



Highlights of [GAO-07-764](#), a report to congressional requesters

Why GAO Did This Study

For years, GAO has raised concerns about the ability of the Department of Agriculture's Forest Service (Service) to track the amounts it obligates for and spends on timber sales and to use this information in managing the sales. Timber sales are generally carried out by ranger districts (the lowest level of the Service's decentralized organizational structure), which are overseen by national forest offices. The Bureau of Land Management (BLM) within the Department of the Interior also conducts timber sales. This report examines the extent to which (1) the Forest Service tracks timber sales-related obligations and expenditures, including the extent to which the Service uses this information in making management decisions; (2) BLM tracks timber sales-related obligations and expenditures; and (3) both agencies track their timber sales-related revenue.

What GAO Recommends

GAO recommends actions the Forest Service can take to ensure that its field managers have the obligation and expenditure data they need to manage effectively. In commenting on a draft of this report, the Forest Service generally agreed with its findings and recommendations. Similarly, the Department of the Interior agreed with the report's contents.

www.gao.gov/cgi-bin/getrpt?GAO-07-764.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Robin M. Nazzaro at (202) 512-3841 or nazzaror@gao.gov.

FEDERAL TIMBER SALES

Forest Service Could Improve Efficiency of Field-Level Timber Sales Management by Maintaining More Detailed Data

What GAO Found

The Forest Service tracks the funds it spends to conduct timber sales—such as funds for personnel and equipment—in a way that does not provide the detailed data many field managers, such as district rangers and forest supervisors, told us they need in order to properly manage these sales. The Service's accounting system aggregates obligation and expenditure data by the programs that fund the sales—such as the Forest Products Program and the Salvage Sale Program—and by national forest, rather than by individual timber sale or by ranger district. Forest Service headquarters officials told us that field managers do not need sale-by-sale or district-level data. However, many field managers told us that such data are crucial to their management of timber sales. For example, without such data to monitor the progress and cost of individual sales, field managers have difficulty both knowing when to redirect resources among sales and assessing the cost-effectiveness of individual sales. Without detailed data in the Service's accounting system, many field managers have developed manual "cuff records," such as spreadsheets, to maintain obligation and expenditure data at the individual sale or ranger district level. However, maintaining these cuff records can be time consuming, according to field managers, and can thus take time away from conducting "on the ground" activities such as overseeing timber harvests. Although headquarters officials said that aggregating data has reduced the cost of managing the accounting system data, the resources field managers are expending to compensate for the lack of detailed system data may partially offset those savings. However, the Service does not know the cost of maintaining cuff records, and it has not systematically identified field managers' information needs.

BLM, in contrast to the Forest Service, tracks many timber sales obligations and expenditures by individual sale. BLM has chosen to maintain detailed data in order to allow its field managers to use these data in managing timber sales—by, for example, monitoring the progress and cost of sales. As a result of BLM's approach, field managers have access to detailed data without relying on cuff records.

Overall, the Forest Service and BLM have systems that track revenue data by timber sale. These systems track the volume, type, and value of timber harvested; generate bills to timber purchasers; and track payments against those bills. Both agencies have struggled with, but are resolving, the challenge of tracking revenue from sales conducted under their stewardship contracting authority. Stewardship contracts generally involve the exchange of goods, such as timber, for contract services, such as thinning of brush. The Forest Service recently added a module to its accounting system to track revenue from stewardship contracting projects, while BLM has developed a database for this purpose.