

ETA Efficiency Transparency Accountability

From the Commissioner



Robert Johnson, Commissioner

I want to take a moment to introduce you to just a handful of ways Reclamation is transforming our day-to-day operations in an effort to make our activities more efficient, our work more transparent and our outcomes more accountable to the people we serve.

Reclamation's employees have worked directly with our stakeholders to develop the *Managing for Excellence* blueprint. Through that partnership, we have developed an implementation plan that is robust and responsive. This newsletter provides just a sampling of ways in which that implementation effort is gaining momentum.

During my career with Reclamation—and now as Commissioner—I have always been impressed with the broad kinds of work performed by this agency. Despite our varied work, our employees all contribute to our primary mission: bringing water to people. Reclamation is a strong organization right now; implementing the action plan will help us to do our work even better in the decades to come.

The immense effort by Reclamation employees, as well as our customers and other stakeholders, was inspired by a report by the National Research Council which set in motion activity by 41 teams which, after multiple public meetings, developed recommendations and a management plan that will carry the agency well into the new century.

I have often said that implementing this action plan is my top priority as Commissioner and am pleased to share with you some of these examples of our progress.

Since our inception in 1902, Reclamation has been a can-do agency dedicated to serving the

American people. We have always sought to do a better job. We have significant challenges ahead of us, and a lot of people counting on us.

We call this newsletter “ETA” to remind everyone of the ultimate goals of this implementation effort –Efficiency, Transparency and Accountability. These goals are a duty to the public as a whole and, especially, to the people we serve every day.

For me, transparency is the key part of this trio. Transparency will not only improve what we do for customers and other stakeholders but it will increase their appreciation for the high quality, high value services that Reclamation’s employees provide and will highlight the contributions that the agency is making in water management.

I look forward to your feedback as we work together to make this plan be the best that it can be.

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Helping Frame a Clear Window: A New Look on Financial Status Reporting

Several Central Valley Project Water Service Contractors attended financial management training on Wednesday, Sept. 12, 2007, as part of the implementation of the *Managing for Excellence* Team 25 action plan. Held at the Northern California Area Office (NCAO) in Redding, Calif., this was the sixth session of the pilot training on Reclamation's costing and accounting principles and practices.



Reclamation customers were guided through the tools and processes Reclamation plans to use to significantly enhance understanding and transparency of Reclamation's project accounting. Shelley Ruff, Great Plains Region Budget Officer, and Mary Halverson, Upper Colorado Region Finance Officer conducted the training. The customers received detailed information on the process of assigning costs to projects, cost allocation and reporting methods and other financial management matters.

The goal of the training is to engage the customers in the process and encourage them to be part of the overall planning of Reclamation projects. Samples of graphics were used in the presentation to demonstrate highly effective methods for reporting of information.

Brian Person, NCAO Area Manager, said that transparency is an important element to the perception of Reclamation by its

customers. "The vast majority of districts are responsible for a portion of costs for Reclamation activities. This should really help them make the link between their financial obligations to Reclamation and their own work."

The financial training sessions are one of six recommendations from Team 25 and the details which framed the improvements to financial status reporting are the result of extensive interviews with water and power users, as well as Reclamation managers.

"This is certainly worthwhile, and I appreciate the opportunity," remarked David Coxey, Bella Vista Irrigation District general manager. "This 3-hour training will help me get other staff members up-to-speed on how this 'trickles down' to district rates for irrigation and other aspects of our operations."

Managing for Excellence also recommends financial management training on a recurring basis for Area Office managers and staff in order to more effectively communicate budget and cost information to customers. The afternoon of Sept. 12 was devoted to training a number of Reclamation employees on the subject.

Reclamation will now take the feedback received at these training sessions and will fine-tune both the customer and employee training. Future sessions of the financial training are in development and will include training customized for each region, tailored to specific projects.

Reclamation's Technical Service Center Sets Billable Rates for FY 2008

Each year, Reclamation's Technical Service Center (TSC) must do what many other governmental organizations do not: recover operating costs by generating revenue from clients.

"We receive very little direct appropriations from Congress," said Acting Director Lowell Pimley. "The TSC recovers about 95% of its operating costs through fee-for-service agreements with our clients."

Since the formation of the TSC in 1995, the TSC has charged for its services on an as-requested, job-by-job basis through individual service agreements. The TSC operates like a business and uses both a billable labor rate and fee structure to fully recover its operating costs.

This year, the TSC has adjusted its billable rate to cover OPM mandated cost-of-living adjustments for Federal employees and other operational costs. In fiscal year 2008, a skill level 1 (GS 1-10) will cost \$74 an hour, a skill level 2 (GS 11-12) will cost \$96 an hour, and a skill level 3 (GS-13-15) will cost \$116 per hour.

The process by which the TSC settles upon the hourly costs for the services provided is similar to that of any business.

The TSC develops a projection of needed funding at the end of each fiscal year. This projection is based upon the TSC's number of employees, payroll, cost-of-living increases, overtime, and business

costs including rent, depreciation, security and direct and indirect costs. The projection must also account for a surplus or deficit from the previous year.

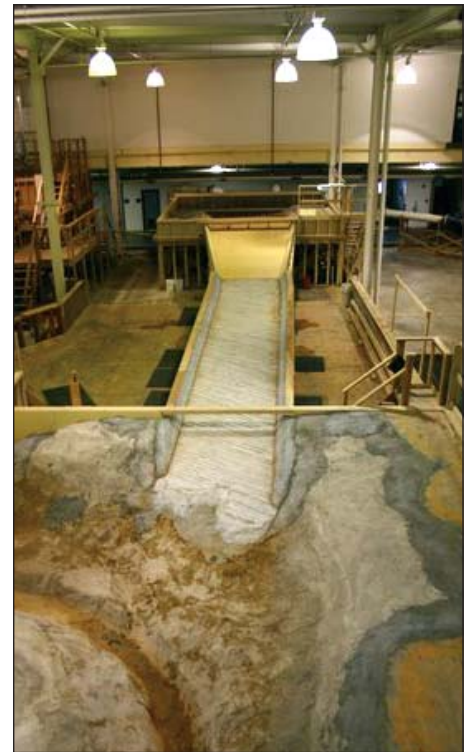
Once these figures are combined, the TSC totals the number of billable staff days in the new fiscal year, calculates the average hourly rate and then divides it among three staff levels to develop the hourly rates.

"The TSC works to keep costs competitive to provide the best value to our clients," said Pimley. "We are constantly reviewing our business plan to ensure that we are as efficient as we can be."

Located in Denver, Colo., the Technical Service Center provides engineering, science, research, and support services for projects and issues related to water resources management.



The five million pound press is used to test the strength of concrete and other materials. It is one of the tools the Technical Service Center uses to support the Reclamation mission.



Scale models are used in the Technical Service Center's Water Laboratory to see how modifications affect the movement of water through Reclamation's facilities.

Reclamation Policies Gain New Transparency on the Internet

Many employees, customers and stakeholders have said it has been difficult to find exactly what they needed in the Reclamation Manual online.

One of the accomplishments of *Managing for Excellence*, however, is the production of a Reclamation Manual both easier to locate and understand.

To achieve greater accessibility, a link to the Manual was placed on the front page of the Reclamation website. There are also links on the site to Manual subcategories with a description of each.

"The front page of the Reclamation Manual is now much clearer and easier to understand," said Shannon Kerstiens, Manager of the Reclamation Manual. "It helps people get to the information they need more quickly."

Centralizing the Manual was an important first step to achieve the goals of *Managing for Excellence*. Prior to centralization, the Manual was inconsistently interpreted and processed. A policy was developed, in accordance with Department of the Interior policy, which formalized the Manual as Reclamation's directives system. Another policy establishes the requirements associated with originating, reviewing and issuing Reclamation Manual releases.

The process of development for Reclamation Manual releases is now clearly defined and a record of development efforts is posted on the website at:

www.usbr.gov/recman/PI.pdf

This allows stakeholders, customers and the public to watch and monitor Reclamation's Manual throughout its development phase.

"What has come of this process is a better defined and established method to develop Reclamation Manual releases," said Kerstiens. "Since this is easily available, the public, stakeholders and customers are able to hold Reclamation accountable for following the requirements established in the Manual."

The Reclamation Manual consists of a series of Policies and Directives and Standards. Collectively, this series assigns program responsibility and documents Reclamation-wide methods of conducting business. All requirements in the Reclamation Manual are mandatory and constitute official Reclamation policy. To view the Reclamation Manual online visit: www.usbr.gov/recman

Reclamation's Jack Simes Receives Take Pride in America Award



Jack Simes

Jack Simes, External Coordination manager in Reclamation's Yuma Area Office, was recently honored for his outreach efforts with a Take

Pride In America 2007 National Award. Simes was one of five Federal Lands Managers to receive national honors.

This past year, Simes planned, coordinated or participated in three major Yuma cleanup events.

"The success of these cleanups is a direct result of the prior collaboration and partnership founded by the on-going Colorado River Sweep program," said Simes.

"Yuma Area Manager Jim Cherry has been a guiding force for these cleanup projects."

Upon completion, the three cleanups resulted in a removal of over 140 tons of trash and debris from the affected areas.

A various amount of hazardous material was removed, including 15 gallons of oil, 31 automobile batteries and nine car frames, which were taken to an automotive recycling center. Tires from automobiles, tractors and semi-trucks were recovered and sent to recycling centers. Over ten tons of metal was recovered and recycled as a result of the cleanup events.

"Reclamation is proud to have

provided planning guidance and support for these events," said Simes. "However, we cannot do it alone. We are in this challenge together and other needed logistic support was provided by various local agencies."

Take Pride in America is a national partnership program aimed at increasing volunteer service on America's public lands. The next Colorado River Sweep is scheduled for Sept. 29

For more information about Reclamation's progress in the implementation of its *Managing for Excellence* effort visit:

www.usbr.gov/eta