

**Bureau of Land Management
Washington, D.C.
Department of Interior**

The Bureau of Land Management's mission 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 Bureau manages nearly 262 million acres of public lands, about one-eighth of the land area of the United States, and approximately 700 million acres of the subsurface mineral estate underlying both Federal surface ownerships and privately owned lands. BLM accomplishes this mission with a workforce of approximately 13,000 permanent, part-time, and seasonal employees, and 20,000 volunteers.

In 1997, BLM began an activity-based cost management effort that integrates strategic planning, program administration, and budget management into a coherent business management framework. This activity, supported by a management information system, enables BLM to track actual costs by work activity and facilitates the collection and reporting of performance information. This framework provides a disciplined approach to collecting both financial and performance information in a comprehensive, integrated, and cohesive manner. It also enables the Bureau to make periodic reviews of performance and associated expenditures to ensure that its mission goals are being accomplished and resources effectively allocated.

As part of the budget execution process, BLM conducts management and executive level reviews of budget, financial, and performance status quarterly. During these reviews, budget and program staffs examine planned and completed work to determine whether they are likely to meet their planned targets. If targets are not likely to be met, the staff will recommend whether funding should be increased, reduced, or reallocated to other priority programs consistent with national targets. Adjustments are then made to priority programs based on current financial and performance information.

By aligning resources to outputs and outputs with organizational goals, BLM is able to ensure its resources support the accomplishment of its goals. Moreover, the cost management information provides additional insight, which can highlight a mismatch of resources and outputs, and therefore provide the basis for resource alignment, workforce adjustments, service rationalization, and reengineering work processes.

The BLM maintains strong financial operations as evidenced by seven consecutive years of unqualified audit opinions on its financial statements. The management information system provides all employees with up-to-date financial information (as of the previous day) from which to make management decisions. The cost management capabilities compare planned and budgetary resources with actual expenditures and provide accurate information on the cost of outputs and performance goals. This alignment of cost and performance information has also supported the development of sound business cases when justifying funding for realigning existing business processes to meet mission goals.