



USDA Forest Service Fire and Aviation Management Briefing Paper



Date July 14, 2006

Topic: Cost Containmentment

Issue: Strategy for evaluating cost containment practices in 2006.

Key Points:

Region Reviews

The regions will be responsible for conducting a cost containment review of all fires in their region that exceed \$5 million. The guidance and questions that have been used in the past will be replaced with a template that frames and fleshes out specific areas/questions to cover during the reviews. Our Agency policy is being updated to reflect these changes.

Teams will be organized by the Regions, led by a Forest Supervisor and also include operational fire management and fiscal/acquisition expertise. The team would visit the unit hosting the fire and using the template provided conduct interviews, examine documents, etc. Field assignments will take approximately three days.

Rather than submitting one report for each fire, the region will issue an annual report for all fires that exceed \$5 million. This report will be submitted at the end of the fire season in time to feed information to the Independent Panel and WO reviews (10/30).

Independent Panel

As required by Congress, we will continue to have an Independent Panel review all fires that exceed \$10 million. The panel will recruit the best and brightest from other response agencies and possibly other countries to review our response to wildfires. This might include specialists from the military, academics, industry and emergency agencies (coast guard) for expertise in risk management, large field operations involving ground and air assets and catastrophic threats to the public, etc.

The team would determine their methodology for conducting the review and issue a report to the Secretary no later than March 2007.

WO Reviews

The WO reviews will be strictly oversight reviews. The primary purpose is to verify that specific practices that are known to save money while not jeopardizing safety are consistently used. However, the team is not prohibited from making new recommendations for improvement if necessary. The teams will concentrate on a core set of actions that includes WFLC CAT Team

recommendations as well as other high dollar practices that have been identified by internal and external review groups. Similar to the Independent Panel review team, we will seek to have a diverse set of people on these reviews as well.

The teams will focus on fires with costs that are significantly **higher or lower** than the statistical average as identified using the Stratified Cost Index (SCI). The reviews will be done at the end of the fire season after fire costs have been analyzed and plotted using the SCI model.

The WO will issue one report at the end of the fire season (11/30) that covers all fires reviewed. The report will identify principles that need to be incorporated into the agency doctrine and findings would be posted on the Lessons Learned website. The report will be made available to all FS personnel to assist in increasing their knowledge and ability to manage incident costs.