Table of Contents

INTRODUCTION	1
Message From the Secretary	1
About this Report	7
How This Report is Organized	9
PART 1: MANAGEMENT'S DISCUSSION AND ANALYSIS	11
DOI's Mission and Organization	13
Mission, Vision, Values	
History	
Defining Interior's Goals	
Achieving Our Goals	
DOI Bureaus	
Assessing Our Performance	
Mission Area One: Resource Protection	
Summary of Resource Use Performance Targets	22
Representative Performance Measures	
Stream/shoreline Miles in Desired Condition	
Acres in Desired Condition	
Acres Reclaimed from Past Coal Mining	
Migratory Birds at Healthy and Sustainable Levels	
Threatened or Endangered Species Stabilized or Improved	
Acres Infested with Invasive Plants that Are Controlled	
Historic Structures in Good Condition	
Science Products Used for Decisionmaking	37
Mission Area Two: Resource Use	39
Summary of Resource Use Performance Targets	40
Representative Performance Measures	
Fluid Mineral Leases with Approved Permits to Drill	
Acres Under Lease for Coal Development	
Offshore Lease Sales Held	44
Coal Mining Sites Free of Off-Site Impacts	
Revenues Disbursed on a Timely Basis	
Water Infrastructure in Fair to Good Condition	_
Grazing Permits and Leases Processed as Planned	
Allowable Sale Quantity Timber Offered for Sale	
Science Products Used for Decisionmaking	53
Mission Area Three: Recreation	55
Summary of Recreation Performance Targets	56
Representative Performance Measure	
Visitor Satisfaction	57

Table of Contents

Mission Area Four: Serving Communities	59
Summary of Serving Communities Performance Targets	60
Representative Performance Measures	
Wildfires Controlled During Initial Attack	
Acres Which Achieve Fire Management Objectives	
DOI Science Used for Hazard Mitigation	
Trust Beneficiary Information Accurately Processed	
Probate Estates Closed	
Indian Schools Achieving Adequate Yearly ProgressViolent Crime Incidents Per 100,000 Indian Country Inhabitants	
Management Excellence (including President's Management Agenda) Summary of Management Excellence Performance Targets	
Compliance with Legal and Regulatory Requirements	
FY 2008 Assurance Statement	
Federal Managers' Financial Integrity Act	
FMFIA Material Weaknesses and Accounting System Nonconformances	
Federal Financial Management Improvement Act	
Inspector General Act Amendments (Audit Followup)	
Audited Financial Statement Results	
Major Management Challenges Confronting Interior	
Federal Information Security Management Act	
Compliance with Other Key Legal and Regulatory Requirements	
Financial Management Improvement Initiatives	
Financial Management Systems	87
Financial Management Human Capital	94
Financial Data Stewardship	95
Analysis of Financial Statements	97
Overview of Financial Position	
PART 2: PERFORMANCE DATA AND ANALYSIS	
Department of Interior Performance	103
What Counts, and How We Count It	
Reading the Numbers for Yourself	
Data Validation and Verification	
Data Sources Performance and Data Analysis Charts and Tables	
Performance and Data Analysis	110
Resource Protection Performance	
Resource Use Performance	122
Recreation Performance	
Serving Communities Performance	136
Management Excellence Performance	145
Program Evaluations	152
Program Evaluations	
Summary of PARTs and Ratings (FY 2002 - 2008)	

PAR1	73: FINANCIAL SECTION	163
	Message from the Chief Financial Officer	165
	Principal Financial Statements	167
	Balance Sheet	168
	Statement of Net Cost	
	Statement of Changes in Net Position	
	Statement of Budgetary Resources	
	Statement of Custodial Activity	
	Notes to Principal Financial Statements	173
	Required Supplementary Information	
	Combined Statement of Budgetary Resources	
	Deferred Maintenance	
	MMS/MRM Compliance Assessments and Pre-assessment Work in Process	
	Condition of Stewardship Lands Condition of Heritage Assets	
	•	
	Required Supplementary Stewardship Information	
	Investment in Research and Development Investment in Human Capital	
	Investment in Non-Federal Physical Property	
	Other Supplementary Information	
	Consolidated Balance Sheet	
	Consolidated Statement of Changes in Net Position	
	Office of Inspector General Transmittal	
	Independent Auditors' Report	
	Management Response to Independent Auditors' Report	
	Management response to maspendent raditors responting	200
PAR1	4: OTHER ACCOMPANYING INFORMATION	293
	OIG Summary of DOI's Major Management and	005
	Performance Challenges and DOI's Response	
	Improper Payments Information Act of 2002 Reporting Details	313
	DOI Organization Chart	315
	Glossary of Acronyms	316
\V/ F /F	NI IVE TO HEAD EDOM YOU	C3
3 X / In "	1	1 4

An electronic version of this document is available on the Internet at www.doi.gov/pfm.
The Department of the Interior's strategic plan is also available at www.doi.gov.

The photographs in this report were furnished by many individuals. All photographs are proprietary and prior permission from the photographer is required for any use or reproduction of the photographs.