

LOOKING TO THE FUTURE: OUR CHALLENGES

Interior's stewardship responsibilities encompass one-fifth of the Nation's land area and all of the Outer Continental Shelf. Among the assets we manage are irreplaceable icons and cultural and historic treasures that are the legacy of millions of Americans.

This responsibility presents challenges. Our work is people-intensive. Pay and benefit costs account for about 53% of our total costs, higher than most other Federal agencies. Many of our business processes are outdated and decentralized. Our Trust beneficiary accounting systems, for example, continue to be a challenge, but are receiving particular management attention. Our physical assets, while many of irreplaceable historical and cultural value, need to be maintained, repaired and refurbished.

In an FY 2006 report, the OIG identified eight management challenges facing the Department. These include:

- Financial Management;
- Information Technology;
- Health, Safety, and Emergency Management;
- Maintenance of Facilities;
- Responsibility to Indians and Insular Affairs;
- Resource Protection and Restoration;
- Revenue Collections; and
- Procurement, Contracts, and Grants.

These issues are considered top challenges because they are important to the Department's mission, involve large expenditures, require significant management improvements, or involve significant fiduciary responsibilities. For additional details concerning the top management challenges, please see "Compliance with Legal and Regulatory Requirements," Figure 1-71.

Over the past 5 years, the Department of the Interior has continuously addressed these challenges. We are using technology to help us work smarter and reduce human resource loads. We are improving the efficiency and effectiveness of our programs using tools such as PART. We have restructured and consolidated workplaces, guided by workforce plans to improve alignment of skilled employees with anticipated needs and potential gaps that will result from baby boomer retirements. We have

deployed enterprise information technologies to reduce security risks, modernize business practices, and enhance cost efficiencies. We have inventoried our assets and have set performance measures to guide improved facilities management and prioritization of maintenance, repair, and replacement activities.

Our recent budget requests have balanced the need for fiscal discipline while continuing our commitment to overcoming several of these challenges. For example, we have asked for increased funding and resources to help BIA meet the requirements outlined in the Department's Fiduciary Trust Model while continuing to implement trust reform initiatives. These resources will be critical in helping us reduce the probate backlog, to implement recommendations of the Fiduciary Trust Model, to eliminate cadastral survey backlogs, and to reduce survey costs. The resources will support a Certified Federal Surveyor program in BLM to train State licensed surveyors to become BLM certified surveyors in accordance with the Public Lands Survey System.

In another example, we have requested resources to help us continue restoration of hundreds of acres of lands and resources damaged by the release of hazardous substances or oil. We are using science to improve and expedite the design, implementation, and monitoring of restoration projects.

Many of our challenges are complex and will remain with us for several years to come, despite incremental progress toward overcoming them. New challenges will reveal themselves as the Nation's priorities change. However, we will diligently work collaboratively with those who live on, work on, and love our lands to improve our stewardship and improve America's quality of life for generations to come.