

MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis is intended to provide a clear and concise analysis of the Department of the Interior’s activities, programs and financial results, and its financial position.

In this section, the Department begins to combine financial and Government Performance and Results Act reporting. Over the next several years, as we implement GPRA, Interior will continue to expand its Accountability Report and to bring together measures of program performance and information concerning budgetary resources and financial results.

ANALYSIS OF FINANCIAL ACTIVITY

The Department prepares consolidated financial statements that include a Statement of Financial Position, a Statement of Net Cost, a Statement of Changes in Net Position, and a Statement of Custodial Activity. Overall, these statements summarize the financial activity and financial position of the Department. Additional unaudited financial information is also presented in the Supplemental Information section of the report.

Expenses

As indicated in the Statement of Net Cost, the 1997 net cost of Interior operations, after earned revenue, is approximately \$8 billion. In comparison, the Federal government spent over \$384 billion for Social Security payments and approximately \$246 billion in interest payments on Treasury securities during fiscal year 1997.

Expenses				
(dollars in billions)	1997	% of Total	1996	% Change
Salaries and Benefits	\$3.88	42%	\$3.44	13%
Contractual Services	2.07	22%	2.10	-1%
Grants, Subsidies, and Contributions	2.02	22%	1.88	7%
Other	1.28	14%	1.12	14%

The largest expense of the Department is salaries and benefits. In terms of personnel, Interior is the fifth largest of the 14 Cabinet agencies (excluding Defense military functions) with 7 percent of total Executive

Figure 7

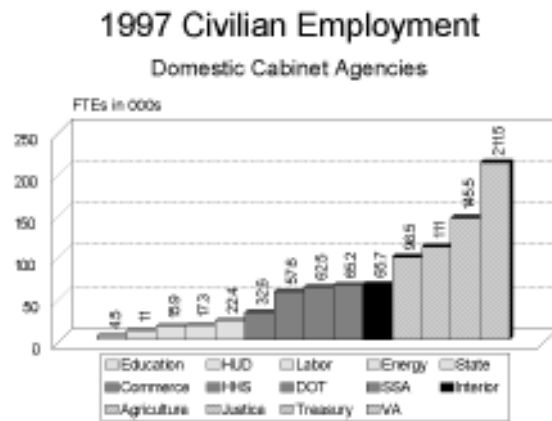
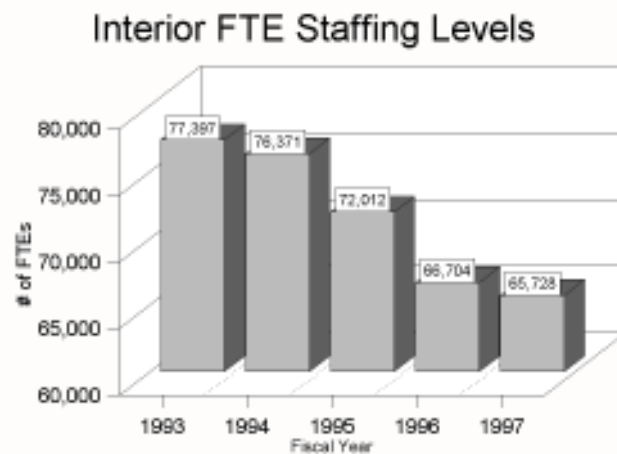


Figure 8



Branch civilian employment (Figure 7). Departmental employment, measured in full-time equivalent personnel (FTEs), totaled 65,728 during 1997 (Figure 8). Since 1993, the Department has decreased staffing by 11,669 FTEs, which represents a decline of over 15 percent. Of the domestic Cabinet agencies, Interior has reduced its workforce by a greater percentage than all but one agency. Salary and benefit expenses increased, however, due to a change in accounting standards that requires agencies to recognize expense for that portion of their retirement and other benefits paid by the Office of Personnel Management (see Note to the Financial Statements No. 13).

Figure 9

Federal Financial Statements		
Statement	Federal Objective	Comments
Statement of Financial Position	<ul style="list-style-type: none"> The Federal Statement of Financial Position is intended to present the agency's financial position -- assets, liabilities, and net position -- at the statement date. 	<ul style="list-style-type: none"> Federal assets are split between those that are available to the Department for use in its operations (also referred to as "Entity Assets") and those which the Department holds in its name, but which it cannot use. These assets, "held on behalf of others," arise primarily when the Department is responsible for collection of monies which under law must be forwarded to the General Fund at Treasury or to other Federal agencies upon or shortly after receipt. The Statement of Financial Position separates those liabilities for which funds have been appropriated from those which have not yet been funded.
Statement of Net Cost	<ul style="list-style-type: none"> Intended to demonstrate the cost of missions and programs accomplished by the Department for the taxpayer 	<p>This statement differs from private sector operating statements in several ways:</p> <ul style="list-style-type: none"> First, expenses are presented at the top of the statement and revenues earned from the sale of goods and services are deducted from those expenses. This is due to the fact that the objective of most government agencies is not to "make money." Rather, the objective is to efficiently and effectively carry out the missions and responsibilities assigned to the agency by the Congress and the President, elected representatives of the people. The "bottom line" of the Statement of Net Cost is not "net income" or "net loss," because the effectiveness of Federal agencies simply cannot be evaluated by comparing revenues against expenses. The bottom line is instead "Net Cost of Operations" which discloses to the reader, at a very summary level, what the taxpayer has invested in the operations of the agency.
Statement of Changes in Net Position	<ul style="list-style-type: none"> Explains how the Net Cost to the taxpayer for the Department's operations was funded, and reports other changes in equity which are not included in the Statement of Net Cost. 	<ul style="list-style-type: none"> "Appropriations Used" in any given period as reported on the Statement of Changes in Net Position will not exactly match expenses for that period, since budgetary accounting rules and financial accounting rules may recognize certain transactions and events at different points in time.
Statement of Custodial Activity	<ul style="list-style-type: none"> Presents financial information related to oil and gas royalties and lease payments collected by the Department on behalf of the Federal government 	<ul style="list-style-type: none"> The top half of this statement presents the source of Royalty-based collections. The bottom half presents the disposition of those collections (e.g., transfers to the Department of the Treasury, States, Indian Tribes, and others).

Revenue

On the whole, Interior’s missions are intended to be funded by general government funds derived from tax receipts and other sources. However, an increasing number of activities are being supported by other fees and collections.

Federal government revenue is classified as either “Exchange Revenue” or “Non-exchange Revenue.” Exchange Revenue occurs when both parties to the transaction receive value (e.g., the government sells maps, or other products and services to the public for a price). Non-exchange Revenue occurs when only one party receives value (e.g., donations to the government from the public or government demands for payment through taxes, fines and penalties). Only Exchange Revenues are presented on Statement of Net Cost, so that the statement reflects, as nearly as possible, the net cost to the taxpayer of agency operations.

Exchange Revenue			
(dollars in billions)	1997	1996	% Change
Revenue from Sale of Goods and Services to the Public	\$1.13	\$1.03	10%
Revenue from Sale of Goods and Services to Federal Agencies	0.67	0.73	-8%
Other Revenue	0.55	0.39	41%

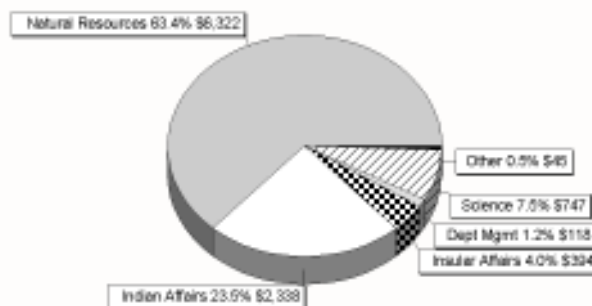
Department revenues from transactions with the public derive from sales of hydroelectric power, entrance fees at parks and wildlife refuges, sales of maps, and other products and services directly related to the operating responsibilities of the Department. Approximately \$1.13 billion of revenues were collected from the public and were either retained in the Department after Congressional appropriation to further Interior’s mission, or were returned to the General Fund of the Treasury. These revenues offset the taxpayer’s investment in the Department. In addition, the Department earned \$668 million from other federal agencies, mostly resulting from cross-servicing agreements or reimbursable services to other agencies. These efforts help reduce the total cost of government operations by sharing expertise among agencies.

During 1997, the Department collected over \$6.3 billion in revenue (see Statement of Custodial Activity) from lease sales and royalties on Outer Continental Shelf oil and gas, making the Department one of the largest producer of revenue in the Federal government. These receipts are presented on the Department’s State-

Figure 10

1997 Interior Budget Authority

(in millions)



Total Budget Authority - \$9,964 million

ment of Custodial Activity since these collections, under Federal accounting rules, are considered to be revenue of the government as a whole rather than of the Department. These revenues are distributed primarily to Federal and State treasuries, Indian Tribes and allottees, the Land and Water Conservation Fund, and the Historic Preservation Fund.

Budgetary Resources

The Department obtains most of its funding from general government funds maintained by the Treasury Department and appropriated for the Department’s use by Congress.

Appropriations			
(dollars in billions)	1997	1996	% Change
Appropriations Used to Finance Operations	\$8.4	\$8.0	5%

The Department’s 1997 budget authority was \$9.964 billion (Figure 10). Measured in terms of dollar resources, the Department, with one-half of one percent of the entire Federal budget, uses fewer funds than all but two of the Cabinet agencies. Despite its relatively low funding, the Department touches the lives of most citizens, often on the person-to-person level through its responsibility for the National Parks, Wildlife Refuges, public land recreation areas, topographic maps, dams and water projects. Its operations are located throughout the country and have an immense impact on individuals throughout America and its programs provide a tangible return to taxpayers.

Since budgetary accounting rules and financial accounting rules may recognize certain transactions and events at different points in time, "Appropriations Used" in any given period as reported on the Statement of Changes in Net Position will not exactly match expenses for that period.

Assets

Approximately 9 percent of the Department's assets are held on behalf of others and are not available for Department use. Approximately 36 percent of the Department's \$49 billion in assets (see Statement of Financial Position) is composed of General Property Plant and Equipment.

Most of the Department's Buildings, Structures and Facilities is composed of dams and power and irrigation facilities managed by the Bureau of Reclamation. The remainder consists of buildings and other structures and facilities used in the Department's operations (e.g., visitor centers, fish hatcheries, and Bureau of Indian Affairs schools).

The Department's reported values for Property, Plant, and Equipment exclude stewardship property, such as land for national parks and national wildlife refuges, public domain land, historic buildings, and national monuments. Although these stewardship assets are priceless, they do not have an identifiable financial value and so cannot be adequately presented on a numerically based Statement of Financial Position. An in-depth discussion of these assets is presented in the Stewardship section at page 115.

Property, Plant, and Equipment			
(dollars in billions)	1997	1996	% Change
Buildings, Structures, and Facilities	\$16.3	\$16.0	2%
Other General PP&E	0.6	0.6	0%
Stewardship Assets	-	-	-

The Fund Balance with Treasury, which is essentially the amount of funds made available to the agency by Congressional appropriation which are in agency accounts at Treasury, is \$4.9 billion. The Treasury Department functions like a bank, and the Department's "Fund Balance with Treasury" is somewhat analogous to a checking account. The portion of Fund Balance with Treasury available to the Department for spending at any point in time depends on the terms of appropriation language and other factors.

Fund Balance with Treasury			
(dollars in billions)	1997	1996	% Change
Fund Balance with Treasury	\$4.9	\$4.8	2%

The Department has Restricted Assets in Conservation and Reclamation Funds. These amounts derive primarily from royalties and lease payments generated from oil and gas extracted from the Outer Continental Shelf. The restricted asset Conservation account includes the Land and Water Conservation Fund and the Historic Preservation Fund. Historically, an average of approximately \$1 billion is deposited into these two accounts each year. Spending authority for the conservation accounts is approved in subsequent years through Congressional appropriations. The fiscal year 1997 budget for the Land and Water Conservation Fund and the Historic Preservation Fund was \$90.5 million.

During fiscal year 1997, \$955 million was deposited into the Reclamation Fund. Amounts deposited into the Reclamation Fund are not available for spending until appropriated by Congress.

Restricted Assets			
(dollars in billions)	1997	1996	% Change
Land and Water Conservation Fund	\$11.9	\$11.1	7%
Historic Preservation Fund	2.2	2.1	5%
Reclamation Fund	3.1	2.9	7%

Liabilities and Net Position

Federal agencies, by law, cannot make any payments unless funds have been appropriated by Congress. The Department's unfunded liabilities (approximately \$1.07 billion, or 11 percent of total liabilities) consist primarily of legal and environmental contingent liabilities and unfunded annual leave, both of which are considered expense and liability in the current period, but which will be paid out of funds made available to the agency in future years.

Contingent liabilities reflect the Department's potential responsibility for cleanup of contaminated sites and for legal claims brought against the Department. The Department's liability for financial statement purposes for environmental cleanup is limited to those sites where the Department is or may be held to be legally liable for remediation of the hazard, for example, underground fuel tanks installed by the Department. In addition, there are numerous sites, including abandoned mines and illegal waste dumps, where other parties have caused contamination on lands managed by the De-

partment. Although the Department bears no legal responsibility for these hazards, the Department will often, in its stewardship capacity, correct the environmental hazard. Wherever feasible, the Department will initiate collection efforts against the responsible parties. The Department has recognized \$225 million for potential environmental cleanup liabilities and \$340 million related to other claims and litigation.

The Net Position of the Department consists of three components: Unexpended Appropriations, Cumulative Results of Operations and Restricted Equity. The "Unexpended Appropriations" account reflects spending authority made available to the Department by Congressional appropriation that has not yet been used by the Department. "Cumulative Results of Operations" reflects the net results of the Department's operations over time. "Restricted Equity" reflects funds in the Land and Water Conservation Fund, Historic Preservation Fund, and Reclamation Fund; these amounts have not yet been made available for Departmental use by Congressional appropriation.

IMPLEMENTING THE GOVERNMENT PERFORMANCE AND RESULTS ACT

Interior's Strategic Plan

On September 30, 1997, the Department of the Interior published its first strategic plan under the Government Performance and Results Act (GPRA) of 1993, which requires all federal agencies to develop strategic plans with measurable goals and objectives linked to their budgets.

Interior's strategic plan identifies 10 overarching commitments that have guided the development of the individual bureau strategic plans and performance goals. These commitments encompass the Department's major programs and key statutory requirements. They also create a unifying framework for the various missions and programs of Interior's bureaus. Interior's commitments to the American people are listed in *Figure 11*.

Cross-Cutting Goals

In addition to the Departmental commitments reflected in its bureau strategic plans, Interior has identified strategic goals in several cross-cutting areas. These areas include (1) natural resource management partnerships and (2) Departmental management and support offices and other functions.

Natural Resource Management Partnerships

One of the most productive and cost-effective ways of fulfilling our commitments is through partnerships. The Department of the Interior is taking the lead in establishing partnerships with States, tribes, local governments, other Federal agencies, industry, and private stakeholders to manage and improve the health of several vital ecosystems. By working together, we can evaluate natural processes and human activities in a given geographic region and seek common ground to reach solutions that benefit all citizens. A major benefit of these partnerships is the ability to leverage scarce resources with other partners to achieve results that might otherwise be too costly.

Several major partnerships are highlighted in the Department's strategic plan overview. They are:

- Pacific Northwest Plan
- Wildlife Fire Management
- South Florida Ecosystem Restoration
- CALFED Bay-Delta Program
- California Desert

Figure 12 lists major goals for the Department's natural resource management partnerships.

Departmental Management, Support Services, and Other Programs

Departmental offices play a key role by providing leadership, policy guidance, coordination, and support services crucial for the bureaus to meet their goals and fulfill their missions. This role is particularly important in light of the Department's emphasis on working in partnership across organizational lines with States, local governments, tribes, and other stakeholders.

The Department has identified goals in five management areas that will support the program goals described in the Strategic Plan. They are:

- Human Resources
- Information Resources
- Financial and Performance Management
- Procurement of Goods and Services
- Property Management

Figure 13 lists performance goals for these management areas.

Linkage to Performance Plans and Reports

Several key documents are linked to and complement the Department's strategic plan. These documents include annual performance plans, annual performance reports, and annual budget requests to OMB and Congress.

Annual Performance Plans - Interior's annual performance plan links the Department's strategic plan with the annual budget. The performance plans include objective, quantifiable, and measurable performance goals to be achieved in a given fiscal year in furtherance of the general goals set forth in the strategic plan. Each annual performance plan includes performance indicators to be used in measuring or assessing the relevant outputs, service levels, and out-

Figure 11

Interior's Commitments to the American People

1. **We will restore and maintain the health of our lands, waters, and renewable resources.** *Recognizing the interdependence of people and the environment, we must ensure that our lands, waters, and renewable resources remain healthy. Resource-dependent communities can only be sustained by lands that are in a healthy condition.*
2. **We will preserve our Nation's natural and cultural heritage for future generations.** *Federal lands contain exceptional geological formations, rare and vulnerable plant and animal communities, wilderness areas, wild and scenic rivers, and numerous paleontological, archaeological, and historical sites. We are committed to protecting and improving the value of national parks, wildlife refuges, wilderness areas, and our cultural heritage.*
3. **We will provide recreational opportunities for the public to enjoy natural and cultural resources.** *Federal lands provide an outstanding variety of recreational opportunities, which include hunting, fishing, camping, hiking, boating, driving off-highway vehicles, mountain biking, and birding. Interior will continue to promote and provide these opportunities where they are consistent with other land uses and with maintaining the health of the land.*
4. **We will provide for appropriate commercial use and development of federally managed natural resources in an environmentally sound manner.** *Many Interior lands provide commercially valuable natural resources, including energy and mineral commodities, forest products, grazing forage, and special uses, such as rights of way for pipelines and transmission lines. Interior is committed to making these resources available for appropriate commercial uses while protecting the environment and receiving a fair return to the American taxpayer.*
5. **We will encourage the preservation of diverse plant and animal species and protect habitat critical to their survival.** *We are committed to restoring our country's important habitat and improving the health of public land. We will continue to pursue new concepts in regional ecosystem enhancements through partnerships and collaborations. We are committed to bringing endangered species back from the brink of extinction and finding innovative ways to protect endangered species while ensuring healthy communities and economies.*
6. **We will work to transfer Federal program operations to tribal governments through Indian self-determination and self-governance agreements.** *We are committed to strengthening our trust relationship with Indian Tribes, enhancing self-determination, encouraging self-governance, and supporting tribal efforts to improve economic opportunities for Native Americans. We will facilitate the transition of Indian programs and services from Federal to tribal delivery systems by implementing self-determination and self-governance policies. Interior is committed to meaningful consultation on a government-to-government basis with tribal officials to ensure that the Department is an effective and responsive trustee.*
7. **We will protect and conserve the trust resources of American Indians and Alaskan Native Tribes and work with these tribes to enhance education, economic opportunities, and the quality of life for their members.** *The Department is committed to protecting and enhancing the trust resources of federally recognized tribes and members and to consulting with tribes as required by the Presidential Memorandum on Government-to-Government Relations With Native American Tribal Governments. Interior will facilitate coordination of the Federal role in Indian affairs through interdepartmental initiatives designed to increase the quality of life in tribal communities, will work to increase tribal and parental direction of Indian education and continue to increase the overall quality of education for Indian children, and will foster private and public partnership initiatives designed to enhance tribal economic growth and opportunity.*
8. **We will advance scientific research and monitoring to improve our understanding of the interaction of natural and human systems and to reduce the impacts of hazards caused by natural processes and human actions.** *We will participate in interagency and intergovernmental programs to assess, document, and monitor ecological and socio-economic conditions and trends, including development and implementation of information needs assessment procedures. We will ensure that our scientific research program focuses on understanding, assessing, and monitoring ecosystems. Particular emphasis will be placed on scientific research, monitoring, and mapping efforts that aid the Department in understanding the interaction of natural and human systems, protecting the environment, mitigating the impacts of natural hazards, and ensuring the preservation, conservation, and sustainable use of natural resources.*
9. **We will provide useful scientific information for sound resource decisionmaking.** *We will continue to help society understand the ecological, geologic, chemical, and hydrologic processes that govern the environment's responses to management actions. We will work within the Department, with Congress, other Federal agencies, and State, tribal, and local entities, and interested publics to refine our strategies and priorities. Through Resource Advisory Councils and other groups, we will continue to encourage community-based decisionmaking grounded in sound science.*
10. **We will apply laws and regulations fairly and effectively, placing priority on compliance and enforcement, prevention, and problem-solving, and we will protect public health and safety.** *We will be fair with regulated industries and work with the States, Indian Tribes, and stakeholders to reduce unnecessary regulatory and procedural burdens, develop policies that are clear and balanced, and apply them consistently. In cooperation with the States, Indian Tribes, and localities, we will protect the environment, property, water, and citizens from detrimental effects of current activities and ensure that lands and waters are appropriately reclaimed where applicable. We will make the protection of public health and safety a priority in all of our programs.*

Figure 12

Natural Resource Management Partnerships	
Partnership	Goals
Pacific Northwest Forest Plan	<ul style="list-style-type: none"> • Protect and enhance the environment • Provide a sustainable timber economy • Support the region's people and communities during the period of economic transition
Wildland Fire Management	<ul style="list-style-type: none"> • Promote firefighter and public safety • Wildland fire will be used to protect, maintain, and enhance natural resources • Bureaus will ensure a cost-effective fire management program
South Florida Ecosystem Restoration	<ul style="list-style-type: none"> • The spatial extent of wetlands will be sufficient to support the historic functions of the greater Everglades ecosystem • The diversity, abundance, and behavior of native plants and animals in South Florida will be characteristic of predrainage conditions • Estuarine and coastal areas function as a natural, healthy part of the ecosystem • Natural hydrologic functions in wetlands are restored while providing for the water resource needs of the urban and agriculture landscapes and the estuarine and marine systems
CALFED Bay-Delta Program	<ul style="list-style-type: none"> • To provide water of good quality for all beneficial uses • To improve and increase aquatic and terrestrial habitats and improve ecological functions in the Bay-Delta to support sustainable populations of diverse and valuable plant and animal series • To reduce the mismatch between Bay-Delta water supplies and current and projected beneficial uses dependent on the Bay-Delta system • To reduce the risk to land use and associated economic activities, the water supply, the infrastructure, and the ecosystem from catastrophic breaching of Delta levees
California Desert	<ul style="list-style-type: none"> • Interior has created the California Desert Managers Group to develop a long-term strategic plan to manage the desert ecosystem

Figure 13

Management Goals	
Area	Goals
Human Resources	<ul style="list-style-type: none"> • Foster a highly trained and knowledgeable workforce capable of meeting mission needs • Achieve workforce diversity • Link mission outcomes and employee performance
Information Resources	<ul style="list-style-type: none"> • Ensure the alignment of information resources management goals, objectives, and programs with the goals, objectives, and programs of the Department and bureaus • Optimize the capture, access, and sharing of information/knowledge, as appropriate, across the Department and bureaus through the use of information technology • Ensure the wise and cost-effective use of technology by implementing the Information Technology Management Reform Act (Clinger-Cohen Act) and the Government Performance and Results Act
Financial and Performance Management	<ul style="list-style-type: none"> • Continue to strengthen the integrity of financial operations to ensure accuracy of financial data and management control over Interior activities • Optimize financial management operations to increase customer satisfaction and decrease costs to the Department Improve financial and performance reporting to better support management decisions at all levels and to ensure compliance with the Government Management Reform Act and the Government Performance and Results Act
Procurement of Goods and Services	<ul style="list-style-type: none"> • Improve service to Interior's programs • Maximize productivity while minimizing costs • Optimize resources and processes
Property Management	<ul style="list-style-type: none"> • Ensure that the Department can properly account for its personal and real property • Increase the ability of the public to access information about museum and cultural resources and artifacts • Ensure that Interior's buildings and facilities meet Federal energy efficiency standards

comes related to the performance goals. We are measuring our progress by using a combination of output and outcome performance goals.

Annual Performance Reports - Within 6 months after the close of each fiscal year, Interior will submit to the President and the Congress a report on program performance for the fiscal year that has just closed. This performance report will review the Department's success in achieving the performance goals for the fiscal year being reported.

Annual Budget Request - Each year, the Department submits a budget request to OMB that is part of the President's budget request to the Congress. The Department's budget request identifies the programs, activities, and resources necessary to implement the strategic plan and the performance plan.

Bureau Strategic Plans

At Interior, most programs are carried out directly by the bureaus, which receive Congressional authorization and funding for these activities. Each bureau has developed a strategic plan that addresses its mission and includes strategies for accomplishing bureau goals.

Bureau of Land Management

The mission of the Bureau of Land Management is "to sustain the health, diversity, and productivity of the Nation's public lands for the use and enjoyment of present and future generations."

The BLM strategic plan is organized around the following five strategic goals:

- Serve current and future publics
- Restore and maintain the health of the land
- Promote collaborative management
- Improve business practices
- Improve human resources management

Each strategic goal includes two to six long-term goals that relate to BLM's major activities and programs, including natural resource management responsibilities, maintaining the national cadastral survey, and administering payments-in-lieu-of-taxes to counties with Federal lands. Administrative and personnel activities are also covered. Taken together, the 17 long-term goals establish overall direction for the agency.

Figure 14 shows representative BLM performance indicators that are included in the 1999 Annual Performance Plan required by the Government Performance and Results Act.

Figure 14

BLM Strategic Goal : Identify resources at risk			
BLM Annual Goal : In 1999, treat 2,000 miles of riparian areas and 8,000 acres of wetland areas			
BLM Performance Indicator	1997	1998 *	1999 **
Riparian areas treated (miles)	1,260	1,600	2,000
Wetland areas treated (acres)	7,500	8,000	8,000
* 1998 Projected			
** 1999 Projected based on Presidential budget			

Bureau of Indian Affairs

The mission of the Bureau of Indian Affairs is "to fulfill its trust responsibilities and promote self-determination on behalf of Tribal Governments, American Indians and Alaska Natives."

The Bureau of Indian Affairs' strategic plan is based on the following strategic goals:

- *Self-Determination*: To provide tribes with the resources they need to exercise their authority as sovereign nations by contracting or compacting Bureau programs, as authorized under P. L. 93-638, as amended.
- *Tribal Government*: To foster strong and stable tribal governments so that they may manage their own affairs and relate to other government entities as sovereigns.
- *Human Services*: To improve the quality of life in tribal communities.
- *Law Enforcement*: To provide quality investigative and police services and technical expertise to Indian tribes.
- *Community Development*: To provide tribes with the resources necessary to develop a self-sustaining economic base which, in turn, will work to empower tribes.
- *Natural Resources*: To assist American Indians and Alaska Natives in developing conservation and management plans to protect and preserve their

- natural resources on trust lands and shared off-reservation resources.
- **Trust Services:** To protect and preserve trust lands and trust resources.
- **Administrative and Support Services:** To reduce long-term costs and improve timeliness of service through the use of modern, automated techniques and processes for management in the arena of administration.
- **Education:** To provide quality education opportunities from early childhood through life in accordance with the tribes' needs for cultural and economic well-being in keeping with the wide diversity of Indian Tribes and Alaska Native Villages as distinct cultural and governmental entities.

Figure 15 shows representative BIA performance indicators that are included in the 1999 Annual Performance Plan required by the Government Performance and Results Act.

Figure 15

BIA Strategic Goal : To provide quality education opportunities from early childhood through life in accordance with the tribes' needs for cultural and economic well-being in keeping with the wide diversity of Indian Tribes and Alaska Native Villages as distinct cultural and governmental entities			
BIA Annual Goal: By 2002, elementary and secondary schools will decrease the student dropout rate and increase student attendance, student academic performance, native language program availability and accreditation rates			
BIA Performance Indicator	1997	1998 *	1999 **
Dropout Rate	13%	12%	11%
Attendance (ADA Rate)	91%	92%	93%
Native Language Program Rate	80%	82%	84%
School Accreditation Rate	93.5%	94%	94%
* 1998 Projected			
** 1998 Projected based on Presidential budget			

Bureau of Reclamation

The mission of the Bureau of Reclamation is “to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American people.” Reclamation’s strategic plan sets forth three strategic goals to articulate the general, long-term activities and initiatives necessary for Reclamation to carry out its mission. These goals are:

- **Water and Energy:** In accordance with Reclamation statutes, other Federal laws, and appropriate State laws, Reclamation will pursue water and related resources management and development activities.
- **Environmental and Related Resources:** In partnership with States, tribes and its stakeholders, Reclamation has improved and will continue to improve, its management of water and related resources in a manner that is ecologically sound and that promotes habitat quality, species health and biological diversity of the West.
- **Business Practices and Productivity:** As the Administration and Congress move toward a balanced budget by FY 2002, Reclamation will serve the public by building on its reinvention successes of the last 3 years.

Figure 16 shows a representative BOR performance indicator that is included in the 1999 Annual Performance Plan required by the Government Performance and Results Act.

Figure 16

BOR Strategic Goal : Manage, develop and protect water and related resources			
BOR Annual Goal: In 1999, Reclamation will deliver power needed for contractual commitments 100% of the time			
BOR Performance Indicator	1997	1998 *	1999 **
Percent of contractual commitments met	100%	100%	100%
* 1998 Projected			
** 1999 Projected based on Presidential budget			

National Park Service

The mission of the National Park Service is “to preserve unimpaired the natural and cultural resources and values of the national park system for the enjoyment, education, and inspiration of this and future generations.”

The National Park Service Strategic Plan includes the following strategic goals:

- Preserve park resources.
- Provide for the public enjoyment and visitor experience of parks.

- Strengthen and preserve natural and cultural resources and enhance recreational opportunities managed by partners.
- Ensure organizational effectiveness.

Figure 17 shows a representative Park Service performance indicator included in the 1999 Annual Performance Plan required by the Government Performance and Results Act.

Figure 17

NPS Strategic Goal : Natural and cultural resources and associated values are protected, restored and maintained in good condition and managed within their broader ecosystem and cultural context			
NPS Annual Goal : By 1999, 10,971 of the 23,000 List of Classified Structures are in good condition			
NPS Performance Indicator	1997	1998 *	1999 **
Percent of historic structures in good condition	45.4%	46.9%	47.7%
* 1998 Projected			
** 1999 Projected is based on Presidential budget			

U.S. Fish and Wildlife Service

The mission of the Fish and Wildlife Service is working with others “to conserve, protect, and enhance fish and wildlife and their habitats for the continuing benefit of the American people.” The Service’s 1997 Strategic Plan is based on the following goals:

- *Sustainability of Fish and Wildlife Populations*: Migratory birds, endangered fish and wildlife species, interjurisdictional fish, and marine mammals are conserved, protected, enhanced, or restored. The Service is participating in conservation of other species when its expertise, facilities, or lands can enhance State, tribal, or local efforts.
- *Habitat Conservation -- A Network of Lands and Waters*: An ecologically diverse network of lands and waters, of various ownerships, is conserved to provide habitats for marine mammals and migratory, interjurisdictional, endangered, and other species associated with ecosystems conserved in cooperation with others.
- *Connecting Americans to Wildlife*: The American public understands and participates in the conservation and use of fish and wildlife resources.
- *Workforce Excellence*: The Service’s workforce, scientific capability, and business practices --in co-

operation with the Department’s scientific expertise -- fully support achievement of the Service mission.

Figure 18 shows a representative Service performance indicator included in the 1999 Annual Performance Plan required by the Government Performance and Results Act.

Figure 18

FWS Strategic Goal : <i>Habitat Conservation -- A Network of Lands and Waters</i> : An ecologically diverse network of lands and waters, of various ownerships, is conserved to provide habitats for marine mammals and migratory, interjurisdictional, endangered, and other species associated with ecosystems conserved in cooperation with others.			
FWS Annual Goal : By 1999, the Service will improve the population status of 60% of the species to the stable or improved category			
FWS Performance Indicator	1997	1998 *	1999 **
% of listed species improving/stable	36%	44%	60%
* 1998 Projected			
** 1999 Projected based on Presidential budget			

U.S. Geological Survey

The mission of the U.S. Geological Survey is “to provide the Nation with reliable, impartial information to describe and understand the Earth.”

The USGS Strategic Plan is based on the following goals:

- *Water availability and quality*: Manage the Nation’s water resources wisely for present and future generations.
- *Natural hazards*: Reduce the loss of life and property from natural hazards.
- *Geologic and cartographic information*: Provide maps and map data for the Nation.
- *Contaminated environments*: Reduce both environmental contamination and the cost of cleaning up existing contamination.
- *Land and water use*: Improve the land and water use decisions made by the public and private sector.
- *Nonrenewable resources*: Enhance economic development and growth.

- *Environmental effects on human health:* Reduce risks to human health from hazardous chemicals and disease-causing organisms.
- *Biological resources:* Conserve and manage the Nation’s biological resources for present and future generations.

Figure 19 shows a representative USGS performance indicator included in the 1999 Annual Performance Plan required by the Government Performance and Results Act.

Figure 19

USGS Strategic Goal : Reduce the loss of life and property from natural hazards			
USGS Annual Goal: By 1999, increase timeliness and reliability of earthquake information that is provided to emergency response agencies and to the public for seismic activity in the U.S. by integrating national, regional, and local seismic networks			
Performance Indicator	1997	1998 *	1999 **
Provide accurate and timely earthquake information from an integrated seismographic network to emergency response agencies and the public	Completed planning of the integration of the seismic monitoring networks & improvement of the reliability & timeliness of earthquake reports	Begin integration of seismic networks; reliability and timeliness of earthquake reports increases	Issue earthquake reports within 20 minutes of event occurrence; integration of seismic networks 75% complete
* 1998 Projected ** 1999 Projected based on Presidential budget			

Minerals Management Service

The Minerals Management Service’s mission is “to manage the mineral resources on the Outer Continental Shelf in an environmentally sound and safe manner and to timely collect, verify, and distribute mineral revenues from federal and Indian lands.” Its vision is “to be recognized as the best minerals resource manager.”

The MMS strategic goals are:

- Provide for safe and environmentally sound mineral development on the Outer Continental Shelf, and ensure that the public receives fair value.
- Provide timely, accurate, and cost-effective mineral royalty collection and disbursement services.
- Encourage a culture that brings out the best in our employees.

Figure 20 shows representative MMS performance indicators that are included in the 1999 Annual Performance Plan required by the Government Performance and Results Act.

Figure 20

MMS Strategic Goal : Provide for safe and environmentally sound mineral development on the Outer Continental Shelf, and ensure that the public receives fair value			
MMS Annual Goal: By 2002, show an increase in annual OCS production above the 1996 level of 429 million barrels, 5 trillion cubic feet of gas, 2.1 million long tons of sulfur, and .81 million cubic yards of sand and gravel			
MMS Performance Indicator	1997	1998 *	1999 **
Barrels of oil (millions)	545	571	591
Cubic feet of gas (trillions)	5.1	4.9	4.9
Long tons of sulfur (millions)	2.0	2.1	2.2
Cubic yards of sand and gravel (millions)	0	3.9	22.7
* 1998 Projected ** 1999 Projected based on Presidential budget			

Office of Surface Mining

The mission of the Office of Surface Mining is “to carry out the requirements of the Office of Surface Mining and Reclamation Act in cooperation with States and Tribes.”

The OSM strategic goals are:

- In cooperation with the States and tribes, we will aggressively pursue the reclamation of Abandoned Mine Lands (AML).
- In cooperation with the States and tribes, we will prevent environmental problems in the coal fields.
- We will strengthen the capabilities of States, tribes, and OSM staff to enforce the Surface Mining Control and Reclamation Act (SMCRA) effectively through quality technical and scientific information, expertise, and training.
- We will maintain the financial integrity of SMCRA by properly and promptly accounting for grant funds and all revenues collected; maximizing compliance with AML reclamation fee provisions; providing grant financial services and accounting to the States and tribes; and maximizing collections through fair and consistent policies and procedures.
- We will enhance the Human Resource Program through a diverse, highly qualified, well-trained, mo-

tivated, and informed workforce that supports the mission of OSM.

Figure 21 shows representative OSM performance indicators that are included in the 1999 Annual Performance Plan required by the Government Performance and Results Act.

Figure 21

OSM Strategic Goal : We will maintain the financial integrity of SMCRA by properly and promptly accounting for grant funds and all revenues collected; maximize compliance with AML reclamation fee provisions; provide grant financial services and accounting to the States and tribes; and maximize collections through fair and consistent policies and procedures			
OSM Annual Goal : By 1999, OSM will maintain a 90+% AML reclamation fee compliance rate			
OSM Performance Indicator	1997	1998 *	1999 **
Percent of permits reporting compared to number of permits mailed	99%	97%	97%
Percent of audited tons reported divided by total tons audited	98.5%	98%	98%
* 1998 Projected			
** 1999 Projected based on Presidential budget			

Customer Service

Interior is committed to providing the best possible service to customers, partners, and stakeholders. Over the past several years, Interior bureaus have established service standards, conducted surveys, and developed measures of customer satisfaction. Many of these measures have been incorporated into bureau strategic plans and annual performance plans. Figure 22 provides examples of customer satisfaction measures that have been included in Interior’s strategic plan:

Figure 22

Customer Satisfaction	
Bureau	Goal
NPS	By 2002, 80% of park visitors are satisfied with appropriate park facilities, services, and recreational opportunities
OSM	By 2002, attain a 90% customer satisfaction rate for technical training and the Technical Information Processing System
BLM	By 2002, improve the BLM’s understanding of customer needs by measuring customer satisfaction levels, particularly for recreation and commercial uses
MMS	By 2002, improve the Royalty Management Program’s rating (data from customer surveys) in the areas of credibility, responsiveness, professional image, and quality