

# DEPARTMENT OF THE INTERIOR

## **Since 2001, the Administration:**

- Provided \$2.8 billion over three years toward the President's funding commitment of \$4.9 billion over five years to address the national parks' maintenance backlog;
- Began a systematic review of all National Park facilities, roads, and trails that is now 96 percent complete, and started tracking improvements;
- Identified the "vital signs" in 125 national parks used to monitor ecosystem health;
- Funded 19 new Bureau of Indian Affairs replacement schools and 25 major facility improvement and school construction repair projects;
- Brokered important changes in Colorado River water allocation among users; and
- Increased funding for cooperative conservation programs to \$507 million, which is 43 percent above the 2001 level.

## **The President's Budget:**

- Continues commitments to:
  - fund \$900 million from the Land and Water Conservation Fund;
  - reduce the maintenance and construction backlog in national parks and at Bureau of Indian Affairs schools; and
  - complete the Natural Resource Challenge in national parks.
- Reforms the Abandoned Mine Land program and targets more funding to environmental clean-up projects in States where it is needed;
- Implements the President's Healthy Forests Initiative and provides a \$25 million increase in the Department's fuels treatment budget;
- Strengthens on-going Indian Trust reforms through reorganization and improved management systems, information security, and land consolidation;
- Establishes specific goals to improve priority National Park Service buildings to good condition by 2006;
- Proposes oil and gas exploration and, if discovered, development of resources in a small portion of the Arctic National Wildlife Refuge in an environmentally responsible manner; and
- Establishes a constructive framework for preventing future water use conflicts in the West.

### Department of the Interior

Gale A. Norton, Secretary

[www.doi.gov](http://www.doi.gov) 202-208-7351

**Number of Employees:** 71,436

**2005 Discretionary Budget Authority:** \$10.8 billion

**Key Components:** Eight bureaus—National Park Service; Bureau of Land Management; Fish and Wildlife Service; Bureau of Indian Affairs; Minerals Management Service; Office of Surface Mining; U.S. Geological Survey; and Bureau of Reclamation.

**Major Assets:** Manages over 500 million acres of land, 700 million acres of subsurface minerals, the Nation's Outer Continental Shelf, 388 national park units, 542 national wildlife refuges, 70 national fish hatcheries, and 406 hydroelectric power facilities and reservoirs.



Secretary Norton and President Bush hiking in the Santa Monica Mountains National Recreation Area.

## OVERVIEW

The Department of the Interior (DOI) manages about one-fifth of the land area of the United States and all of the Nation's Outer Continental Shelf. DOI protects much of the Nation's natural and cultural resources, and serves as the largest supplier and manager of water in the 17 western States. DOI is accountable for meeting many of the Government's trust responsibilities to Indian tribes and handling its relationships with U.S. affiliated island communities. The agency also generates and disseminates U.S. Earth science information and research findings to the public.

The President's Budget provides funding to operate national parks, refuges, public lands, and other facilities and assets. It also continues the transition to performance-based management in order to better protect and operate these facilities and assets. In addition to protecting resources for future generations, these expenditures help the economy by promoting tourism and outdoor recreation. The National Park Service estimates that its \$2 billion annual appropriations generate over \$10 billion annually in visitor spending in the communities around national parks.

The Budget increases resources for the Department to improve its performance in providing trust services. This includes providing for 165 newly established trust positions throughout Indian Country. It continues funding the five-year historical accounting plan, while substantially increasing funds to consolidate fractional interests in Indian lands, thereby allowing for economic development of these lands. Together these initiatives represent a concerted effort to improve the lives of Native Americans.

The Budget targets selected increases to allow programs to achieve their goals. For example, substantial increases for the Abandoned Mine Land Reclamation (AML) program are coupled with legislative reform proposals that will allow most of the AML grants to be spent in the States with

the greatest reclamation needs. This will significantly increase environmental clean-up, health and safety, and land reclamation.

DOI's activities largely fall within four broad mission components: Resource Protection, Recreation, Resource Use, and Serving Communities. These activities support the President's vision of protecting America's environment while also promoting the economic welfare of people across the country.

## RESOURCE PROTECTION

The Interior Department is responsible for protecting the cultural and natural resources of a large portion of the United States. These resources include the priceless beauty of such places as the Yosemite Valley and the Great Smoky Mountains. They include areas vital to wildlife such as the Everglades. They include invaluable artifacts and structures of historical significance such as the Statue of Liberty and Washington Monument. And, they include a vast area of federally owned land—over 500 million acres or about one-fifth of the land in the United States. The conservation and careful use of these precious resources protects them for current and future generations and sustains an array of opportunities for the public, including resource use and recreation. These activities contribute to the livelihood of those living in these areas and enhance the quality of life for the public.

Recognizing that conservation of such resources extends beyond Federal land, the Department also partners with State and local governments and individuals to promote cooperative conservation throughout the Nation. The President's 2005 Budget supports Interior's resource protection goals, including investments to sustain biological communities, preserve America's cultural and heritage resources, and improve the health of watersheds, landscapes and marine resources. Expected results include:

- Fish and Wildlife Service (FWS) programs will help prevent two additional species from becoming listed under the Endangered Species Act;
- The Bureau of Land Management (BLM) will restore 230,000 acres of public lands by treating areas infested with invasive weeds and remediating 66 abandoned hardrock mines; and
- The National Park Service (NPS) will identify in 200 national parks the "vital signs" that best show ecosystem health, as part of the ongoing Natural Resource Challenge.

### Gray Wolf—Species on the Rebound

Gray wolf populations are growing as a result of actions outlined in the Endangered Species Act Recovery plan. In fact, achieving recovery goals laid out in the plan resulted in the Fish and Wildlife Service moving these populations from the "endangered" category, or in danger of extinction, to the "threatened" category. The Service is working with States to remove the gray wolf from the Endangered Species Act list altogether in 2004 or 2005.

Nature knows no jurisdictional boundaries, so DOI can accomplish these and other results only by working with others. The following sections describe some of DOI's cooperative efforts with States, Tribes, local governments, private groups, and citizens.

### ***Land and Water Conservation Fund***

The President fulfills his \$900 million Land and Water Conservation Fund (LWCF) funding commitment by requesting this amount from the LWCF for a number of programs that promote cooperative conservation. Most of these programs are increased in the President's 2005 Budget. The LWCF State recreation grants program is held at last year's level, because a Program Assessment Rating Tool (PART) evaluation revealed that the program could not clearly measure or demonstrate performance.

When the LWCF was established in 1965, the goal was to "conserve, develop, and utilize outdoor recreation resources for the benefit and enjoyment of the American people." At that time, the focus was on Federal acquisition and management of lands. This Administration recognizes that a partnership-based approach is key to improving the health of lands and watersheds and can complement Federal land acquisitions. Conservation easements, for example, can protect wildlife habitat and safeguard natural resources while allowing private landowners to use their lands. As Federal agencies try to better manage these resources, maintaining and restoring public lands in partnership with States, Tribes, local communities, and private citizens allows others to be good stewards of the current land inventory and increases the oversight and protection of those lands and waters.

### ***Cooperative Conservation Initiative: Enlisting Individuals to Care for the Land***

DOI's Cooperative Conservation Initiative (CCI) consists of various volunteer, partnership, and challenge-cost-share programs in FWS, BLM, and NPS. The CCI allocates \$129 million in matching funds for resource conservation projects, but more importantly, it encourages citizens to take responsibility for care of the land. Projects range from FWS joint ventures on waterfowl habitat protection and NPS grants in support of the Lewis and Clark Bicentennial, to BLM coordination with volunteers to manage rangeland. All of the CCI efforts have a common goal—engage citizens in restoring natural resources and taking pride in America.

### ***Endangered Species and Wildlife: Partnering for Conservation***

The Department plays a leading role in the Federal Government's effort to conserve fish and wildlife. The Department's actions conserve species listed under the Endangered Species Act (ESA) and protect a wide range of other species.

Many of these actions occur through cooperative efforts with States and private landowners. The President's 2005 Budget provides \$129 million for the FWS endangered species program and \$892 million in grants and payments to help protect and manage plants and animals and their habitats. These funding levels include a 42-percent increase to address listing, including litigation-driven critical habitat designations, as well as a 44-percent increase for the North American Wetlands Conservation Fund. The 2005 President's Budget will help prevent two species from becoming listed under the ESA and maintain or improve the status of



"We'll take it from here." Grizzly Bear populations are increasing in the lower 48 States thanks to cooperative habitat protection.

roughly 385 listed species. The Budget will support achieving the target of recovering two species so that they may be removed from the ESA list—possibly the Virginia round-leaf birch and the gulf coast population of the brown pelican.

### ***Healthy Forests Initiative: Protecting Our Forests and Woodlands***

In August 2002, President Bush announced the Healthy Forests Initiative, a joint effort of DOI and the Department of Agriculture to reduce the threat of catastrophic wildfire and improve the health of our Nation's forests and rangelands, by expanding local collaboration and reducing unnecessary delays in forest health projects. In just over one year, the Administration completed its promised administrative steps and worked with a bipartisan coalition of Members of Congress to pass two new laws to help the agencies better protect communities and forests. The initiative culminated in the passage of the Healthy Forests Restoration Act, which President Bush signed into law on December 3, 2003.

While the Healthy Forests Initiative focuses on management improvements and making better use of existing resources, the Budget also supports the initiative by providing an additional \$25 million for DOI fire fuels reduction projects in 2005. (For more detail on this initiative, see the Department of Agriculture chapter.)

### ***Abandoned Mine Land Restoration***

The Congress passed the 1977 Surface Mining Control and Reclamation Act (SMCRA) to reclaim abandoned coal mine lands. The AML program uses coal fees to finance the reclamation. Authorization for the fee will expire in September 2004. Although the program has accomplished much, there remains more than \$3 billion in unfinished health and safety work to reclaim sites potentially affecting more than 3.5 million Americans who live less than one mile from the hazards created by abandoned coal mines.

A 2004 PART evaluation found that although the program is well managed and coordinated with coal mining States, the program's underlying authority hinders the rapid clean-up of abandoned coal mine lands and resulting water quality degradation. Because of SMCRA's funding allocation formula, some States and Tribes have completed reclamation on all their abandoned coal mine sites or are working on low priority sites, while others are still decades away from completing reclamation of the most critical high-priority sites.

To protect lives and improve public safety, the Administration is proposing to reduce and extend the coal fee and to modify SMCRA to direct dollars toward the most serious problems. The accompanying table compares average program accomplishments under current authority and the Administration's proposal. Under the proposal, certified States and Tribes will not receive any allocations from the extended coal fee, but over 10 years they will be repaid their share of existing AML fund balances. In addition to developing the proposal to reform the AML, the Administration will work to address the financial viability of the Combined Benefit Fund for retired coal mine workers.

### AML Goals and Accomplishments

	Current Program	Proposal
Acres reclaimed annually .....	6,900	8,200
People removed from risk annually .....	76,000	140,000
Years to eliminate health and safety problems .....	47	25
Corrects SMCRA allocation problem .....	No	Yes

### *Conservation Tax Credit*

The President's Budget includes a cost-effective, market-based incentive for conservation. Private landowners who voluntarily sell land or water to a government agency or qualified organization for conservation purposes are eligible for a 50 percent capital gains tax exclusion. This proposal applies to conservation easements and similar sales of partial interests in land for conservation purposes, such as development rights and agricultural conservation easements. The Administration is committed to ensuring that taxpayers who qualify for the tax incentive are actively enhancing conservation efforts.

## RECREATION

Outdoor recreation contributes to our quality of life and offers physical activity crucial for our health and well-being. The Department of Health and Human Services' objectives for better health include increasing the proportion of adults who engage regularly in moderate physical activity for at least 30 minutes a day. There may be no better way to do this than by hiking in a national park, biking on public lands, hunting in a national refuge, water skiing on a recreational lake, or just taking a walk to a nearby historic site.

The Interior Department is working to make Federal lands more accessible for outdoor recreation. Along with other State and Federal agencies, it has built a user-friendly website ([www.recreation.gov](http://www.recreation.gov)) to provide a single point of access for information on camping, hiking, and other activities. The Federal agencies are also consolidating their reservation systems to provide "one-stop shopping." Through these and other efforts, Interior can make national parks, refuges, and other DOI lands more accessible for an increasingly diverse public.

Another way to improve services is to reinvest recreation fee receipts back into the sites that collect them. Since 1996, the Recreation Fee Demonstration Program has provided over \$1 billion for the Departments of the Interior and Agriculture to invest in better trails, campgrounds, and facilities. Grand Canyon National Park, for example, has constructed or restored picnic areas, backcountry trails, water and wastewater systems, and relocated maintenance facilities away from the core visitor area along the South Rim. Surveys show that the public overwhelmingly supports paying a modest recreation fee when they can see better services in return. The Administration urges the Congress to provide permanent recreation fee authority, so that agencies can use fee receipts to improve services.

Over 90 percent of visitors to DOI sites rate their experience as good or very good. Interior will continue this level of service by investing wisely to maintain an aging infrastructure. DOI bureaus are working to measure changes in facility conditions, but none has done more in this area than the National Park Service.

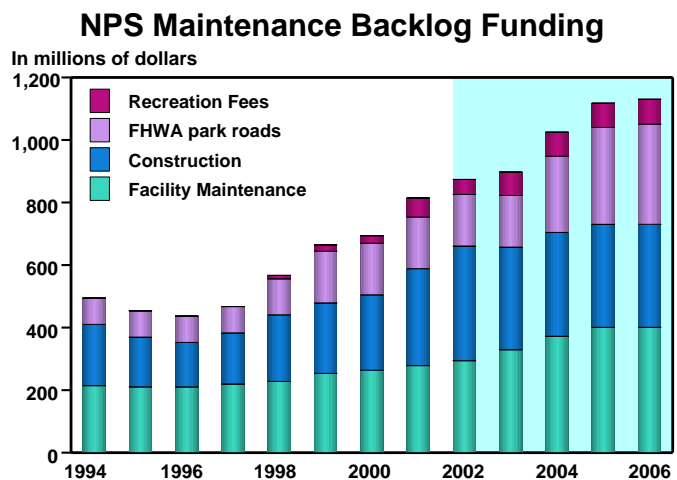


**National Park Service Maintenance Backlog**

*I tasked [the National Park Service] with the idea of setting up a national database that will track maintenance needs on an asset-by-asset basis .... And then when you get an assessment of what is needed, we can set priorities. And when you set priorities, it is more likely that the \$5 billion will be spent wisely on behalf of the American people to maintain their park system.*

President George W. Bush  
 Santa Monica Mountains National Recreation Area  
 August 2003

This Budget keeps the Administration on track to meet the President’s commitment to provide \$4.9 billion over five years for park facility maintenance and construction. As the accompanying chart shows, the proposed annual funding level is now double the level in the first years of the last Administration. When this funding commitment was made in 2000, the best information available to NPS indicated that it should be sufficient to eliminate the deferred maintenance backlog. Since then, NPS has conducted—for the first time ever—a thorough assessment of facility conditions. These assessments show that, despite the success in meeting the funding commitment, more work will be needed to bring park facilities up to an acceptable condition.



Source: Department of the Interior.



Volunteers dig national parks. President Bush lends a hand in repairing the Old Boney Trail in the Santa Monica Mountains National Recreation Area.

NPS now has a maintenance management system to set results-oriented goals using a Facility Condition Index (FCI) as a performance measure. Unlike earlier NPS backlog estimates, these measures are reliable, reproducible, and based on actual conditions. NPS now has a performance-based system to track improvements in national parks. With this system, the Administration intends to:

- Improve priority buildings in national parks to good condition (as measured by the FCI average) with the funds expected through 2006; and
- Improve other assets in national parks to acceptable condition (as measured by the FCI average) with the funds expected through 2009.

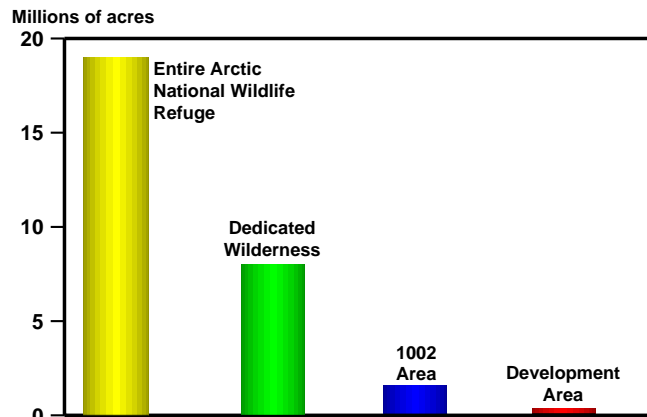
## RESOURCE USE

Public lands and offshore areas contain abundant natural resources, such as oil, natural gas, coal, other minerals, water, timber, and grasslands. DOI manages these areas to enhance public benefit, promote responsible use, and ensure that American taxpayers receive fair value for the use of their national resources.

### *Oil and Natural Gas*

The Administration continues to promote dependable, affordable energy while maintaining environmental protections. Federally managed lands and offshore areas supply about one-third of domestic oil and gas production. Currently, the United States uses about 20 million barrels of oil daily, approximately half of which is imported. Almost all of the natural gas used in the United States is domestically produced. However, because of growing demand and restrictions on developing public lands, such as the Outer Continental Shelf moratorium on new oil and gas leasing areas, the United States will have to import more natural gas in the future.

**Oil and Gas Development Area in ANWR**



To reduce the Nation's reliance on oil and natural gas imports, DOI is implementing the National Energy Policy by working with the Congress to authorize exploration and, if resources are discovered, environmentally responsible development of the most promising oil and natural gas reserve areas within a small portion of the Arctic National Wildlife Refuge (ANWR). DOI estimates that recoverable oil from ANWR, commonly referred to as the "1002 Area," is between 5.7 billion and 16 billion barrels of oil, and the development area would affect about one-tenth of one percent of the 1002 land area as the accompanying chart depicts. (For presentation purposes, the Development Area is shown oversized.)

To advance the goals of the National Energy Policy, the President's 2005 Budget also includes funding to enable Interior agencies to respond to the growing national need for increased access to other non-renewable energy resources, with particular emphasis on coalbed natural gas.

### *Renewable Resources*

The President's 2005 Budget includes \$1.7 million to facilitate the development of renewable energy resources such as geothermal and wind power on public lands. This will enable BLM to administer 30 wind energy rights-of-way and 75 geothermal leases, and conduct additional feasibility and environmental studies needed for wind energy applications. These efforts are yielding tangible results. Geothermal power production from BLM lands has increased 17 percent from 2001 to 2003.

For over a decade, wind energy has been the fastest growing energy technology worldwide, achieving an annual growth rate of over 30 percent. Wind energy currently accounts for six percent of renewable electricity generation. In the United States, an estimated 1,300 MW of new wind projects were installed in 2003, bringing total U.S. installed capacity to approximately 4,700 MW, of which roughly 500 MW is located on BLM lands. In addition, developers are evaluating the potential for offshore wind energy production on the Nation's Outer Continental Shelf.



## ***Coal***

Coal is the most abundant fuel source in the United States and is expected to remain the dominant fuel in meeting electricity demand through 2025 and beyond. DOI plays a key role in domestic coal production. In 2003, coal mined on lands controlled by BLM accounted for about 40 percent of domestic coal production. Since the demand for coal is projected to continue to rise, BLM will continue to provide appropriate access for development, and will work to reduce the cycle times of operating plan reviews and permitting processes while ensuring adequate environmental protection.

## ***Rural Water***

Communities in many rural areas of the country either have inadequate water supplies, or have serious water quality problems. Domestic water is primarily a State and local responsibility, yet 11 Federal programs help rural communities with their water supplies.

The President's 2005 Budget requests \$67.5 million for the Bureau of Reclamation's (Reclamation) rural water projects, which provide municipal, residential, and industrial water supplies to mostly rural communities in the western States. The Administration is convening an interagency working group this winter to study areas of overlap among the 11 different Federal programs that address rural water infrastructure needs, looking for potential efficiencies that can be gained from streamlining and consolidating program operations in order to improve service in these communities. Recommendations from this review will be incorporated into the President's 2006 Budget. Concurrently, the Administration will coordinate a cross-cutting PART effort on rural water to facilitate program comparisons. In the interim, the Administration is submitting legislation that will formally establish a Reclamation rural water program, addressing many of the flaws identified in the 2004 PART evaluation of these projects.



There are 10 more like it. Eleven different Federal programs help rural communities build water infrastructure.

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## ***Water 2025: Preventing Crises and Conflicts in the West***

The Water 2025 initiative proposed in the President's 2005 Budget builds on the foundation laid by the Western Water Initiative in the 2004 Budget. It expands opportunities to better focus existing resources on preventing conflicts between water users, and to develop and employ tools to better conserve and more efficiently use this scarce resource. As the western population grows, Reclamation will work with State and local water users to establish a framework and process for identifying potential areas of conflict, and specific actions to facilitate cooperation.

Water 2025 will better anticipate potential water conflicts, help to stretch or increase water supplies, and provide added environmental benefits to many watersheds. This collaborative effort will minimize water crises in critical watersheds by improving the environment and addressing the effects of water shortages in high-risk areas, and provide a balanced, practical approach to water management for the next century. By planning and making up-front investments to improve water management, Water 2025 should help avoid expensive and disruptive crisis management of water conflicts,

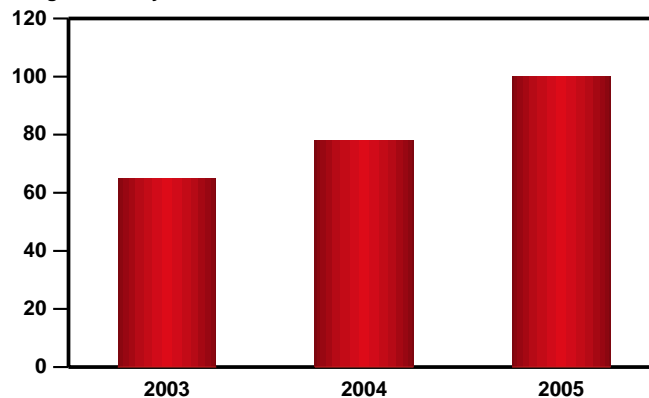
such as experienced recently in the Klamath Basin of Oregon and California, and the Middle Rio Grande of New Mexico. More information on Water 2025 is available at [www.doi.gov/water2025](http://www.doi.gov/water2025).

### **Klamath River Basin: Water 2025 Will Address the Need for Long-Term Planning to Avoid Similar Conflicts**

Water 2025 will utilize Secretary Norton's Four C's (Consultation, Cooperation, and Communication, all in the service of Conservation), to proactively address looming water conflicts in the West, not just in drought years, but in all years. Reclamation's Klamath Project in Oregon has in recent years been at the center of a conflict over competing water needs for farmers, tribal governments, commercial fisheries, endangered species, and national wildlife refuges. The President's 2005 Budget requests more than \$100 million across nine agencies to help find a sustainable balance between the many competing needs, while continuing to meet its commitments to World War I and World War II veterans, who were enticed to settle the Klamath Basin with the promise of irrigation water. The work in the Klamath is an example of the Administration's commitment to address these issues. Water 2025 will help to identify similar problems and avoid conflict in critical areas across the West.

### **Federal Funding for Klamath River Basin**

Budget authority in millions of dollars



Source: Department of the Interior.

## **SERVING COMMUNITIES**

DOI is responsible for fulfilling the Federal Government's trust responsibilities to Native Americans and promoting self-governance and self-determination on behalf of tribal governments. In addition, DOI provides scientific knowledge, information, and tools to inform decision-making and community-based programs.

### ***Carrying Out Indian Trust Responsibilities***

The Indian Land Consolidation Program encourages the use of consolidated lands for economic and social development by the Tribes and reduces Federal trust management expenses by purchasing small ownership interests. Over 10 million acres of Indian trust lands are split (fractionated) into millions of ownership interests distributed among 400,000 individuals. A large number of these ownership interests represent only two percent or less of an allotted tract and, as ownership interests are handed down to children and other heirs, fractionation of the ownership interests continues to expand exponentially.

The accompanying table shows an example of the results of fractionation on an actual tract of land. Two-thirds of the owners of this tract receive less than \$1.00 annually. Nonetheless, DOI has a responsibility to manage every account and associated real property no matter how small the amount.

### Example of the Effect of Fractionation

(Tract No. 1305—40 acres)

	1987	2003
Number of Owners.....	439	505
Annual Income .....	\$1,080	\$2,000
Value of Land.....	\$8,000	\$22,000
Largest Accountholder Annual Income .....	\$83	\$153
Smallest Accountholder Annual Income.....	$\$0.3 \times 10^{-9}$	$\$0.9 \times 10^{-11}$
Annual Federal Cost to Administer .....	\$17,560	\$42,800

Since 1999, a pilot land consolidation program has acquired 63,869 ownership interests representing 37,750 acres. During this same period, however, the number of ownership interests has grown even larger and will continue to grow and cost more money to administer unless an aggressive approach to reducing fractionation is taken.

The President's Budget funds the program at \$75 million, a significant increase over the \$9 million 2001 level, as a major step toward addressing the problem. Funding alone, however, is not the answer. The Administration is working with the Congress to pass legislation to address other important areas such as unclaimed property and expedited, less cumbersome probate. This effort to address land fractionation in Indian Country and turn the land into a useful commodity will help restore full economic viability to trust lands.

### *Conducting Historical Accounting*

The 2005 Budget provides a total of \$109 million—this amount may be revised as legal issues pending before the courts are resolved—to continue a historical accounting of approximately 260,000 Individual Indian Money (IIM) accounts and 1,400 tribal accounts, a high priority for the Department. At the end of the historical accounting process, the Department intends to be in the position to provide each individual beneficiary with a statement with sufficient information to determine whether Interior has faithfully carried out its fiduciary responsibilities. The historical accounting reconciliation separates the IIM accounts into three distinct types: 42,200 Judgment and Per Capita accounts; 200,000 Land-Based accounts; and 21,500 Special Deposit accounts. The Office of Historical Accounting was established in 2001 to handle the task, and as of October 2003, nearly 18,000 Judgment and Per Capita accounts and 3,500 Special Deposit Accounts have been fully reconciled. As of mid-December 2003, a pilot project in Alaska has completed imaging more than 1.4 million pages and coded more than 22,500 IIM documents to assist in the retrieval of records for the historical accounting.

### ***Enhancing Native American Educational Opportunities***

Top quality education for Native Americans remains a high priority for the Administration. Education is the cornerstone of a viable and prosperous future for tribal governments and Native Americans. The vast majority of Native American children attend local public schools. However, the Bureau of Indian Affairs (BIA) administers an elementary and secondary education system, and is working in partnership with tribal representatives to fully implement the No Child Left Behind Act with the goals of increased accountability and student achievement. The BIA also supports two universities and 27 tribally controlled community colleges.

BIA operates, either directly or through tribal contracts and grants, 170 K–12 schools serving approximately 46,000 instructional students and 13 dormitories serving 2,000 resident-only boarders, or approximately seven percent of all Native American children. Since 2001, the Administration has made a substantial investment to provide students and teachers in BIA schools with a safe physical environment in which to learn and grow. Nineteen new BIA schools, along with 25 major improvement and repair projects have been funded to sustain President Bush's Indian school construction funding commitment.

The President's Budget provides funding for five additional replacement schools, as well as several major improvement projects to support this effort. As a result of a 2004 PART, the BIA established a goal to reduce its September 2001 overall FCI assessment of 0.266 (rated poor) to less than 0.100 (rated fair or good) by September 2007. School construction funding for the past three years will result in an overall FCI of 0.124 with 56 percent of the schools having an FCI of 0.100 or less.

### ***Informing Decision-Making Through Scientific Information and Knowledge***

The U.S. Geological Survey (USGS) makes natural science information easier to access, integrate, and apply for management of the Nation's biological, water, geographical and geological resources. To fulfill this mission, USGS will work with the Federal Geographic Data Committee and the Geospatial



Ring the bell. The new state-of-the-art Baca-Dlo'ay Azhi School in Prewitt, New Mexico opened for the 2003–2004 school year.

The Baca-Dlo'ay Azhi School was opened to nearly 400 K–6 students at the start of the 2003–2004 school year. The 80,000 square foot state-of-the-art facility recently dedicated by Secretary Norton replaced two deteriorated BIA schools with a modern structure incorporating the latest in 21st Century computer technology and environmentally sustainable design features. The opening marked a major accomplishment in the effort to replace or improve all of BIA's aging schools with modern structures that are safe, comfortable, ecologically friendly and equipped with the most modern technology.

One-Stop E-Gov initiative to fund \$7 million for 43 partnerships with State and local governments to maintain high-resolution imagery for urban planning, infrastructure maintenance, and emergency response. Biological and water resource scientists will integrate their knowledge in the Klamath river basin to provide critical information about water quality and quantity and fish ecology that is necessary for management of the basin. As a result of the 2005 PART findings, Geologic Hazard scientists will work with Federal partners to measure the effectiveness of national efforts to decrease the loss of life and property due to earthquake, volcano, and landslide hazards.

## PERFORMANCE EVALUATION OF SELECT PROGRAMS











The Budget continues to focus on improving program performance. Twelve Department of the Interior programs were assessed for 2005 using the Program Assessment Rating Tool (PART), which evaluated the programs' design and purpose, strategic planning efforts, how well they are managed, and whether they are generating positive results for taxpayers. Below are some of the highlights and recommendations from the PART evaluations. For further details on Interior's performance assessments, see the White House budget website at [www.whitehouse.gov/omb/budget/](http://www.whitehouse.gov/omb/budget/).

Program	Rating	Explanation	Recommendation
National Park Service Facility Management (NPS)	Adequate	Program has assessed the condition of 96 percent of assets, built a maintenance management system to track changes in conditions; and set performance targets using a Facility Condition Index (FCI).	Verify initial assessments, validate FCI targets, and confirm priorities using an Asset Priority Index (API); and use FCI and API to make budgetary decisions.
Energy and Minerals Management (BLM)	Adequate	Program has a clear purpose, but lacks good long-term performance goals and does not properly charge users for identifiable costs.	Revise BLM's regulations to increase cost recovery; develop baseline data and targets for newly developed performance measures; and identify additional efficiency measures.
Indian Forestry Program (BIA)	Adequate	The program has a clear purpose to ensure the sustainability of Indian forests. However, only 40 percent of the 275-forested reservations have plans to guide forest management practices.	Provide for additional forest management plans; develop long-term measures; and develop baseline data and targets to measure performance.

Program	Rating	Explanation	Recommendation
Land and Water Conservation Fund—State Grants	Results Not Demonstrated	The State grants portion of the program has a clear purpose, but an inadequate process for measuring performance and accomplishments.	Coordinate with State partners to identify appropriate performance measures; establish baselines and set targets for performance measures; and establish a process for independent program evaluations.
Regulation of Surface Coal Mining Activities (OSM)	Results Not Demonstrated	Program has a clear purpose, but lacks adequate strategic planning outcomes and annual performance measures to guide the future management and improvement of the program.	Collaborate with the regulated States and Indian Tribes to review performance and agree on appropriate program performance measures and data collection and reporting; develop baseline data and targets; and establish a process for independent program evaluations.

### UPDATE ON THE PRESIDENT’S MANAGEMENT AGENDA

The table below provides an update on Interior’s implementation of the President’s Management Agenda as of December 31, 2003.

	Human Capital	Competitive Sourcing	Financial Performance	E-Government	Budget and Performance Integration
<b>Status</b>					
<b>Progress</b>					

The Department of the Interior is devoting notable management attention to the implementation of the President’s Management Agenda, but work remains for this decentralized agency. DOI financial performance has improved, although challenges remain in Indian Trust reform. Interior received an unqualified audit opinion this year and reduced from 34 to 12 the number of outstanding material weaknesses. DOI has drafted a human capital workforce plan, but has been delayed in implementing a Department-wide strategic approach to managing diversity.

Interior remains a leader in competitive sourcing, with analysis completed on 85 percent of the 3,000 FTEs identified in the approved competition plan. The Department has strengthened its Information Technology portfolio management through its new capital planning and investment control process. It has also promoted “one-stop shopping” for recreational services by working with other agencies on an integrated campground reservation system and a consolidated website, [www.recreation.gov](http://www.recreation.gov). To support budget and performance integration, activity-based costing has been introduced throughout the Department. DOI has also created for the first time a single Department-wide strategic plan.



**DEPARTMENT OF THE INTERIOR**

(In millions of dollars)

	Actual		Estimate	
	2001	2003	2004	2005
<b>Spending</b>				
Discretionary Budget Authority:				
Bureau of Land Management .....	1,851	1,837	1,645	1,737
Minerals Management Service .....	139	176	170	179
Office of Surface Mining				
Existing law .....	316	329	296	300
Legislative proposal .....				53
Bureau of Reclamation/Central Utah Project .....	811	910	943	926
U.S. Geological Survey .....	884	919	938	920
Fish and Wildlife Service .....	1,313	1,263	1,324	1,326
National Park Service .....	2,289	2,272	2,331	2,361
Bureau of Indian Affairs .....	2,146	2,254	2,341	2,254
Office of the Special Trustee .....	119	148	209	323
All other .....	397	437	446	471
Total, Discretionary budget authority .....	10,265	10,545	10,643	10,850
Total, Discretionary outlays .....	8,977	10,820	10,680	11,088
Total, Mandatory outlays .....	-1,826	-2,860	-1,678	-2,205
Total, Outlays .....	7,151	7,960	9,002	8,883
<b>Credit activity</b>				
Direct Loan Disbursements:				
American Samoa direct loan .....	13	4	1	1
Bureau of Reclamation direct loans .....	25	9	—	—
Total, Direct loan disbursements .....	38	13	1	1
Guaranteed Loan Commitments:				
Indian guaranteed loan program .....	52	56	66	67
Total, Guaranteed loan commitments .....	52	56	66	67