

REQUIRED SUPPLEMENTARY STEWARDSHIP INFORMATION (UNAUDITED, SEE AUDITORS' REPORT)

Stewardship Investments

Investment in Research and Development provides reliable, credible, objective, and unbiased scientific results to improve the basic understanding of natural resources and to assist in enhancing land and resource management decisions across the Nation, within and outside of the Department. These research and development activities encompass examinations of geological structures, mineral resources, and products within and outside the national domain. Earth science research and information is used to save lives and property, safeguard human health, enhance the economic vitality of the Nation and its people, assess resources, characterize environments, and predict the impact of contamination. This information aids in solving critical societal problems through research, investigation, and the application of State-of-the-Art geographic and cartographic methods.

Interior's research and development activities are presented in Figure 3-7 in three major categories:

Basic research. A study to gain knowledge or understanding of the fundamental aspects of specific phenomena or observable facts without specific applications and products in mind;

Applied research. A systematic study to gain knowledge or understanding necessary for determining the means by which a recognized and specific need may be met; and

Developmental Research. The systematic use of knowledge and understanding gained from research for the production of useful materials, devices, systems, or methods, including the design and development of prototypes and processes.

Highlights of Research and Development at Interior Bureaus

U.S. Geological Survey. The USGS is the earth and natural science research bureau of the Department and the only integrated natural science bureau in the Federal Government. By combining biology, geology, hydrology, and geography in one agency, the USGS is uniquely positioned to provide science information and conduct scientific research that ensures an integrated approach to advance

FIGURE 3-7

**FY 2006 Investment in Research and Development
(in millions)**

Category	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	TOTAL
Basic Research	\$87	\$77	\$71	\$79	\$72	\$386
Applied Research	893	768	842	763	696	3,962
Developmental	92	107	78	76	89	442
TOTAL	\$1,072	\$952	\$991	\$918	\$857	\$4,790

scientific knowledge and inform decisions. USGS research and data products support the Department's resource and land management needs and provide the science needed by other Federal, State, Tribal, and local governmental agencies to guide planning, management, and regulatory programs.

USGS has implemented several monitoring and analysis tools for natural-hazard events that provide decisionmakers access to real-time information to better understand, plan for, and respond to the environmental and ecological impact of natural-hazard events. Among these tools are the Geospatial Multi-Agency Coordination (GeoMAC) system, which provides the public and fire responders with up-to-date information about the locations of wildfires (<http://geomac.gov>) and the Natural Hazards Support System (NHSS), which integrates near-real-time data for multiple types of natural-hazard events (<http://nhss.cr.usgs.gov>). These tools allow users to easily monitor a single natural-hazard event and to see the geospatial relationships between the event and other activities that may have an impact on that event, such as the progress of a wildland fire and/or heavy rain, both of which are tracked by other types of data systems.

Collaborative studies by the City of Austin, Texas, and the USGS have identified coal-tar-based sealcoat—the black, shiny emulsion painted or sprayed on asphalt pavement, such as parking lots—as a major and previously unrecognized source of polycyclic aromatic hydrocarbon (PAH) contamination. Several PAHs are suspected human carcinogens and toxic to aquatic life. Studies in Austin, Texas, showed that particles in

runoff from coal-tar based sealcoated parking lots had concentrations of PAHs that were about 65 times higher than concentrations in particles washed off parking lots that had not been sealcoated. Studies by USGS scientists demonstrated possible connections between PAHs in particles washed off sealed parking lots and PAHs in suspended sediment in four streams in Austin and Fort Worth, Texas. Currently, the use of coal-tar-based sealcoat is not federally regulated; however, as a result of the work conducted by the USGS and the City of Austin, Texas, to address PAH contamination in streams, the City of Austin, Texas, Council banned the use of coal-tar-based sealcoat, effective in January 2006.

The USGS Landsat 5 Flight Operations Anomaly Team was selected by the American Institute of Aeronautics and Astronautics (AIAA) to receive the International Space Operations Award for Outstanding Achievement for 2006. The team received the award at the 9th International Conference on Space Operations in Rome, Italy, on June 19 to 23, 2006. Quoting the citation, the USGS team received the award, “for dedicated efforts in recovering Landsat 5 from two potentially mission-ending hardware anomalies and restoring the mission to full operations.” In November 2005, the solar array that generates power for Landsat 5 stopped working properly; in March 2006, the downlink transmitter that sends image data to ground stations tripped a circuit breaker and stopped transmitting data. In each case, the Flight Operations Anomaly Team was able to devise corrective procedures and restore the 22-year-old Landsat 5 spacecraft to full operations. As a result of the team's efforts, image data from Landsat 5 continues to be available to scientists around the world.

National Park Service. Through appropriations for natural resource stewardship (encompassing natural resource research support and natural resource management, including the Natural Resource Preservation Program [NRPP], and the Cultural Resource Preservation Program [CRPP]), the NPS performs a wide range of mission-oriented research in support of its natural and cultural resource stewardship responsibilities. This work constitutes applied research focusing on park-based needs for scientific and scholarly information related to park management.

The NRPP provides funding for park natural resource management-related projects that are beyond the funding capabilities of the parks themselves. These funds are relied on by parks for the highest priority individual projects. The CRPP provides funding for cultural resource research and resource management projects in the fields of archeology, ethnography, historic architecture, historic landscape architecture, history, and museum collections. The outlays and expenditure levels for research vary each year in response to the needs and priorities identified by the parks.

A variety of research projects are underway, including:

- a multi-agency collaborative study among U.S. Geological Survey, National Oceanographic and Atmospheric Administration, Alaska Department of Fish and Game, and NPS addressing hypotheses on harbor seal declines in Glacier Bay National Park Reserve;
- mapping and categorizing the geology and aquifers of the Tomahawk Creek Basin in Buffalo National River, Arkansas, which will provide the park with the science-based information needed to develop management actions to protect karst aquifers, their recharge basins, and the streams that feed the Buffalo River;
- Acadia National Park, Maine, has drafted a Cultural Landscape Report for the historic motor road system; and
- Shenandoah National Park, Virginia, began a special history study of the Lewis Mountain Development, built in 1938-1941 to serve African-American Park visitors. With its development, Shenandoah National Park became racially segregated.

Minerals Management Service. The MMS manages the mineral resources on 1.76 billion acres of the Outer Continental Shelf (OCS) to ensure that exploration, development, and production activities are conducted in a manner that conserves natural resources, provides for the safety of offshore workers, provides for a fair return to the public for the mineral rights conveyed, and assures protection of the environment.

MMS research supports the prediction of potential environmental impacts and aids in the development of mitigating measures to ensure safe, pollution-free operations. The Environmental Studies Program provides environmental and socioeconomic information to support decisionmaking for all phases of the OCS minerals management program. The Technology Assessment and Research program pursues engineering studies focusing on operational safety, pollution prevention, and effective spill response.

Bureau of Reclamation. Reclamation invests in applied research programs to aid in the water and energy management challenges facing the arid Western States. Programs focus on the improvement of water management, the development of solutions pertaining to flood hydrology, water quality, irrigation return flows, and the delivery of hydropower to the West. The information obtained through these programs provides water management solutions and techniques that yield future benefits to the Nation. Research and Development activities support Reclamation's outcome goal to deliver water consistent with applicable State and Federal law, in an environmentally responsible and cost-efficient manner.

Office of the Secretary/Departmental Offices - Central Utah Project Completion Act. In order to provide for the completion of the Central Utah Project, Public Law 102-575 was enacted on October 30, 1992. Funds authorized pursuant to this Act are appropriated annually to the Secretary of the Interior and made available to the Central Utah Water Conservancy District. Examples are:

- Provo River Studies is a hydrologic study of the Provo River Basin and a feasibility study of direct delivery of Colorado River Basin water from the

Strawberry Reservoir or elsewhere in the Strawberry Collection system to the Provo River Basin; and

- Studies conducted by the Central Utah Water Conservancy District include evaluations to determine: the feasibility of reducing salinity in Utah Lake and the effects of demands on the Provo River, including historical diversion, decrees, and water rights.

Office of the Secretary/Departmental Offices - Utah Reclamation Mitigation and Conservation Commission. The Commission invests in research calculated to determine the means by which mitigation measures or programs could be achieved (applied) or to determine the best method or design for an identified mitigation measure (developmental). In FY 2006, the Commission's research focused primarily on the Sage Grouse (a Northern American bird threatened by loss and deterioration of sage-steppe grassland habitat and predation) and the June Sucker (a fish occurring naturally only in Utah Lake and the Provo River and is federally listed as endangered).

Bureau of Land Management. The primary objective of the BLM's research and development program is to make better use of new data, information, and knowledge to improve the management of the Nation's lands and resources. The BLM's research and development program focuses on working with partners to identify scientific information needs and then communicating those needs to research agencies, universities, and other non-governmental organizations. In FY 2006, the BLM began new and continued past research and developmental efforts, including:

- Initiating a study to develop and test new options for young stand management to meet Northwest Forest Plan objectives in western Oregon;
- Analyzing Mancos shale landscapes in the Gunnison Gorge Conservation Area, Colorado, for salt and sediment contributions in relation to plant populations, soil chemistry, and erosion properties and how salinity and selenium affect surface and ground water; and
- Studying the effects of fragmented habitats and energy development on sage grouse ecology and behavior in the Great Basin and adjacent areas.

Investment in Human Capital

Investment in human capital refers to education and training programs financed by the Federal Government for the benefit of the public; investment in human capital does not include education and training expenses for Federal employees. The Department plays a vital role in providing quality educational opportunities from early childhood throughout life, with consideration given to the mental, physical, emotional, spiritual, and cultural aspects of the people served.

The Department's investments in human capital are shown in *Figure 3-8*.

Job Corps Program

Interior provides residential education and job training to disadvantaged youth through participation in the Job Corps Program. The Job Corps, established in 1964, is the Nation's largest national job training and education program and offers job training, basic education, social skills training, and support services to young people ages 16-24 that face multiple barriers to employment. Job Corps Civilian Conservation Centers are operated by the Departments of the Interior and Agriculture and are located on National Wildlife Refuges, in National Parks, and in National Forests. Job Corps students perform valuable work to improve these public lands. In FY 2006, a total of approximately \$52 million was expended by the Department for the Job Corps Program.

FIGURE 3-8
FY 2006 Investment in Human Capital
(in millions)

Category	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	TOTAL
Educational Programs	\$607	\$560	\$570	\$549	\$542	\$2,828
Job Corps Program	56	60	57	53	52	278
Other	15	12	12	12	11	62
TOTAL	\$678	\$632	\$639	\$614	\$605	\$3,168

Bureau Job Corps Program Highlights

Bureau of Reclamation. Reclamation operates six Job Corps Centers, based on an interagency agreement with the Department of Labor, to educate and train disadvantaged youth. In FY 2006, Reclamation expended approximately \$31.6 million in residential education and job training, including courses in computer technology, painting, woodworking,

welding, culinary arts, and social and leadership development.

Job Corps is a self-paced, open entry/exit program. This means it takes some students longer than others to graduate. Depending on incoming educational levels, it can take a student between 8 months and 2 years to complete the program and graduate. Therefore, the number of graduates does not always equal the number of enrollees. In fact, the number of graduates can exceed the number of enrollees if the average length of stay is less than 1 year. The following chart shows the number of Reclamation Center graduates as a percentage of the total Center enrollment and the number of graduates placed into jobs within 1 year of graduation as a percentage of the graduates in the placement pool.

FY 2006 Reclamation Center Graduates						
Center	Graduates	Enrollment	Percent	Graduates Placed	Graduate Placement Pool	Percent
Centennial Nampa, Idaho	255	261	98	311	343	91
Columbia Basin, Moses Lake, WA	190	232	82	236	268	88
Ft. Simcoe, White Swan, WA	165	229	72	211	238	89
Weber Basin, Ogden, Utah	176	212	83	153	177	86
Collbran, Collbran, CO	152	203	75	176	191	92
Treasure Lake, Indianahoma, OK	128	156	82	110	131	84

National Park Service. The NPS operates three Job Corps Civilian Conservation Centers: the Oconaluftee Center in North Carolina; the Great Onyx Center in Mammoth Cave, Kentucky; and the Harpers Ferry Center in Harpers Ferry, West Virginia. Student capacity is approximately 200 students for each of the Centers.

Job Corps centers are rated on the attainment of goals for graduates and student placements in jobs once students leave the program. Students graduate from the program with a high school diploma or general equivalency diploma (GED). Graduates obtain jobs in various industries, including business technology, transportation (trucking), plumbing, and building and construction. FY 2006 graduates and placements for the three NPS centers are:

FY 2006 General Education Diploma/High School Diploma					
Center	GED/HSD Graduates	Total Students	Percent of Students	Percent of Targeted Goal	Percent of Goal Met
Great Onyx	97	263	37	47	78
Harpers Ferry	82	192	43	50	86
Oconaluftee	105	240	44	46	96

FY 2006 Placements					
Center	Placements	Total Students	Percent of Students	Percent of Targeted Goal	Percent of Goal Met
Great Onyx	204	238	86	95	90
Harpers Ferry	152	174	87	95	92
Oconaluftee	145	176	82	95	87

FY 2006 Career Technical Graduates					
Center	Graduates	Total Students	Percent of Students	Percent of Targeted Goal	Percent of Goal Met
Great Onyx	186	354	53	65	81
Harpers Ferry	141	232	61	65	94
Oconaluftee	149	293	51	65	78

The Centers offer a variety of career technical training programs (carpentry, landscaping, plumbing, brick and masonry, health occupations, and urban forestry). Members of the team at Mammoth Cave participate as part of the firefighting component of Interior and were deployed on several occasions for firefighting and camp crew duty.

U.S. Fish and Wildlife Service. FWS began FY 2006 operating one Job Corps Civilian Conservation Center: Treasure Lake, located at the Wichita Mountains Wildlife Refuge in Indianahoma, Oklahoma. Effective for FY 2006, the statistics for students served, graduates, and placements are:

FY 2006 FWS Ratings					
Center	Students Served	Graduates	Percent	Placements	Percent of Graduate Placements
Treasure Lake	390	122	31	104	85

Effective July 2006, operation of the Treasure Lake Job Corps Center was transferred from FWS to Reclamation.

Bureau of Indian Affairs Education Programs

Within the BIA, the Bureau of Indian Education (BIE) takes the lead in the area of education. The BIE vision and long-range goal is to unite and promote healthy Indian communities through lifelong learning. This goal is implemented through the commitment to provide quality educational opportunities from early childhood throughout life.

Adult Education

The adult education program provides opportunities for adult Indians and Alaska Natives to obtain a GED and provides educational opportunities for American Indians and Alaskan Natives to improve their employment skills and abilities.

Post-Secondary Education Programs

Post-secondary programs consist of operating grants and supplemental funds for Tribal Colleges and Universities. Funds also support the Undergraduate and Graduate Scholarship Programs, Haskell Indian Nations University, and Southwestern Indian Polytechnic Institute. The Undergraduate and Graduate Scholarship Program is administered by the BIA and by Tribes under self-determination contracts, grants, or self-governance compacts. The Undergraduate Scholarship program provides financial assistance for eligible American Indian and Alaska Native students attending accredited post-secondary institutions. Each scholarship award is based on the student's certified financial aid requirements for Title IV Federal Assistance, such as the Pell Grant.

477 Program

The Indian Employment, Training and Related Services Act (P.L. 102-477) allows federally-recognized Tribes to consolidate funding from the Department of Labor, Health and Human Services, and Interior to provide employment, education, training, childcare, welfare reform, and related services. The Tribal governments are allowed to integrate the employment, training, and related services in order to improve services. These services reduce joblessness in Indian communities and foster economic development on Indian lands, while serving tribally determined goals that are consistent with policies of self-determination and self-governance.

Other Education Programs

The Johnson O'Malley (JOM) Program provides supplemental financial assistance to meet the unique and specialized education needs of eligible Indian (age 3 through grade 12) students attending public schools. JOM is the only BIA program that provides for the culturally-related and supplementary academic needs of Indian children attending public schools. The Tribal Design Program allows Tribes to design services to meet the needs of their local communities. Several Tribes utilize these programs to upgrade and improve Tribal employee skills in the use of computer technology.

School Operations

The Indian School Equalization Program (ISEP) provides formula-based funding for BIE-operated grant, contract elementary, and secondary schools. Funds are distributed using the ISEP formula which considers Weighted Student Units in order to provide basic educational programs for Indian children grades K through 12. This funding is for the operation of Bureau-funded schools, i.e., funding for school staff, school programs, textbooks and general supplies that are used by the school to educate Indian children. The School Operations Program consists of ISEP, Transportation, Family and Child Education, and Administrative Cost Funds.

The total number of schools and students for school year 2004-2005 and 2005-2006 are summarized as follows:

School Operations	School Year 2004-2005		School Year 2006-2006	
	Schools	Students	Schools	Students
Contract/Grant Schools	122	29,403	123	29,826
Bureau-Operated Schools	62	18,218	61	17,866
Totals	184	47,621	184	47,692

Investment in Non-Federal Physical Property

The Department of the Interior provides a long-term benefit to the public by maintaining its commitment to investing in non-Federal physical property. Non-Federal physical property refers to expenses incurred by the Federal Government for the purchase, construction, or major renovation of physical property owned by State and local governments and insular

FIGURE 3-9
FY 2006 Investment in Non-Federal Physical Property
(in millions)

Category	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	TOTAL
Dams and Other Water Structures	\$161.6	\$244.7	\$213.2	\$244.8	\$340.2	\$1,204.5
Land	8.7	65.0	120.0	90.4	79.9	364.0
Roads and Bridges	259.2	240.8	217.0	112.5	121.9	951.4
Schools and Public Buildings	149.6	89.1	99.7	93.8	100.1	532.3
Not Classified	169.0	1.0	1.0	15.0	22.4	208.4
Total	\$748.1	\$640.6	\$650.9	\$556.5	\$664.5	\$3,260.6

areas, including major additions, alterations, and replacements; the purchase of major equipment; and the purchase or improvement of other physical assets.

Interior's investment in non-Federal physical property is shown in *Figure 3-9*.

Bureau of Indian Affairs. BIA's investment in non-Federal physical property includes schools, dormitories and other infrastructures, Indian Reservation and Roads (IRR) program, and the Indian Reservation Roads Bridge Program (IRRBP).

The Office of Facility Management and Construction, in conjunction with the BIA, owns or provides funds for a considerable number and variety of buildings and other associated facilities across the Nation, including buildings with historic and architectural significance. The BIA's construction program is a multifaceted, intricate operation that encompasses the areas of Education, Public Safety and Justice, Resource Management, and General Administration.

Education facilities serve a number of schools that provide educational opportunities for approximately 48,000 students. The BIA also provides funding for administrative buildings at a number of Tribal locations. Facilities benefitting from this program include dormitories, detention centers, numerous irrigation facilities, and dams requiring repair to alleviate hazardous conditions. Additionally, program sub-activities include minor improvements, repair and replacement, portable classrooms, emergency repairs, demolition and reduction of excess space,

environmental projects, telecommunication improvements and repair, seismic safety, and emergency management systems. Finally, the BIA is continually striving to correct code and standard deficiencies when identified.

The BIA Division of Transportation jointly administers the IRR Program and the IRRBP with the Federal Highway Administration. The purpose of the IRR Program is to provide safe and adequate transportation and public road access to and within Indian reservations, Indian lands, and communities for Indians and Alaska Natives, visitors, recreational users, resource users, and others, while contributing to economic development, self-determination, and employment of Indians and Alaska Natives.

As of October 2005, the IRR system consisted of approximately 28,589 miles of BIA and tribally-owned public roads and 33,990 miles of State, county, and local government public roads, as well as an inventory of over 824 BIA-owned bridges.

Bureau of Reclamation. Reclamation's investments in non-Federal physical property provide assistance through a variety of measures, all related to water and related resources management. Reclamation incurs expenses for specific programs to provide for the construction or improvement of structures and facilities used in State and local irrigation projects and water quality improvement projects. Reclamation-wide programs improve State and local fish and wildlife habitats through activities such as the construction or betterment of structures or facilities.

Fish and Wildlife Service. FWS's investments in non-Federal physical property include major additions, alterations, or replacements; the purchase of major equipment; and the purchase of improvements of other physical assets for purposes of enhancing fish and wildlife management in States and for land restoration, species protection, recreational hunting and boating improvements, and habitat loss prevention.

National Park Service. Congress may annually appropriate funds to the NPS for work on non-NPS facilities that is done by individuals who are not NPS employees. These funds are referred to as "Pass Through" appropriations because the role of the NPS is limited primarily to preparing an agreement that allows the funds to be obligated and certifying and processing subsequent payments for the work when completed. More than 90% of the funds are obligated within the year they are appropriated. Once obligated, fund expenditure is entirely dependent on the party receiving the funds. Only cash assets are associated with these projects. During FY 2006, \$17.1 million was expended for these pass through projects.

Departmental Offices - The Office of Insular Affairs. The Office of Insular Affairs (OIA) carries out the Secretary of the Interior's responsibilities for U.S. affiliated insular areas. These include the territories of American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands, as well as the three freely associated States of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. The OIA achieves its mission by improving the financial management practices of insular governments, increasing economic development, and increasing Federal responsiveness to the unique needs of island communities. The OIA hopes to increase the resources available to the insular area governments while promoting economic self-sufficiency.

The OIA provides capital improvement grants to the insular areas. The capital investment in Non-Federal physical property in the territories was approximately \$34 million in FY 2006. The monies were distributed with 21% to American Samoa, 10% to the Virgin Islands, 5% to Guam, and 64% to the Commonwealth of the Northern Mariana Islands.

Office of the Secretary/Departmental Offices - Central Utah Project Completion Act. The Central Utah Project Completion Act (CUPCA) authorized the Utah Reclamation Mitigation and Conservation Commission to invest in fish and wildlife habitat improvements on non-Federal properties because the Federal reclamation projects in Utah affected fish and wildlife resources beyond the boundaries of the Reclamation projects and opportunities to mitigate on Federal lands are often limited. FY 2006 activities include the continuation of activities on the Duchesne Strawberry Diversion Structures, Wetlands around Great Salt Lake, and Fish Hatchery Production.