



United States Department of the Interior

OFFICE OF THE ASSISTANT SECRETARY
POLICY, MANAGEMENT AND BUDGET
Washington, D.C. 20240

Honorable Mitchell Daniels
Director, Office of Management and Budget
Old Executive Office Building, Room 349
Washington, D.C. 20503

SEP 10 2002

Dear Mr. Daniels:

I am pleased to submit the Department of the Interior's Fiscal Year 2003 Financial Management Status Report and Strategic Plan as required by OMB Circular A-11. This plan summarizes the significant accomplishments achieved in fiscal year 2002. It also describes the Department's approach to continued financial management improvement in fiscal year 2003 and supports the financial management improvement initiatives associated with the President's Management Agenda.

Over the past few years, the Department has significantly improved accountability and financial management. While we are pleased with our recent progress, we are very cognizant of the need to further enhance and improve our operations and program performance. The following three themes will continue to guide our improvement efforts over the next several years:

Customer Value: As our financial management services are directed to Interior bureaus, other federal agencies, state or local governments, or the general public, we will seek new ways to improve the service we render to the American people as we fulfill our mission.

Accountability: We will continue to examine how well we are managing our resources-both financial and human-in order to determine if we are effectively achieving our goals, providing quality services, producing useful information that is easily accessible by the public, and adhering to the highest standards of conduct.

Cooperation: The Department has many mission components, goals, functions and activities, as well as a number of management challenges that transcend organizational boundaries. The Department is supported by the many highly skilled, talented, and dedicated employees that comprise our workforce. Together, we will explore opportunities internally and externally to better coordinate, consult, cooperate, and communicate as we solve common challenges and fulfill the Department's mission.

I look forward to working with you and the members of your staff on the financial plans presented in this report.

Sincerely,

P. Lynn Scarlett
Assistant Secretary- Management and Budget and
Chief Financial Officer

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