

From Mission to Measurement: How to Read this Report

The Department of the Interior's FY 2003 Annual Report on Performance and Accountability will reach many people who have specific needs for the information it contains. We have designed our presentation to serve multiple audiences, with varied approaches, points of view, and levels of detail.

Our report contains four parts. Combined, these four elements provide an accurate and thorough accounting of the Department's stewardship of our critical resources and services to the American people.

Part 1: Management's Discussion and Analysis is a high-level overview of the Department's performance in FY 2003. It is designed for interested citizens and customers, members of the public, and officials from Federal, state, and local government—anyone who does not need the full detail of each individual bureau's performance results.

After a brief discussion of the changing challenges to 21st century mission performance, Part 1 details each of the Department's six strategic goals identified in our FY 2002-2005 Strategic Plan and summarizes the relevant one- and five-year performance results. Related best practice examples highlight how the Department's vision and values translate into action in the field, followed by a look at departmental plans moving forward.

Part 1 also discusses the Department's compliance with legal and regulatory requirements, including the Federal Managers' Financial Integrity Act (FMFIA), the Federal Financial Management Improvement Act (FFMIA), Inspector General Act Amendments (Audit Follow-up), biennial review of user fees, and other key legal and regulatory requirements. An analysis of financial statement data concludes this part of the report.

Part 2: Financial Section, along with Part 4, will interest anyone who is concerned with tracking the Department's financial performance. This section comprises consolidated financial statements, footnotes, deferred maintenance data, intra-governmental transaction disclosures, stewardship information, and other supplementary information.

Part 3: Performance Section presents Interior's performance results in comprehensive detail. This section charts all bureau performance targets as tied to the Department's long-term and strategic goals. It compares FY 2003 planned activities with FY 2003 actual results, explaining in each case why performance exceeded or fell short of plans. This level of detail will be most useful to members and staff in the Congress, program examiners with the Office of Management and Budget (OMB), analysts with the Office of the Inspector General (OIG) and General Accounting Offices (GAO), and interested citizens and customers.

An important note: Beginning in 2004, Federal agencies are required to publish their Performance and Accountability Reports by November. The Department of the Interior decided to publish its FY 2003 Report on Performance and Accountability by that November deadline, beginning this year—one full year ahead of the mandated requirement. Due to this early reporting goal, many of the performance data results discussed in this chapter and in Part 1 are estimates and not final results. Final performance data will be provided in a supplemental report in the third quarter of FY 2004.

A Word About Data Validation and Verification ("Data V&V"): In January 2002, the Department issued a memorandum requiring that a Data V&V process be put in place and used effectively by all offices collecting and reporting performance data. Data V&V guidance, developed in cooperation with Department bureaus and offices including the Office of the Inspector General, was issued with the memorandum. The guidance is considered a tool for effectively elevating Data V&V procedures to an acceptable functional level or for detecting potential problem areas in well-established Data V&V systems. During the course of FY 2004, bureau and office Data V&V implementation will be evaluated.

Accelerated reporting schedules for annual performance data for FY 2003 and FY 2004 reinforced the need for adequate Data V&V. Special attention will be given to data limitations and to documentation of methodologies used to estimate year-end performance results where data are incomplete and/or where sufficient time did not exist for adequate data verification.

A Word About Data Completeness and Reliability: Although the advanced reporting date will result in an increased incidence of estimated performance data, the Department fully expects to have complete data for all reported FY 2003 measures before mid-FY 2004. Managers continue to use performance data for fiscal and programmatic decision-making without reservation. For these reasons, the FY 2003 performance data are considered complete and reliable.

Part 4: Independent Auditors' Report contains an assessment of the Department's consolidated financial statements by an independent certified public accounting firm. The objective of a financial statement audit is to determine whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by management, as well as an evaluation of the overall financial statement presentation.

This section also presents a summary of the most serious management challenges facing the Department. This assessment was prepared by the Office of Inspector General in accordance with the Reports Consolidation Act of 2000.

Part 5: Appendices contains an organization chart for the Department, a glossary of acronyms, and a list of figures and charts.

This report was developed and prepared by Department of the Interior employees. The Department procured the services of a contractor to provide editorial assistance in drafting the Government Performance and Results (GPRA) discussion in the Management Discussion and Analysis section of the report.

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