

DEPARTMENT OF THE INTERIOR

The President's Proposal:

- Continues commitments to:
 - eliminate the maintenance and construction backlog in National Parks and at Bureau of Indian Affairs schools;
 - fully fund the Land and Water Conservation Fund; and
 - fund the Natural Resource Challenge to conserve park ecosystems.
- Strengthens ongoing Indian Trust reforms;
- Increases support for National Wildlife Refuges;
- Authorizes oil and gas exploration and, if discovered, development of a small portion of the Arctic National Wildlife Refuge in an environmentally responsible manner; and
- Proposes a tax credit for private, voluntary protection of land for conservation.

The Department's Major Challenges:

- Reforming Indian Trust programs; and
- Preventing deterioration of aging infrastructure on Department of the Interior lands.

Department of the Interior

Gale Norton, Secretary

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Number of Employees: 70,037

2003 Spending: \$10.4 billion

Major Assets: 437 million acres of stewardship lands and 700 million acres of mineral estate.

Organization: Eight bureaus—National Park Service; Bureau of Land Management; Fish and Wildlife Service; Bureau of Indian Affairs; Minerals Management Service; Office of Surface Mining; U.S. Geological Survey; and Bureau of Reclamation.

The Department of the Interior (DOI) manages 507 million acres of land (roughly one-fifth of the land area of the United States), 700 million acres of subsurface minerals, and the nation's Outer Continental Shelf. DOI protects much of the nation's natural and cultural resources, and serves as the largest supplier and manager of water in 17 western states. DOI is accountable for meeting many of the government's trust responsibilities to Indian tribes and U.S.-affiliated island communities. The agency also generates and disseminates U.S. earth science information and research findings to the public. Major responsibilities include the 387 national parks, 540 national wildlife refuges, 69 national fish hatcheries,

406 hydroelectric facilities and reservoirs, and 262 million acres of Bureau of Land Management (BLM) administered public lands.

Overview

The nation's vast resources provide the public both social and economic benefits. Careful management of our lands and water and the creatures that inhabit them requires that they be used in an environmentally responsible manner. This chapter describes DOI's major activities and explains the Department's efforts to improve its performance and management.

DOI's main activities fall within four broad categories:

- resource protection (such as habitat conservation, environmental restoration, historic preservation, and invasive species control);
- recreation (such as providing access, opportunities and facilities for hiking, hunting, bird-watching, and camping);
- resource use (such as environmentally responsible development of oil, gas, coal, and other minerals, as well as cattle grazing, timber production and water management); and
- serving communities (such as protecting lives and property, fulfilling Indian trust responsibilities and advancing knowledge through scientific leadership).

The chapter focuses on the performance of selected DOI programs. The Administration has begun reviewing programs throughout the federal government using the Program Assessment Rating Tool (PART). The PART identifies strengths and weaknesses of programs, thus helping to inform budget, management, and policy recommendations. Several of the DOI programs evaluated using the PART are discussed in this chapter. Overall, many DOI programs lack adequate performance measures or data to demonstrate they are achieving results. DOI is addressing this issue by establishing better measures for almost all its programs and beginning to collect data on these measures. For a full presentation of all DOI PART evaluations, see the *Performance and Management Assessments* volume. The final section of this chapter reviews major management issues at the Department.

Resource Protection

The President's Budget continues to focus on achieving results. For example, in 2004:

- The National Park Service (NPS) will establish 25 of 32 monitoring networks to track the "vital signs" that best indicate how a park's ecosystem is doing;
- BLM will treat 233,000 acres to prevent the spread of noxious weeds, and remediate 260 abandoned hardrock mines;
- The Fish and Wildlife Service (FWS) will help prevent four additional species from becoming listed under the Endangered Species Act; and
- The Bureau of Reclamation (BOR) will lead a multi-bureau coordinated effort to eradicate invasive species, including treatment of 22,000 acres of Tamarisk (a stream-bank dwelling tree that depletes water supplies), 25 miles of irrigation drainage infested with Giant Salvinia, and one river-mile infested with Hydrilla (both aquatic weeds).



The Fish and Wildlife Service and a private landowner restored this prairie pothole in Minnesota. The pothole provides resting, rearing, and breeding habitat for migratory birds. This collaborative effort led to the development of the Partners for Fish and Wildlife program.

DOI will link these performance measures and others to long-term resource protection goals as part of its new strategic plan to help ensure that conservation and resource management actions on DOI lands contribute to resource protection.

Partnerships are central to all of DOI's conservation efforts. The federal government needs to cooperate with states, local governments, and private parties to achieve conservation goals. The following sections describe how the Administration is emphasizing partnerships across various conservation programs.

Land and Water Conservation Fund

When the Land and Water Conservation Fund (LWCF) was established in 1965, many thought the best way to protect natural resources was for the federal government to acquire and manage lands. We now recognize more conducive approaches for improving the health of lands and watersheds. Conservation easements, for example, can protect wildlife habitat while allowing private landowners to use their lands in a sustainable manner.

For the third year in a row, the budget carries out the President's commitment to fully fund the LWCF at \$900 million through a number of different programs that promote conservation. To complement federal land acquisition, an equivalent or better outcome can often be realized by helping others safeguard natural resources on their own land. Acting as good stewards of the current land inventory also avoids forcing new responsibilities on federal agencies at a time when they are trying to better manage what they already own. The programs funded from the LWCF have various natural resource goals, and all emphasize partnerships. Through partnerships and voluntary incentives, LWCF programs focus on maintaining or restoring public lands in coordination with other landowners. Importantly, all of these programs are consistent with LWCF's intent to "conserve, develop, and utilize such resources for the benefit and enjoyment of the American people."

Cooperative Conservation Initiative

Many good ideas arise from local initiatives. The Cooperative Conservation Initiative (CCI) will tap into these ideas to foster conservation through the creativity of the American people. The CCI allocates \$113 million in matching funds for resource conservation projects. Projects will be selected on the basis of innovation, results, and the involvement of local communities. Projects could include BLM working with a neighbor to improve streambeds, or NPS and gateway communities jointly removing non-native plants from national parks. The benefits multiply both through matching funds from partners and from their investment of time and energy. The CCI does more than just provide a financial incentive for agencies and localities to share responsibility for conservation. It lays the foundation—project by project—for conservation through consultation, cooperation and communication.

Endangered Species and Wildlife

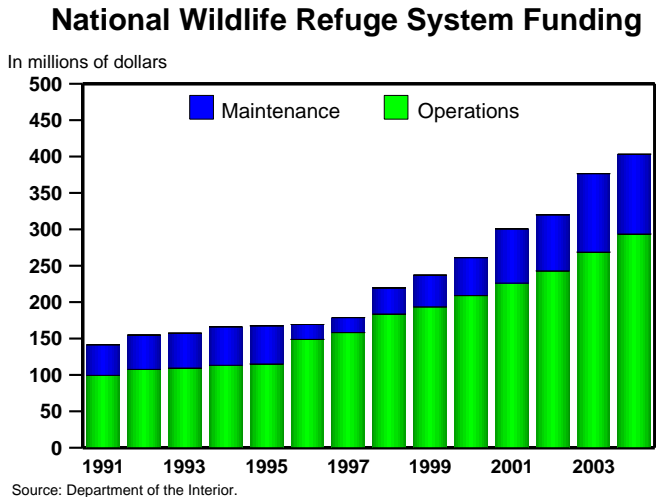
The Endangered Species Act (ESA) charges the Department with conserving threatened and endangered species and their habitat. The President's 2004 Budget provides \$129 million for the FWS endangered species program. The budget increases the ESA listing program by 35 percent to address a litigation-driven workload. The budget also provides a \$5 million increase for restoring and recovering salmon in the Columbia River Basin. The President's Budget will help prevent four additional species from becoming listed under ESA, and maintain or improve the status of roughly 320 listed species. We also believe the budget will achieve the target of recovering four species so that they may be removed from the ESA list.

In addition, the Administration is looking to protect a wide range of fish and wildlife by working with states and landowners. In 2004, an estimated \$822 million benefiting fish and wildlife will

be dispersed through various grant and payment programs, including \$50 million for the Landowner Incentive and Private stewardship programs to help private landowners protect and manage habitat, while continuing traditional land use activities. This total also includes a \$6 million increase for the North American Wetlands Conservation Fund.

National Wildlife Refuge System

In last year's budget, the President supported the National Wildlife Refuge System (NWRS) and to celebrate its 100th anniversary in 2003 requested a \$57 million increase to address the highest priority operations, maintenance, and planning needs of the NWRS. The Refuge System receives more than 39 million visitors each year. This year, the President's Budget adds yet another \$26 million on top of last year's request to continue addressing high-priority needs, including invasive species, law enforcement, and building partnerships to accomplish the NWRS mission to conserve, manage and restore fish, wildlife, plants and their habitats.



NPS Natural Resource Challenge

National parks reflect our natural, cultural and historical heritage. Yet, the National Park Service knows relatively little about how to measure the condition of its parks or monitor changes within them. The President committed to providing park managers "access to the best scientific research about the ecosystems they manage." That is the purpose of the Natural Resource Challenge.

The Challenge lays out a framework for measuring performance in preserving natural resource conditions in national parks. The NPS will collect baseline data on natural resources and then identify and monitor the "vital signs"—such as population changes in a key species—that best represent the ecosystem's overall health. With a \$9 million increase, NPS will be on track to establish, by 2004, 25 of 32 monitoring networks that include every national park with significant natural resources. This funding increase reflects good program management in completing inventories and monitoring resources, as revealed in the PART review (see the *Performance and Management Assessments* volume).

Invasive Species

Invasive species, such as the zebra mussel and Asian long-horned beetle, cause severe ecological problems and impose significant economic costs annually. To help get the most value for each dollar, the National Invasive Species Council (NISC) developed one of the first interagency examples of a performance-based budget. NISC and its co-chair agencies, the Departments of the Interior, Agriculture, and Commerce, the Environmental Protection Agency and the Army Corps of Engineers developed common goals statements, actions, and performance measures. The budget funds \$250 million for a number of high-priority actions related to prevention, control, early detection and rapid response toward invasive species. This performance-based budget represents only a portion of federal invasive species activities, and will be expanded in the 2005 Budget process.

National Fish Hatchery System

The Fisheries program is a critical partner with states, tribes and others in the effort to conserve the nation's fish and other aquatic resources which are among the richest and most diverse in the world. The National Fish Hatchery System (NFHS), comprising 69 fish hatcheries, nine fish health centers, and seven fish technology centers, is a critical component of the FWS Fisheries program.

Hatcheries Support Recovery of Species

As part of a state and federal agency partnership to recover the pallid sturgeon, the Neosho National Fish Hatchery in southwestern Missouri is raising and releasing endangered fish into the lower Missouri River pursuant to recovery objectives in its recovery plan. Once restored, the pallid sturgeon will provide an economically valuable sport fishery.

Where once the NFHS focused primarily on sport fish species, its conservation mission has expanded and now includes a more balanced approach to conserving, recovering, and managing aquatic resources and species, including restoring sustainable native fish populations and recovering threatened and endangered species. Over the past year, the Fisheries program engaged a variety of partners to help focus the federal role in conserving the nation's aquatic resources. The Administration also assessed the NFHS using the PART. Through the PART process, a draft mission statement was developed, program design flaws were identified, and key performance measures were developed. For example, one measure of success for the NFHS is the contribution hatchery fish make toward the recovery of listed species. During the PART process, a NFHS performance measure was crafted to measure the percentage of recovery plan tasks implemented. Based on NFHS's positive direction, the President's Budget includes an increase of \$5 million for operations. Another \$3 million is included to conduct condition assessments at 20 NFHS facilities (75 percent of all NFHS facilities will have condition assessments completed by the end of 2004) and to provide additional maintenance at 59 critical water management facilities to achieve performance measures.

Conservation Tax Credit

To offer cost effective, market-based approaches to conservation, the President's Budget also includes an incentive for private, voluntary land protection through a 50 percent capital gains tax exclusion. Private landowners who voluntarily sell land or water to a government agency or qualified organization for conservation purposes are eligible to keep 50 percent of the proceeds tax free. This proposal applies to conservation easements and similar sales of partial interests in land for conservation purposes, such as development rights and agricultural conservation easements.

Recreation

For many, getting back to nature offers peace and seclusion, as well as an opportunity to exercise. More Americans are visiting DOI lands to hike, bike, learn about history, or just get away. To facilitate planning recreational outings, the Recreation One-Stop initiative will provide a user-friendly website (www.recreation.gov), offering a single point of access to find information, make reservations or order passes for recreational opportunities nationwide.

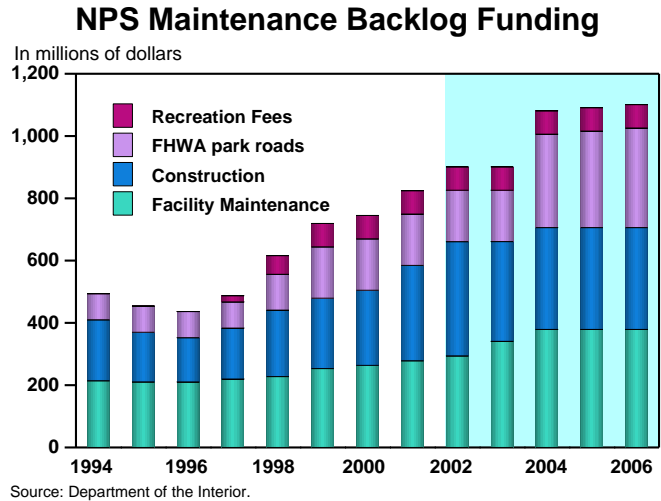
By paying recreation user fees, public land users cover some of the costs of the services they receive. Under the Recreation Fee Demonstration Authority, the Departments of Agriculture and the Interior raised close to \$200 million annually from fees. This program enjoys broad public support because all money from fees is plowed back into the lands and facilities that visitors use. The fees supplement appropriated dollars, so both users and taxpayers are helping to support stewardship. The Administration encourages the Congress to make this recreation fee authority permanent.

DOI sites are experiencing a substantial growth in visitation. Although over 90 percent of visitors rate their experience as good or very good, the increased visitation is starting to show in Interior’s aging facilities. All DOI bureaus must find ways to maintain infrastructure reliably and cost-effectively.

National Park Service Maintenance Backlog

Americans invented the concept of national parks when the Congress set aside land for Yellowstone in 1872, and visitation has climbed steadily ever since. As visits grow and the number of parks increases to 387 and counting, pressure builds on park managers to maintain safe roads, good trails, and clean facilities.

When visiting Sequoia National Park in May 2001, the President remarked that “many of our parks have gone neglected” and committed to “spend \$5 billion over five years to clean up the backlog in maintenance, and make our parks more inviting and acceptable to all citizens.” The accompanying chart shows how the Administration will do it. This five-year total doubles the amount in the same categories over the five years from 1994 to 1998.



Before and after road repairs at Glacier National Park in Montana. Maintenance can enhance safety and the beauty of national parks.

But it takes much more than money to eliminate the maintenance backlog—the money must be well spent. NPS needs to assess the condition of buildings and other facilities, then build a system to monitor changes, and measure performance in making repairs. This is not glamorous work. Yet, over the past two years, NPS has been developing a Facility Condition Index (a measure commonly used by private firms) to monitor facility conditions. NPS will have a service-wide baseline by the summer of 2003. Despite these good efforts, the PART review found areas where NPS management needs to improve, such as increased use of efficiency measures and capital asset plans (see the *Performance and Management Assessments* volume). NPS expects to address these areas before the next PART review and the 2005 Budget.

Americans have already made a great investment in national park roads, trails, and buildings. In 2001, for example, NPS funded and completed 200 repair and rehabilitation projects. It plans to complete over 1,100 such projects in 2002 through 2004. Park road conditions are also starting to improve for the first time since 1987.

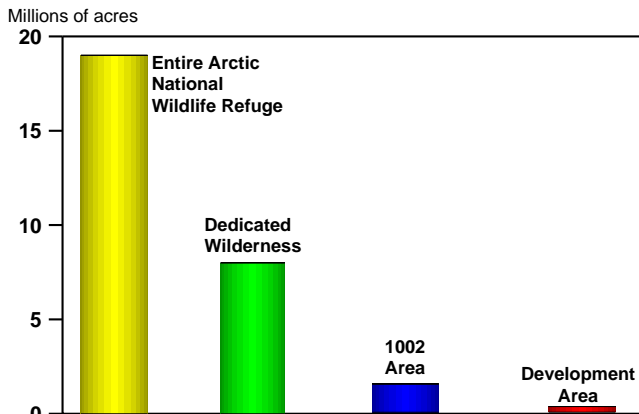
Resource Use

Public lands contain bountiful resources for the nation, such as oil, natural gas, coal, other minerals, and timber. DOI manages these natural resources, while balancing vital economic needs with the need for scenic vistas, wildlife habitat, recreation, and a healthy environment.

Oil and Natural Gas

The United States uses about 20 million barrels of oil daily and almost seven billion barrels each year, of which more than half is imported. Of the domestically produced oil and gas, 29 percent of the oil and 35 percent of the natural gas comes from federal lands and offshore areas.

Oil and Gas Development Area in ANWR



Source: Department of the Interior.

The National Energy Policy proposes to expand and diversify the country's energy supplies. Diversification is important for both energy security, and national security. DOI's Minerals Management Service (MMS) and BLM are carrying out the National Energy Policy by continuing to issue or propose leases on federal offshore (Outer Continental Shelf) and onshore tracts with known or probable petroleum deposits. Leasing is allowed only where safe and environmentally sound mineral development can occur.

DOI is also implementing the National Energy Policy by working with the Congress to authorize exploration and, if resources are

discovered, environmentally responsible development of the most promising oil and natural gas reserve areas within a small portion of the Arctic National Wildlife Refuge (ANWR), sometimes referred to as the 1002 Area. DOI estimates that recoverable oil from the 1002 area is between 5.7 and 16 billion barrels of oil, and would disturb about one-tenth of one percent of the 1002 land area.

Coal

Coal is America's most abundant fuel source, and is expected to remain the dominant fuel in meeting increasing electricity demand through 2020. Recognizing this trend, the National Energy Policy calls for ramping up domestic coal production. New clean coal technologies show that air pollution can be and has been reduced, and energy efficiency increased. DOI plays a key role in domestic coal production. In 2002, coal mined on lands controlled by BLM accounted for about 35 percent of domestic coal production. BLM's lease application processing time currently averages 18 months. One of BLM's objectives in the coming year is to continue to improve its lease application review process.

Renewable Resources

The BLM also administers over 18,500 grazing allotments, producing 13 million animal unit months of grazing, and manages over 49 million acres of forested land for multiple uses, including supply of timber and other forest products. For several years though, BLM has struggled with a grazing permit backlog resulting from insufficient planning and a spike in the number of expiring permits. In 2004, BLM will process approximately 1,450 expiring grazing permits and largely eliminate its grazing permit backlog.

BOR operates 58 hydroelectric plants that produce over 10 percent (or 42 billion kWh) of the electricity in 17 western states, delivers water to one out of every five western farmers for about 10

million acres of irrigated land producing 60 percent of the nation's vegetables and 25 percent of its fruits and nuts; and delivers 10 trillion gallons of municipal, residential and industrial water to over 31 million people in the west.

Common Measures: Rural Water

The Administration developed common measures to compare the rural water activities of four federal agencies – the BOR's rural water projects, the Indian Health Service's (IHS) Sanitation Facilities Construction program, the Rural Utilities Service's (RUS) Water and Waste Disposal program, and the Environmental Protection Agency's (EPA) Drinking Water State Revolving Fund. All four agencies develop water infrastructure but their means of service delivery differ: BOR and IHS focus on construction while RUS and EPA focus on financing.

The wide variation in data reported for the two measures (water connections per million dollars invested and population served per million dollars invested) reflects many differences in the programs. These measures are imperfect, but do allow a broad assessment of program efficiency. BOR and IHS work primarily in western states with low population densities and large service areas, and are involved in large-scale infrastructure development, which contributes to their relatively lower efficiency. In contrast, the higher efficiencies for EPA and RUS reflect the focus of their resources in serving socio-economically and geographically more diverse populations. This exercise shows that while each program may serve a unique population, there is general overlap in program mission: all focus on providing a safe, reliable source of drinking water to rural communities. The Administration will further analyze these programs in the coming year to improve and streamline federal assistance for drinking water in rural areas.

Rural Water Programs	2001 Funding (in millions of dollars) ¹	Water Connections per Million Dollars		Population Served per Million Dollars	
		East	West	East	West
Construction Agencies:					
Bureau of Reclamation	59	none	21	none	363
Indian Health Service	76	174	212	766	933
Financing Agencies:					
Rural Utilities Service	493	841	649	1,989	1,779
Environmental Protection Agency	823	831	764	1,913	1,655

¹ Funding level shown does not reflect cost shares and contributions from program partners.

Serving Communities

DOI provides scientific knowledge, information and tools to inform decision making and community-based programs. DOI is also responsible for fulfilling the federal government's trust responsibilities to American Indians and promoting self-determination on behalf of tribal governments and Alaska Natives.

Scientific Information and Knowledge to Inform Decision Making

Scientific information is the cornerstone for the Department's natural resource and land management responsibilities, providing a sound basis for resource protection and use as well as recreation. The USGS will enhance the geospatial data available through the National Biological Information Infrastructure (NBII), by creating two new nodes and enhancing two existing nodes. NBII nodes are cooperative efforts to develop technologies, tools, and standards needed to make biological data and information more accessible. USGS will continue to expand the amount of data available on the National Water Information System Website (*NWISWeb*), a frequent destination for resource managers, emergency managers and outdoor lovers. This USGS website provides a one-stop shop for 100 years of data on stream flow, water availability and water quality presented with user

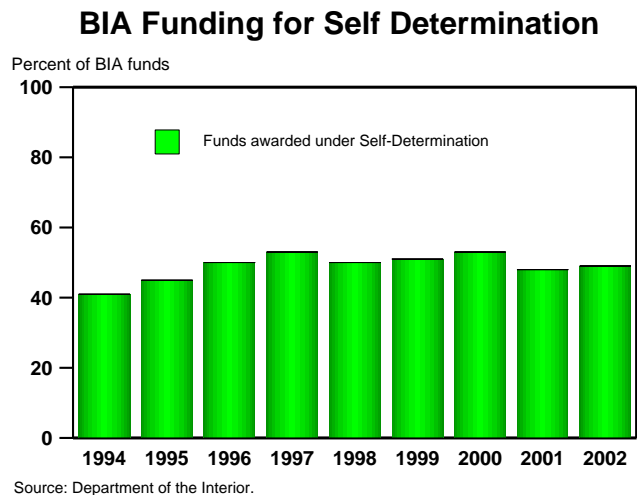
friendly charts and maps. NWISweb (<http://waterdata.usgs.gov/nwis/>) recently won an award from *Government Executive* magazine for providing citizens with useful access to government information.

Enhancing Educational Opportunities for American Indian Children

The Bureau of Indian Affairs (BIA) operates, either directly or through tribal grants and contracts, 185 schools serving approximately 48,000 students in 23 states, or about nine percent of all Indian students across the country. The President's November 2002 National American Indian Heritage Month Proclamation reaffirms his commitment to the education of American Indian children as "essential to the future success of tribal communities." Yet a PART review of BIA school operations found that students continue to lag behind in reaching academic performance goals. In 2002, BIA kicked off a pilot program, focused on five schools in greatest need of improvement, and aimed at helping the faculty increase student academic achievement. This effort will continue and expand in 2003 and 2004. The budget also makes available a third installment (\$148 million) for eliminating the school maintenance and repair backlog. Another \$141 million has been put forward to build replacement schools for the remaining schools on the current BIA priority list, as well as additional schools placed on a new priority list.

As the 30th anniversary of the Indian Self-Determination Act approaches, the Administration will encourage more tribes to exercise their authority as sovereign nations by contracting services currently operated by BIA. The accompanying chart shows that the funding for self-determination and self-governance agreements has grown from 41 percent in 1994 to 49 percent in 2002.

Eliminating obstacles to tribal operation of BIA schools encourages Indian self-determination. In school year 2002–2003, 121 of the 185 BIA schools are tribally run. One issue that has discouraged tribes from contracting for school operations has been the need to fund administrative overhead costs, especially in the first year. The budget proposes a separate fund providing all first-year indirect and one-time start-up costs for tribes willing to contract for a BIA-operated school.



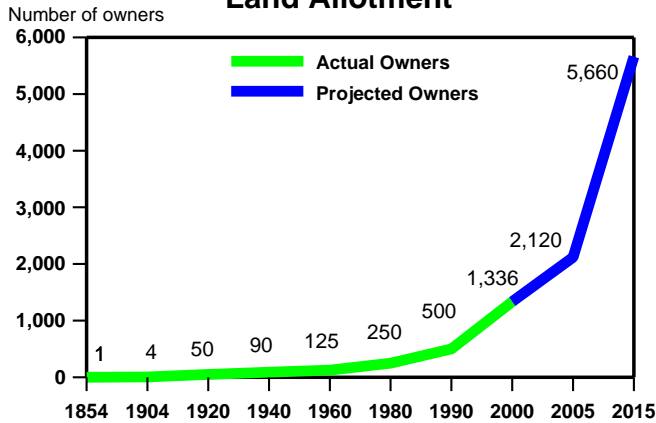
Indian Trust Management

The President's Budget provides \$481 million, a \$168 million increase, to correct deficiencies in trust programs and meet the mandates of a U.S. District Court in the *Cobell v. Norton* case. For decades, Indian trust funds have lacked modern and effective accounting, management, and financial control systems. The Secretary of the Interior will continue to undertake actions to strengthen DOI's trust reform strategy and customer services, including the establishment of regional trust offices and local trust officers to improve oversight and accountability.

DOI manages approximately 56 million acres of Indian trust lands owned by tribes and their members. Oil, gas, timber, and other leases generate about \$1.1 billion in annual income for the Indian landowners. The Office of the Special Trustee for American Indians (OST) is responsible for distributing about \$800 million each year among 1,400 tribal trust accounts and about \$300 million annually to 275,000 individual trust accounts. The OST budget includes \$275 million, a \$123 million increase, to implement modern land ownership and leasing systems; audit historical transactions in tribal and

individual trust accounts; improve trust records management; and strengthen oversight of trust operations at regional and local levels. The BIA budget includes \$206 million, a \$45 million increase, to further modernize trust information systems, improve trust land and resources management, and consolidate fractionated ownership of trust lands.

Increasing Fractionation of an 80 Acre Land Allotment



Source: Department of the Interior.

The 2004 Budget includes \$21 million for expanding the pilot program for purchasing small ownership interests to reduce federal trust management expenses in the future. Indian land consolidation also enhances tribal opportunities for economic and social development on reservations. Over 10 million acres of Indian trust lands are owned by individuals, with about four million ownership interests distributed among 400,000 individuals. About 1.5 million ownership interests are two percent or less. With each generation the ownership interests are split between heirs and get smaller. The federal government must manage accounts for each of these increasingly











small or “fractionated” interests which drive up costs.

Performance Evaluation of Select Programs

Program	Rating	Explanation	Recommendation
National Park Service Facility Management	Results Not Demonstrated	Needs a better way to measure its performance in maintaining park facilities. Facility Condition Index (FCI) in place by 2003.	Establish FCI baseline and targets by June 2003. Speed up condition assessments and use of facility maintenance management systems.
DOI Wildland Fire Management	Results Not Demonstrated	Program is in transition. No data is currently available for new performance measures. Significant questions remain about the cost effectiveness of fire suppression.	Increase accountability for firefighting costs; improve the process for allocating fire preparedness resources; and ensure a proper balance between the federal government and states in sharing suppression costs.
National Fish Hatchery System	Results Not Demonstrated	Program is in transition. Mission and design issues need to be addressed. No data are currently available for new performance measures.	Adopt mission statement and develop evaluation schedule. Fund new performance measures related to recovery and fisheries management plan objectives.

Program	Rating	Explanation	Recommendation
National Park Service Natural Resource Challenge	Moderately Effective	Program will determine and monitor the "vital signs" that best indicate how a park ecosystem is doing.	By 2004, start up 25 of 32 monitoring networks that include every national park with significant natural resources.
Indian School Construction	Results Not Demonstrated	Limited flexibility to adjust funding levels for delays or changes in design. No construction cost comparison between BIA schools and state schools.	Complete an independent study of costs and size of replacement schools. Ensure Presidential commitment to eliminate 2001 school maintenance backlog is met.
Rural Water Supply Projects	Results Not Demonstrated	Lacks oversight in project development phase, inadequate local cost-share, and has significant mission overlap with other rural water programs.	Develop and submit legislation to establish program guidelines for project development and local cost-share. Devise performance measures.
Tribal Land Consolidation	Moderately Effective	Pilot program has reduced rate of growth of ownership shares on five Midwest reservations	Strategic plan needed for targeting federal acquisitions to reduce trust management costs and to enhance tribal economic development.

Update on the President's Management Agenda

	Human Capital	Competitive Sourcing	Financial Performance	E-Government	Budget and Performance Integration
Status					
Progress					
<p>The Department faces multiple challenges in managing a number of semi-autonomous bureaus, but has shown signs of progress over the last two quarters. It has both a Human Capital strategic plan and implementation plan linked to DOI's mission and strategic goals. In E-Government, DOI drafted an initial Enterprise Architecture. To integrate budget and performance, Interior will soon release for public comment a new, department-wide strategic plan, which will replace multiple bureau-level plans. Competitive sourcing remains a challenge for an organization that has many locations with few employees. DOI is taking the initiative to find more efficient ways to review activities performed by small groups of employees. Indian Trust Fund reform remains the greatest financial management challenge. DOI has corrected eight material weaknesses this year but has several weaknesses remaining. To improve its status ratings, the Department will need to provide more evidence that its efforts are starting to show results.</p>					

Department of the Interior
(In millions of dollars)

	2002 Actual	Estimate	
		2003	2004
Spending			
Discretionary Budget Authority:			
National Park Service ¹	2,379	2,354	2,362
Bureau of Indian Affairs	2,233	2,251	2,314
Bureau of Land Management	1,661	1,638	1,678
Fish and Wildlife Service	1,259	1,281	1,285
U.S. Geological Survey	914	867	896
Bureau of Reclamation/Central Utah Project ²	909	851	885
Office of Surface Mining	306	279	281
Minerals Management Service	157	170	171
Office of Special Trustee for American Indians	99	151	275
All other programs	422	391	440
Total, Discretionary budget authority	10,339	10,233	10,587
Mandatory Outlays:			
Oil and Gas Receipts from Outer Continental Shelf lands	-5,024	-4,300	-3,989
All other programs	-210	-49	50
Legislative Proposal (Insular Affairs, Compacts of Free Association)	—	—	19
Total, Mandatory outlays	-5,234	-4,349	-3,920
Credit activity:			
Direct Loan Disbursements:			
American Samoa direct loan	3	1	1
Bureau of Reclamation direct loans	24	25	—
Total, Direct loan disbursements	27	26	1
Guaranteed loans:			
Indian guaranteed loan program	65	65	66
Total, Guaranteed loans	65	65	66

¹ The National Park Service total does not include \$2.5 million for Fort Baker redevelopment pursuant to P.L. 107-248.

² The Bureau of Reclamation total for 2002 does not include \$200 million for the Desert Terminal Lake transfer.