over the term of the use. Donated supplies are recorded as contributions at the date of the gift and as expenses when the donated items are placed into service or distributed.

The Organization periodically benefits from personal services provided by volunteers. Those volunteers have donated significant amounts of time and services in the Organization's program operations and in its fund-raising campaigns. However, the majority of the contributed services do not meet the criteria for recognition in financial statements. U.S. GAAP allows recognition of contributed services only if (a) the services create or enhance nonfinancial assets or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills.

Measure of Operations

The statements of activities reports all changes in net assets, including changes in net assets from program activities and general/administrative activities. Program activities consist of those items attributable to the Organization's ongoing major program objectives. General and Administrative activities are limited to expenses that cannot be specifically allocated to program activities.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among these programs. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and benefits	Time and Effort
In-Kind Expense	Direct Costs
Conferences and Meetings	Direct Costs
Consultants and Contract Labor	Time and Effort
Office	Other
Travel and Training	Direct Costs
Property Taxes	Other
Biomass Expense	Direct Cost
Depreciation	Direct Cost
Other	% of Income

Sierra Institute for Community and Environment
Notes to Financial Statements
December 31, 2022

Cash and Cash Equivalents

For financial statement purposes, the Organization considers investments with an initial maturity date of three months or less to be cash equivalents.

The Federal Depository Insurance Corporation fully insures cash balances held in banks up to \$250,000. As of December 31, 2022 the Organization has cash and certificates of deposit at year end that exceed federally insured limits by \$598,026.

Property, Furniture and Equipment

The Sierra Institute for Community and Environment has satisfactory title to all fixed assets acquired by or donated to the Organization.

The Organization follows the practice of capitalizing expenditures for property, furniture, fixtures and equipment in excess of \$500. All fixed asset expenditures are capitalized at cost and donations to the Organization are recorded at their estimated values at the date of receipt. Depreciation of all such items is computed on a straight-line basis over the estimated useful lives of the assets generally as follows:

Furniture, Equipment and Vehicles	5-7 years
Building and Improvements	10-40 years

Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue code. Since the Organization is exempt from federal and state income tax liability, no provision is made for current or deferred income taxes. The Organization uses the same accounting methods for tax and financial reporting.

Generally accepted accounting principles provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The organization's returns are subject to examination by the federal and state taxing authorities generally from three and four years, respectively, after they are filed.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of management's estimates. Actual results could differ from those estimates

Sierra Institute for Community and Environment
Notes to Financial Statements
December 31, 2022

Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as liabilities of the Organization. The Organization's policy for vacation allows a varying amount of time based on the number of years worked.

NOTE 3 – RECEIVABLE AND PAYABLE BALANCES

The Institute believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

NOTE 4 – PENSION PLAN

The Foundation sponsors a 403(b) defined contribution plan as part of its employee benefit package which covers all salaried employees who qualify with respect to length of service. Employer contributions for the plan were \$43,835 for the year ended December 31, 2022. The employer match ranges from 4%-8% of employees' salary.

NOTE 5 – FIXED ASSETS

A summary of changes in Property and Equipment for the year December 31, 2022 is as follows:

	Balance 12/31/2021	Additions	Deletions	Balance 12/31/2022
Land	\$ 205,818			\$ 205,818
Buildings and Improvements	112,722	\$ 707,929		820,651
Equipment & Other	375,921	54,181		430,102
Construction in Progress	2,254,337		\$ 191,549	2,062,788
Less: Accumulated Depreciation	(181,330)	(57,598)		(238,928)
Capital Assets, Net	<u>\$ 2,767,468</u>	<u>\$ 704,512</u>	<u>\$ 191,549</u>	<u>\$ 3,280,431</u>

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

As of December 31, 2022, net assets with donor restrictions consists of \$17,640 held in trust for Lake Almanor Water Quality Committee.

Sierra Institute for Community and Environment
Notes to Financial Statements
December 31, 2022

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Litigation

The Institute is not currently involved in any litigation affecting these financial statements.

NOTE 8 – RISK MANAGEMENT

The Institute is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and patrons; and natural disasters. The Institute has managed these risks by obtaining coverage from commercial insurance companies as well as providing employee education and prevention programs. Expenses and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported are considered.

The Institute estimates that the amount of actual or potential claims against the Institute as of December 31, 2022 will not materially affect the financial condition of the Institute. The Institute has had no claims.

NOTE 9 – LIQUIDITY

Sierra Institute for Community and Environment's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and cash equivalents	\$ 1,304,706
Accounts Receivable	2,250,760
Other current assets	30,000
Total Available Financial Assets	<u>\$ 3,585,466</u>

The Organization expects to meet its future obligations by carefully planning program activities. Program funding commitments have been received for periods longer than the next 12 months. In addition, the Organization has a significant credit limit available on lines of credit.

Sierra Institute for Community and Environment
Notes to Financial Statements
December 31, 2022

NOTE 10 - DONATED SERVICES

In-kind labor and services reported for fiscal year ended December 31, 2022 were as follows:

	Community- Based Natural Resources	Rural Community Development	Wood Utilization	Youth Stewardship	Total
Contributed Services	\$ 1,195,646	-		\$ 18,548	\$ 1,214,194
Unrestricted Revenue Sources (State Funds)	33,218	-		104,421	137,639
Total	<u>\$ 1,228,864</u>	<u>\$ -</u>	<u>-</u>	<u>\$ 122,969</u>	<u>\$ 1,351,833</u>

NOTE 11 – SUBSEQUENT EVENTS

Subsequent events were evaluated through June 20, 2023 which is the date the financial statements were available to be issued.

Sierra Institute for Community and Environment
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Name of Grant - Grant ID No.</i>	<i>Federal Expenditures(\$)</i>
Other Programs			
Default Agency			
NFWF			
NFWF Green Island Lake		NF&W Foundation-- 0809.20.066740	\$ 37,468
NFWF Watershed Improvement Plan		NF&W Foundation-- 0809.20.069909	23,988
Lost & Nanny		NF&W Foundation-- 0809.22.073691	46,441
Total NFWF Green Island Lake			107,897
Total Default Agency			107,897
Department of the Interior			
Cooperative Watershed Management			
Cooperative Watershed Management	15.554	Bureau of Reclamation-- R22AP00158-00	47,599
Total Cooperative Watershed Management			47,599
Natural Resource Stewardship		LAVO Restoration Research	
Natural Resource Stewardship	15.944	P22AC00567-00	83,915
Natural Resource Stewardship	15.944	LVNP MCA--PP21AC10558- 00	8,221
Total Natural Resource Stewardship			92,136
Total Department of the Interior			139,735
United States Environmental Protection Agency			
Brownfields Assessment and Cleanup Cooperative Agreements			
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	EPA Clean Up 2--98T06801	185,049
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	EPA Clean Up--99T74301	28,961
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	EPA Clean Up 3--98T23201	162,917
Total Brownfields Assessment and Cleanup Cooperative Agreements			376,927
Total United States Environmental Protection Agency			376,927
United States Department of Agriculture			
USDA Partnership Agreements			
USDA Partnership Agreements	10.699	P-Crew LNF--17-CS- 11050600-006	63,891
USDA Partnership Agreements	10.699	PNF Fish Fellows--16-CS- 11051100-004	952
USDA Partnership Agreements	10.699	P-Crew BHC--20-CS- 11050600-017	20,004
USDA Partnership Agreements	10.699	Frog Monitoring--17-CS- 11051100-032	16,282
USDA Partnership Agreements	10.699	Stewardship Agreement--18- SA-11052000-060	133,311
USDA Partnership Agreements	10.699	Wood Innovations 2--16-DG- 11052021-227	21,366
USDA Partnership Agreements	10.699	USFS Tribal Workforce--21- PA-11052000-087	16,068
USDA Partnership Agreements	10.699	GAOA LNF P-Crew/Young Adult--2021-CS-11050651- 003	43,542
USDA Partnership Agreements	10.699	BHC Facilitation--18-CS- 11050600-016	95,050
Total USDA Partnership Agreements			410,466
Total United States Department of Agriculture			410,466
Total Other Programs			1,035,025
Total Expenditures of Federal Awards			\$ 1,035,025

The accompanying notes are an integral part of this schedule

**SIERRA INSTITUTE FOR COMMUNITY AND ENVIRONMENT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2022**

NOTE 1 – SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The accompanying Schedule of expenditures of Federal Awards presents the activity of all Federal award programs of Sierra Institute for Community and Environment. The Organization's reporting entity is defined in Note 1 to the basic financial statements. All financial assistance received directly from the Federal agencies as well as Federal financial assistance passed through other governmental agencies to the Organization is included in the accompanying schedule.

The Organization did not elect to use the 10% *de minimis* indirect cost rate. Federal financial assistance passed through to other agencies is included in the schedule, if applicable.

Federal and state awards expended are reported on the accrual basis of accounting in conformity with generally accepted accounting principles as described in the notes to the financial statements.

The schedule was prepared only from accounts of various grant programs and, therefore, does not present the financial position or results of operations of the Organization.

Federal Awards expenditures agree or can be reconciled with the amounts reported in the Organization's basic financial statements.

Amounts reported in the accompanying schedule agree with amounts reported in related federal financial reports.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors and Management
Sierra Institute for Community and Environment
Taylorsville, CA 95983

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the financial statements of Sierra Institute for Community and Environment (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 20, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs to be a significant deficiencies. See finding 2022-001

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which would have a direct material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no

instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards*.

Organization's Response to Findings

The Organizations response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of the Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'SingletonAuman PC', with a stylized flourish at the end.

SingletonAuman PC
Susanville, CA
June 20, 2023

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED
BY THE UNIFORM GUIDANCE**

Board of Directors and Management
Sierra Institute for Community and Environment
Taylorsville, CA 95983

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Sierra Institute for Community and Environment's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Sierra Institute for Community and Environment's major federal programs for the year ended December 31, 2022. Sierra Institute for Community and Environment's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Sierra Institute for Community and Environment complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Sierra Institute for Community and Environment and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Sierra Institute for Community and Environment's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Sierra Institute for Community and Environment's federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Sierra Institute for Community and Environment's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Sierra Institute for Community and Environment's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Sierra Institute for Community and Environment's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

Obtain an understanding of Sierra Institute for Community and Environment's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Sierra Institute for Community and Environment's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'SingletonAuman PC', with a stylized flourish at the end.

SingletonAuman PC

Susanville, CA

June 20, 2023

**SIERRA INSTITUTE FOR COMMUNITY AND ENVIRONMENT
COMBINED SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2022**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? Yes X No
Significant Deficiency(ies) identified that are
not considered to be material weaknesses? X Yes None Reported

Noncompliance material to financial
statements noted? Yes X No

2. Federal Awards

Internal control over major programs:

Material weakness(es) identified? Yes X No
Significant Deficiency(ies) identified that are
not considered to be material weaknesses? Yes X None Reported

Type of auditors' report issued on compliance
for major programs: Unmodified

Version of Compliance Supplement used in audit: April 2022

Any audit findings disclosed that are required
to be reported in accordance with Uniform Guidance
Section 200.516. Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
66.818	Brownfields Assessment and Cleanup Cooperative Agreement
10.699	USDA Partnership Agreements

Dollar threshold used to distinguish between
type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes No

SIERRA INSTITUTE FOR COMMUNITY AND ENVIRONMENT
Schedule of Findings and Questioned Costs
December 31, 2022

B. Findings

Finding 2022-001: Lack of Segregation of Duties (Internal Control – Significant Deficiency)

Criteria upon which audit finding is based (Legal Citation):

Internal Control Standards

Finding (Condition):

In the areas of cash, purchasing, payroll, and financial close and reporting the Organization does not have sufficient staff to separate the authorization, recording and custody functions as would be required in an ideal system of internal controls.

Amount of Questioned Cost, How Computed and Prevalence:

None.

Effect:

The Organization has exposure to risk of financial statement misstatement and the potential risk for fraud that may not be prevented or detected by the Organization's system of internal control in a timely manner.

Cause:

Due to the number of personnel assigned to duties that involve access to the general ledger and other accounting records and who also have custody of and responsibility for handling cash and other assets, an inadequate segregation of duties exists.

Recommendation:

In certain areas of cash, purchasing, and payroll we recommend that the Organization employees and Board maintain diligence for the risks of not having an adequate segregation of duties.

In the areas of the Financial Reporting & close process, the organization should consider implementing a process whereby these activities are reviewed by an experienced governmental accountant. Additionally, the Organization should consider having the outside accounting consultant review the allocation of payroll, other expenditures to programs on the accrual basis, and the recording of In-Kind revenue at least annually.

The Organization should continue to evaluate the cost/benefit of hiring additional support staff, or reallocating accounting duties, to achieve complete segregation of duties.

Organization's Response:

The Organization will evaluate its internal control processes to determine how we can further segregate conflicting duties.

**SIERRA INSTITUTE FOR COMMUNITY AND ENVIRONMENT
Schedule of Findings and Questioned Costs
December 31, 2022**

C. Federal Award Findings and Questioned Costs

The were no findings related to Federal Award Programs.

SIERRA INSTITUTE FOR COMMUNITY AND ENVIRONMENT
Summary Schedule of Prior Audit Findings
December 31, 2022

Finding 2021-001

An inadequate segregation of duties exists.

Status

Not implemented. See current year finding 2022-001

SIERRA INSTITUTE FOR COMMUNITY AND ENVIRONMENT
Corrective Action Plan
December 31, 2022

Person Monitoring Corrective Action Plan

Jonathan Kusel, Ph.D., Executive Director

Finding 2022-001 Lack of Segregation of Duties

In the areas of cash, purchasing, payroll, and financial close and reporting the Organization does not have sufficient staff to separate the authorization, recording and custody functions as would be required in an ideal system of internal controls.

Corrective Action Planned

The Organization will evaluate its internal control processes to determine if it can further segregate conflicting duties to resolve this material weakness.

Expected Completion Date

Ongoing.