

January 1999

**Major Management
Challenges and Program
Risks**

Department of Interior





**United States
General Accounting Office
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**Comptroller General
of the United States**

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The President of the Senate

The Speaker of the House of Representatives

This report addresses the major performance and management challenges that have limited the effectiveness of the Department of the Interior in carrying out its mission. It also addresses corrective actions that Interior has initiated or plans to take, as well as further actions that are needed. For many years, we have reported significant problems and weaknesses in the management of Interior's programs. These problems are the results of serious deficiencies in organizational structure, information systems, and the management controls that provide oversight and accountability. These deficiencies cut across Interior's program areas.

Interior has acknowledged the need to address many of these deficiencies and, for the most part, has begun to do so. Actions being taken by the agency to improve performance and accountability are largely playing out through the development and implementation of the strategic and performance plans required by the Government Performance and Results Act. However, much remains to be done, and it is still too early to determine whether Interior's actions will be effective. In addition, resolving some of these problems, such as streamlining and reorganizing the Department's structure to achieve greater coordination and integration of

functions and obtaining better information on resource conditions, will be difficult and take time.

This report is part of a special series entitled the Performance and Accountability Series: Major Management Challenges and Program Risks. The series contains separate reports on 20 agencies—one on each of the cabinet departments and on most major independent agencies as well as the U.S. Postal Service. The series also includes a governmentwide report that draws from the agency-specific reports to identify the performance and management challenges requiring attention across the federal government. As a companion volume to this series, GAO is issuing an update to those government operations and programs that its work has identified as “high risk” because of their greater vulnerabilities to waste, fraud, abuse, and mismanagement. High-risk government operations are also identified and discussed in detail in the appropriate performance and accountability series agency reports.

The performance and accountability series was done at the request of the Majority Leader of the House of Representatives, Dick Armey; the Chairman of the House Government Reform Committee, Dan Burton; the Chairman of the House Budget Committee, John Kasich; the Chairman of the Senate Committee on Governmental Affairs, Fred Thompson; the Chairman of the Senate Budget Committee, Pete Domenici; and Senator Larry Craig. The series was subsequently cosponsored by the Ranking Minority Member of the House Government

Reform Committee, Henry A. Waxman; the Ranking
Minority Member, Subcommittee on Government
Management, Information and Technology, House
Government Reform Committee, Dennis J. Kucinich;
Senator Joseph I. Lieberman; and Senator Carl Levin.

Copies of this report series are being sent to the
President, the congressional leadership, all other
Members of the Congress, the Director of the Office of
Management and Budget, the Secretary of the Interior,
and the heads of other major departments and agencies.

A handwritten signature in black ink, appearing to read "D.M. Walker", with a long horizontal line extending to the right.

David M. Walker
Comptroller General of
the United States

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Overview

The Department of the Interior has jurisdiction over about 450 million acres of land—about one-fifth of the total U.S. landmass—and about 3 billion acres of the Outer Continental Shelf. As the guardian and steward of these resources, the agency is entrusted to preserve our most awesome landscapes, like the wild beauty of the Grand Canyon and Yosemite national parks and the soaring peaks of Mount Rainier and Denali; our most historic places, such as Independence Hall and the Gettysburg battlefield; and our most revered national icons, such as the Statue of Liberty and the Washington Monument. At the same time, Interior is to provide for the environmentally sound production of oil, gas, minerals, and other resources found on America's public lands; honor the nation's obligations to American Indians and native Alaskans; protect habitat to sustain fish and wildlife; help manage water resources in Western states; and provide scientific and technical information to allow for sound decisionmaking about resources. To meet its responsibilities, Interior has been appropriated \$6 billion to \$7 billion annually in recent years. With these resources, Interior employs about 66,000 people at over 4,000 sites across the country.

Managing this vast federal estate is largely characterized by the continual struggle to balance the pressures and demands for greater use with the need to conserve and protect resources for the benefit of future generations. We, Interior's Inspector General, the Department, and others have documented many management problems facing the agency and have recommended reforms. However, in many cases, progress has been slow. As a result, many major performance and management challenges still remain.

The Challenges

A Basic Reexamination of the Organization and Functions of Land Management Agencies Is Needed

The four major land management agencies in the United States are the Bureau of Land Management (BLM), the National Park Service, and the Fish and Wildlife Service (FWS) in Interior and the Forest Service in the Department of Agriculture. The responsibilities of these agencies—particularly, BLM and the Forest Service—have become similar over time. At the same time, managing these agencies has become more complex; budgets have become tighter, and there is an increased understanding that the boundaries for

natural systems are not necessarily consistent with the existing jurisdictional and administrative boundaries of federal, state, and local agencies. These conditions suggest a need to reexamine how these agencies are organized and function in order to streamline their operations and become more efficient.

Interior Does Not Have the Information It Needs to Properly Protect, Preserve, and Maintain Resources

Even though Interior is the caretaker for much of the nation's natural and cultural resources, it frequently lacks information on the condition of these resources. In addition, Interior does not know the scope and extent of maintenance problems at the tens of thousands of buildings, dams, and other facilities it is responsible for. As a result, Interior does not know the status of key issues like the nature or extent of many problems relating to the resources it is legislatively mandated to foster, protect, and preserve; the effectiveness of measures taken to deal with the problems; or the areas where the limited financial resources available should be allocated to achieve the most good.

Guidance, Oversight, and Accountability Need Improvement

Decentralization of responsibility, coupled with inadequate guidance and oversight, has

resulted in significant differences in how Interior's field offices have implemented both legislative mandates and the administration's goals and objectives. Similarly, the Park Service is just now developing systems to hold field managers accountable for the results of their decisions.

Management Problems Continue to Plague Interior's Tribal and Indian Programs

Management problems continue to plague Interior's tribal and Indian programs. Management of the \$3 billion Indian trust fund has long been characterized by inadequate accounting and information systems, untrained and inexperienced staff, poor recordkeeping and internal controls, and inadequate written policies and procedures. In addition, the distribution of about \$800 million annually to tribes—for basic services such as law enforcement and child welfare and other social services and for contract support activities—is not in synch with the tribes' changing needs or changes in tribal revenues from activities such as gaming.

Problems in
Managing New
Automated Records
System Put BLM
Programs at Risk

A half-billion-dollar automated records system now being developed by BLM is years behind schedule and is estimated to cost more than \$100 million over the original estimate. The system is still fraught with problems, and the agency still has not yet developed a credible schedule for when the system will be fully deployed. In the meantime, the agency's mission-critical systems for land and mineral records and information to support land and resource management activities involving oil and gas leases, mining claims, land patents, and a variety of other land uses are at risk of being disrupted by the Year 2000 computer-date problem.

Progress and
Next Steps

Interior has acknowledged the need to address many of these challenges and, for the most part, has begun to do so. Actions being taken by the Department are largely playing out through the development and implementation of the strategic and performance plans required by the Results Act. However, much remains to be done, and it is still too early to determine whether Interior's actions will be effective.

In order to ensure that Interior follows through on efforts to deal with the major

Overview

performance and management challenges we and others have identified, the Congress needs to monitor the progress made on them, as reported in the agencies' annual performance plans and reports. If the Congress is not satisfied with the pace of Interior's progress in addressing these issues, it may want to provide more specific directions, including tighter deadlines. However, resolving some of these problems, such as getting a better understanding of resource conditions and addressing Interior's maintenance needs, will likely be expensive and will take years.

Key Contact

Victor S. Rezendes
Energy, Resources, and Science Issues
Resources, Community, and Economic
Development Division
(202) 512-3841
rezendesv.rced@gao.gov

Major Performance and Management Issues

As the caretaker of the nation's most precious natural and cultural treasures and steward of its trust responsibilities to American Indians and native Alaskans, the Department of the Interior helps define the nature and spirit of our common national heritage. In this capacity, Interior's programs and activities touch the lives of Americans and the world community in many disparate ways. The public lands, parks, and waterways under Interior's jurisdiction provide recreational opportunities for over 400 million visitors annually. Commodities such as oil, natural gas, minerals, and timber—with a market value of over \$20 billion—are extracted from land and water resources under the Department's purview each year. In addition, Interior provides educational, social, and other services to more than 550 Indian tribes.

The overarching management challenge facing Interior is striking a balance between its two basic mandates—accommodating the demands for greater use and more consumption of resources with the demands to protect and conserve resources for the benefit of future generations. Many of the major challenges facing Interior are shaped by its agencies' actions in trying to manage the difficult trade-offs inherent in these

mandates. In today's climate of shrinking budgets and a smaller federal government, the need to reexamine past approaches to help achieve increased effectiveness and efficiency is imperative. In recent years, our work has identified a number of opportunities for how Interior can better accomplish this imperative.

**A Basic
Reexamination of
the Organization
and Functions of
Land
Management
Agencies Is
Needed**

Historically, Interior has been a highly decentralized agency. As a result, Interior has, for the most part, allowed its component agencies to develop their own systems and processes for managing their programs. Our past work at Interior has identified several areas where better coordination should have occurred; the increases in effectiveness and efficiency resulting from improved coordination would be substantial.

The federal government now owns about 30 percent (about 650 million acres) of the nation's total surface area. BLM, the Park Service, and FWS in Interior and the Forest Service in the Department of Agriculture manage about 95 percent of these lands for a variety of commodity uses—including hardrock mining, foraging by livestock, oil and gas production and development, and

timber harvesting. These agencies also manage these lands for noncommodity uses—including providing fish and wildlife habitat; natural, scenic, and historic resources; recreation; water; and wilderness. Our work has shown that the responsibilities of these four agencies have become similar over time. All of these agencies—most notably BLM and the Forest Service—now provide more noncommodity uses, for instance, recreation and protection of fish and wildlife, on lands they manage. At the same time, managing these lands has become more complex. Managers have to reconcile differences among a growing number of laws and regulations, and the authority for administering these laws is dispersed among several federal, state, and local agencies. These changes have coincided with two other developments—the federal government’s increased emphasis on downsizing and budgetary constraints and scientists’ increased understanding of the importance and functioning of natural systems whose boundaries may not be consistent with existing jurisdictional and administrative boundaries of federal, state, and local agencies. Together, these conditions suggest a basis for reexamining the structure, as well as the processes, under which the federal land management agencies currently operate.

Over the past 28 years, two basic strategies have been proposed to improve federal land management. These are (1) streamlining the existing structure by coordinating and integrating functions, systems, programs, and field locations and (2) reorganizing the structure by combining agencies. The two strategies are not mutually exclusive, and some prior proposals have encompassed both.

But past efforts to improve federal land management have not succeeded, in part, because they were not supported by a solid consensus for change. In addition, any effort to streamline or reorganize the existing structure of federal land management agencies will require a coordinated approach both within agencies and across agency lines to avoid creating new unintended consequences for the future. Moreover, the need to create specific identifiable goals will require decisionmakers to agree on, among other things, how to balance differing objectives for various uses of federal lands over the short and long terms. While recently there has been some evidence of greater coordination and collaboration across agency boundaries, particularly between BLM and the Forest Service, these efforts have been somewhat limited and have not

included the kind of fundamental reexamination of organization and functions as suggested by our analysis.

Interior Does Not Have the Information It Needs to Properly Protect, Preserve, and Maintain Resources

A fundamental part of Interior's mission is to ensure that the nation's natural and cultural resources are properly protected, preserved, and maintained. However, Interior's ability to carry out this part of its mission is severely diminished because it lacks essential information about the condition of many of the resources it is responsible for. This basic lack of information exists for natural and cultural resources and the infrastructure that supports activities on federal lands.

The Condition of Many Resources Is Not Known

We and others have reported that the condition of important natural and cultural assets, such as wildlife at Yosemite and Glacier national parks and some of the buildings at Ellis Island, is not being routinely monitored. In addition, data needed to reach an overall judgment on the health of wildlife on public lands or determine the movement of endangered and threatened species toward or away from recovery are not being developed. Furthermore, Interior cannot always clearly

identify the environmental impacts of oil and gas production.

In the absence of this kind of information, it is difficult, at best, to determine whether the condition of key resources under Interior's stewardship is deteriorating, stabilizing, or improving. As a result, instead of fact-based decisions, Interior must frequently rely on subjective judgments in assessing how effectively and efficiently its limited budgetary resources are being used to protect and preserve natural and cultural assets. On a practical level, this means that Interior currently frequently does not have the information it needs to do things like (1) objectively identify the most significant problems concerning natural and cultural resources; (2) rank priorities so that the most pressing issues receive the most attention; or (3) link its planning process directly to budget decisions to have a greater impact on the allocation of new financial resources. Accordingly, Interior frequently does not know the status of key issues that directly affect its ability to perform its mission. These issues include things like the nature or extent of many problems relating to the resources it is legislatively mandated to foster, protect, and preserve; the effectiveness of measures taken to deal with

the problems; or the areas where the limited financial resources available should be allocated to do the most good.

**The Extent of
Maintenance
Problems Is Not
Known**

In addition to its need to know about the condition of its key resources, Interior also needs to maintain these resources—including the buildings and associated infrastructure that goes with them. The three major land management agencies within Interior—the Park Service, BLM, and FWS—manage tens of thousands of buildings and other facilities such as roads, dams, bridges, utility lines, and recreation sites. These facilities can be valued in the billions of dollars, and many, like Independence Hall and the Statue of Liberty, are beyond valuation. As the steward of these assets, Interior is obligated to maintain them.

In this time of reduced federal spending and increased competition for these limited dollars, it is more critical than ever to know what the agencies' maintenance needs are and how to best address them. Yet while the Park Service, BLM, and FWS have estimated that they have maintenance needs of about \$7 billion, Interior officials acknowledge that this estimate does not mean much, since

they do not have accurate or reliable information on the extent of the problems. As a result, managing the deferred maintenance needs has eluded Interior. In fact, our work has shown that Interior is contributing to its own problems in this area. Specifically, the Park Service is maintaining a large housing inventory for employees in more than 100 parks across the country when the need for all of these housing units is not at all clear. At the same time, Park Service officials estimate that the deferred maintenance on these housing units may cost as much as \$100 million to \$200 million. Obviously, minimizing the employee housing inventory to include only those units that are absolutely necessary would help stretch the limited funding that is available for addressing Interior's maintenance needs. After 5 years of urging by us and the Congress, the Park Service is just now doing a needs assessment for its employee housing.

Even though the Congress has attempted to help Interior deal with this problem in recent years by providing additional appropriations and revenue from a new experimental fee program, the land management agencies are not yet able to determine how much these additional funds are helping because they do

not know the size of the problem. Accordingly, while we and Interior's Inspector General have reported on the deteriorating conditions of the agencies' facilities, until useful data are developed, managing and resolving the deferred maintenance problem will continue to elude the agency.

Interior managers have been aware of the problem for years but have not developed a comprehensive approach to solving it. Instead, Interior has approached this problem piecemeal by trying to address what it judges to be its highest priority needs each year. However, recent developments should, if properly implemented, help the agency address this resource management issue. New accounting standards and the enactment and implementation of the Results Act offer an opportunity to address these concerns in a more strategic and systematic way.¹ Also, Interior has recently completed a departmentwide study of maintenance and repair issues that, according to Interior officials, will lead to a more complete and accurate understanding

¹Federal Financial Accounting Standard No. 6, "Accounting for Property, Plant, and Equipment," requires disclosures about the condition and estimated cost to remedy deferred maintenance of property, plant, and equipment. It is effective for fiscal years starting after September 30, 1997.

of its maintenance and capital needs. However, as now planned, acquiring the needed data and getting the needed processes in place will take several years. Since the processes in support of all of these initiatives are now being developed and implemented, the Congress may wish to continue emphasizing the importance of effectively implementing them. Furthermore, the Congress may wish to monitor Interior's activities to ensure that programs for determining and monitoring the condition of critical resources are included in the agencies' plans and that the agencies' performance against established plans is acceptable. Finally, in light of the Park Service's past reluctance to cut back on its housing inventory, the Congress may wish to monitor the agency's progress in this area.

**Guidance,
Oversight, and
Accountability
Need
Improvement**

Decentralization of responsibility, coupled with inadequate guidance and oversight, has resulted in significant differences in how Interior's various field offices have implemented both legislative mandates and the administration's goals and objectives. For example, BLM field offices vary widely in the organization and staffing of the oil and gas inspection and enforcement program, the degree of supervisory oversight

provided, the number of inspections planned and conducted, the types of enforcement actions taken, the amount of training given inspectors, and the extent of program evaluation. As a result, BLM's oil and gas inspection and enforcement program continues to be an area that is vulnerable to abuse and/or mismanagement. BLM officials are aware of this problem and have recently taken a number of actions to address it. However, since many of the corrective actions were taken in 1998, it is still too early to determine their effectiveness.

Similarly, in the Park Service, decisions about spending and operating priorities are, to a large degree, delegated to the individual park managers. Under this approach, park managers have broad discretion in deciding how to spend the parks' operating funds. The most significant limitation associated with this decentralized approach is that it does not focus on the results that were achieved with the funds spent. As a result, scarce park dollars are not always spent in the best interest of the agency as a whole but rather on the more parochial interests and preferences of individual park managers. However, changes that are now being made within the agency in response to the Results

Act should, if implemented properly, help address this issue.

As part of its implementation of the Results Act, the Park Service is requiring individual park managers to develop strategic and annual performance plans that are consistent with and support Service-wide goals. The Park Service is also implementing an information system to track performance against established goals and to link spending to goals. Nonetheless, until these processes are fully implemented, there is no effective means to monitor progress toward achieving the agency's goals and holding park managers accountable. Consequently, the Congress may want to continue to emphasize and monitor the effective development and implementation of the accountability systems called for by the Results Act so that Interior uses its financial resources more efficiently.

**Management
Problems
Continue to
Plague Interior's
Tribal and Indian
Programs**

Interior administers the federal government's trust responsibilities to tribes and Indians. This responsibility includes managing \$3 billion in Indian trust funds and providing about \$800 million annually for basic tribal services such as natural resource management and social services.

Management of the trust funds has long been characterized by inadequate accounting and information systems, poor recordkeeping and internal controls, and other weaknesses that result in no assurance that fund assets are being properly managed. In addition, federal funding to provide basic tribal services has been criticized for not being responsive because the funding does not take into consideration tribes' needs, the tribes' own revenues, or the funds necessary to fully fund the tribal programs.

**Indian Trust Funds
and Assets Need to
Be More Effectively
Managed**

The Secretary of the Interior is responsible for administering the government's trust responsibilities to tribes and Indians, including managing about \$3 billion in Indian trust funds and about 54 million acres of Indian lands. Management of the Indian trust funds and assets has long been characterized by inadequate accounting and information systems; untrained and inexperienced staff, backlogs in appraisals, determinations of ownership, and recordkeeping; the lack of a master lease file and an accounts receivable system; inadequate written policies and procedures; and poor internal controls. Because of these overall weaknesses, account holders do not have assurance that

their account balances are accurate and that their assets are being managed prudently.

To address these long-standing problems, the Congress created the Office of the Special Trustee for American Indians. In April 1997, the Special Trustee submitted a strategic plan to the Congress, but Interior did not fully support the plan. On August 22, 1997, the Secretary of the Interior indicated that he and the Special Trustee for American Indians reached agreement on some of the initiatives proposed in the strategic plan and outlined the Department's approach for improving Indian trust management. That approach, a 3-year effort, is directed at data cleanup; systems improvements; and addressing deficiencies regarding records management, training, policies and procedures, and internal controls.

Because many of the needed improvements center on information technology, adhering to legal and regulatory requirements, such as the Clinger-Cohen Act and the Office of Management and Budget's guidance for major information technology investments, is critical. In this regard, we previously recommended that Interior develop a strategic information resources management plan, criteria for the evaluation of major

information system investments, and an information architecture that aligns technology with mission goals. To support the design and development of management and information systems and to provide adequate evidence of a framework for sharing related business and functional information and program requirements among the cognizant organizations and functions, we also recommended that Interior identify all related business functions and obtain input on information requirements from all Indian trust fund stakeholders. Interior agreed with these recommendations but has yet to implement them.

**Distribution of
Funds for Indian
Programs May Not
Match Needs**

The Bureau of Indian Affairs (BIA) is the primary agency of the federal government charged with the responsibility to implement federal Indian policy and to discharge the federal trust responsibility for Indian tribes and Alaska native villages. Under current federal Indian policy, tribes are allowed to administer their own programs. When the tribes enter into agreements with BIA to administer their own programs, BIA is required to provide funding for the programs as well as contract support funds to cover the tribes' administrative costs. Recently,

these funds have approached \$800 million annually. They are distributed through a process called tribal priority allocations (TPA).

BIA's distribution of a portion of TPA funds, referred to as "TPA base funds," has been widely criticized for not being responsive to changes in the relative needs of tribes. These funds are used to provide basic tribal services, such as social services, adult vocational training, child welfare services, and natural resources management. BIA distributes TPA base funds primarily on the basis of historical distribution levels. That is, the amount available to a particular tribe is generally the same as the previous year's amount, without consideration of the tribe's needs or the tribe's own revenues. Not only has no corresponding change occurred in the amount of TPA base funds distributed to tribes whose relative needs have changed, but BIA has not even established criteria to determine what the needs of the tribes are. Consequently, the distribution of TPA base funds has not kept pace with recent trends and developments that directly affect the funding needs of individual tribes. This is a critical issue because for some tribes, especially those with substantial gaming operations, revenues over the past few years

have risen dramatically. For example, for several tribes, the revenues from gaming have exceeded \$100 million annually per tribe. In total, these revenues are about \$1.8 billion annually, but these additional revenues are not considered in distributing TPA base funds. As a result, tribes with the highest reported revenues can receive more TPA base funds than other tribes with no revenues or with losses.

The other type of fund distribution involves contract support. These funds are to be distributed on the basis of tribes' administrative costs. However, insufficient funds have been appropriated to fully meet these needs. BIA calculated a \$26 million shortfall in funding for contract support costs for fiscal year 1998. This shortfall represents about 20 percent of the \$130 million needed for these costs. Concerns have been raised in recent years over the ever-increasing need for contract support funds and the effect of funding shortfalls on tribal governments. For example, tribal governments may have to use their own resources or use program funds to cover their funding shortfalls.

Because it is critical that Interior continue its efforts to address the deficiencies in

Indian trust fund accounting and asset management and that BIA and the Special Trustee work together toward this end, the Congress may wish to conduct oversight to ensure progress. Regarding BIA's distribution of funds, various studies are under way to address this matter. BIA has been directed to report to the Congress by April 1, 1999, on alternative methods for distributing TPA funds, taking into account tribal revenues and the relative needs of tribes and tribal members. BIA, the Indian Health Service, and the National Congress of American Indians all have established work groups to review contract support costs. In addition, we have been directed to conduct a comprehensive study of contract support costs and to report on the results of the study to the Congress by June 30, 1999. These issues will be at the forefront of the congressional debate over BIA's fiscal year 2000 appropriation and the long-term debate over the future of federal Indian policy.

**Problems in
Managing New
Automated
Records System
Put BLM
Programs at Risk**

During the energy boom in the early 1980s, BLM found that it could not handle the case-processing workload associated with a peak in the number of applications for oil and gas leases. BLM recognized that to keep up with increased demand, it needed to

automate its records and case-processing activities. Furthermore, according to BLM officials, most of the more than 1 billion paper documents in its possession—including land surveys, tract books, land patents, mining claims, and oil and gas leases—are deteriorating and becoming increasingly difficult to read. These circumstances led BLM to begin planning to acquire an automated land and mineral case processing system. The scope and attributes of the planned automated system have changed over the years, evolving into the largest system development project ever undertaken by BLM or Interior—the Automated Land and Mineral Record System. In 1993 when BLM agreed to the system design, the system was estimated to cost \$403 million.

Initially, BLM planned to begin to deploy the system in fiscal year 1997. However, in March 1997, we reported that the agency was encountering problems with the system that increased the risk of degraded performance and capability and that had already resulted in higher costs. At that time, the higher costs were estimated to be about \$537 million—about \$134 million, or 33 percent, higher than BLM’s original estimate of \$403 million. We also reported BLM would not be ready to

deploy the system until it had completed essential management plans, policies, and procedures to help ensure a successful transition and operating environment.

As of May 1998, BLM had not yet fully dealt with our concerns nor had it even developed a credible schedule for fully implementing the system. In addition, the agency has found continuing problems with computer hardware and software during testing of the system. BLM's testing also surfaced operational concerns that had not been adequately addressed, such as how the system will support public information needs and data exchanges between BLM and other organizations. Finally, our work has shown that recent and potential delays in implementing the Automated Land and Minerals Record System place BLM at risk because existing systems that are being used to support mission-critical business processes, which are to be replaced by the system under development, will be subject to the Year 2000 computer-date problem. While BLM is intending to provide the upgrades necessary to allow for the continued use of these systems in case the Automated Land and Minerals Record System is not fully deployed by 2000, the agency has yet to develop a plan to do this.

We have made several recommendations to correct shortcomings and mitigate risks associated with the project. These recommendations have focused on areas such as configuration management, security planning and architecture, transition planning, operations and maintenance planning, and Year 2000 contingency planning. While BLM has agreed with the recommendations, it has not yet fully implemented them.

In April 1998, we also testified that Interior had shortcomings in its Year 2000 program. At that time, Interior had not verified the accuracy and reliability of BLM's Year 2000 renovation actions to ensure that executive management received a reliable picture of the program's progress. Nor had Interior maintained a centralized inventory of its more than 2,900 data exchanges to determine whether agreements had been reached with external entities. Therefore, it may have missed key information showing whether data exchanges were Year 2000 compliant; until these data exchanges are compliant, there is an increased risk that Interior's systems will receive noncompliant data that can corrupt its databases. Finally, Interior had not instructed its bureaus to develop plans to ensure the continuity of

**Major Performance and Management
Issues**

core business operations in the event of
unforeseen failures.

Related GAO Products

Reexamination of Organization and Functions

Department of the Interior: Observations on Performance Plan and Other Management Issues (GAO/T-RCED/AIMD-98-173, Apr. 22, 1998).

Results Act: Observations on the Department of the Interior's Draft Strategic Plan (GAO/RCED-98-207R, July 18, 1997).

Federal Land Management: Streamlining and Reorganization Issues (GAO/T-RCED-96-209, June 27, 1996).

Protecting, Preserving, and Maintaining Resources

National Park Service: Efforts to Identify and Manage the Maintenance Backlog (GAO/RCED-98-143, May 14, 1998).

National Park Service: Maintenance Backlog Issues (GAO/T-RCED-98-61, Feb. 4, 1998).

National Park Service: Employee Housing Issues (GAO/T-RCED-98-35, Oct. 29, 1997).

National Parks: Park Service Needs Better Information to Preserve and Protect Resources (GAO/T-RCED-97-76, Feb. 27, 1997).

Federal Land Management: Information on Efforts to Inventory Abandoned Hard Rock Mines (GAO/RCED-96-30, Feb. 23, 1996).

National Park Service: Difficult Choices
Need to Be Made on the Future of the Parks
(GAO/RCED-95-238, Aug. 30, 1995).

National Park Service: Condition of and
Need for Employee Housing (GAO/RCED-93-192,
Sept. 30, 1993).

Wildlife Protection: Enforcement of Federal
Laws Could Be Strengthened (GAO/RCED-91-44,
Apr. 26, 1991).

Public Land Management: Attention to
Wildlife Is Limited (GAO/RCED-91-64, Mar. 7,
1991).

Rangeland Management: BLM Efforts to
Prevent Unauthorized Livestock Grazing
Need Strengthening (GAO/RCED-91-17, Dec. 7,
1990).

Public Lands: Limited Progress in Resource
Management Planning (GAO/RCED-90-225, Sept.
27, 1990).

Federal Land Management: Better Oil and
Gas Information Needed to Support Land
Use Decisions (GAO/RCED-90-71, June 27, 1990).

Endangered Species: Management Improvements Could Enhance Recovery Program (GAO/RCED-89-5, Dec. 21, 1988).

**Guidance,
Oversight, and
Accountability**

National Park Service: Efforts to Link Resources to Results Suggest Insights for Other Agencies (GAO/AIMD-98-113, Apr. 10, 1998).

Park Service: Managing for Results Could Strengthen Accountability (GAO/RCED-97-125, Apr. 10, 1997).

Department of the Interior: Observations on Performance Plan and Other Management Issues (GAO/T-RCED-98-173, Apr. 22, 1998).

Results Act: Observations on the Department of Interior's Draft Strategic Plan (GAO/RCED-98-207R, July 18, 1997).

Federal Land Management: Better Oil and Gas Information Needed to Support Land Use Decisions (GAO/RCED-90-71, June 27, 1990).

**Tribal and Indian
Programs**

Indian Programs: Tribal Priority Allocations Do Not Target the Neediest Tribes (GAO/RCED-98-181, July 17, 1998).

Related GAO Products

Financial Management: Recommendations on Indian Trust Fund Strategic Plan Proposals (GAO/AIMD-98-37, Nov. 26, 1997).

Financial Management: Indian Trust Fund Strategic Plan (GAO/T-AIMD-97-138, July 30, 1997).

Financial Management: BIA's Tribal Trust Fund Account Reconciliation Results (GAO/AIMD-96-63, May 3, 1996).

BLM's Records System

Land Management Systems: Actions Needed in Completing the Automated Land and Minerals Record System Development (GAO/AIMD-98-107, May 15, 1998).

Department of the Interior: Year 2000 Computing Crisis Presents Risk of Disruption to Key Operations (GAO/T-AIMD-98-149, Apr. 22, 1998).

Land Management Systems: Information on BLM's Automated Land and Minerals Record System Release 2 Project (GAO/AIMD-97-109R, June 6, 1997).

Land Management Systems: BLM Faces Risks in Completing the Automated Land and

Related GAO Products

Minerals Record System (GAO/AIMD-97-42, Mar. 19, 1997).

Land Management Systems: Progress and Risks in Developing BLM's Land and Minerals Record System (GAO/AIMD-95-180, Aug. 31, 1995).

Performance and Accountability Series

Major Management Challenges and Program Risks: A Governmentwide Perspective
(GAO/OCG-99-1)

Major Management Challenges and Program Risks: Department of Agriculture
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