

**OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT
ANNUAL PERFORMANCE PLAN**

January 30, 1999

Fiscal Year 2000 Annual Performance Plan

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Section I. Introduction and Overview

I.1 Introduction

The Office of Surface Mining Reclamation and Enforcement (OSM) was established by the Surface Mining Control and Reclamation Act of 1977 (SMCRA), Public Law 95-87, August 3, 1977.

OSM's mandates are carried out primarily through grants and cooperative agreements with States and Tribes that implement regulatory and reclamation programs according to the standards in the SMCRA and its implementing regulations. SMCRA and OSM established a unified level of environmental performance standards for the coal industry. Coalfield citizens were provided the same rights as residents of other rural communities: safe lives, clean water and secure lands for homes, pastures, farms and recreation.

Currently, 24 States have "primacy," or approved State regulatory programs. Each State program includes key elements such as: permitting and bonding requirements, on-the-ground performance standards which mining operations must meet, mine inspection and enforcement requirements and procedures for designating lands as unsuitable for mining. In primacy States, OSM's mission is one of oversight, backup enforcement and providing programmatic and technical assistance to the States.

In the absence of a State or Tribal program, or a cooperative agreement with a State to regulate mining on Federal lands, OSM serves as the regulatory authority. For FY 2000, OSM will continue to implement Federal programs for Tennessee and Washington. OSM will also continue to regulate some of the largest mines in the country on Indian lands located in Arizona and New Mexico.

SMCRA provides the means for restoring abandoned coal mines through establishment of the Abandoned Mine Reclamation Fund which derives its monies from the collection of a tonnage-based reclamation fee assessed on current coal production. Each year, Congress appropriates monies from the Fund which are used primarily by 23 Abandoned Mine Land (AML) program States and three Indian programs for on-the-ground reclamation projects. These projects remove safety hazards, eliminate highwalls and treat or eliminate causes of water and air pollution. Monies are used to fund Federal and State AML emergency programs aimed at addressing unanticipated occurrences; such as: subsidence and landslides and the damage these events cause to human life and property. OSM conducts similar activities in non-program States and on Federal and other Indian lands. For States and Indian Tribes having approved AML programs, OSM conducts oversight activities and provides programmatic and technical assistance to the States and Tribes.

OSM is field-oriented, with three regional coordinating centers, ten field offices, six area offices and headquarters in Washington, D.C. OSM oversees 24 state programs and administers 12 federal programs, AML emergency programs, the AML fee compliance program and the Indian lands program.

OSM's Annual Performance Plan describes the major initiatives and anticipated accomplishments for Fiscal Year 2000. All of the projects described on the following pages are a part of the Agency's Performance Plan. They facilitate implementation of our "Mission and Vision" statements, our Director's Performance Agreement and satisfy the strategic goals of the Agency.

1.2 Mission Statement

OSM's mission is to carry out the requirements of the Surface Mining Control and Reclamation Act in cooperation with States and Tribes. Our primary objectives are to:

- ensure that coal mines are operated in a manner that protects citizens and the environment during mining,
- assure that the land is restored to beneficial use following mining and
- mitigate the effects of past mining by aggressively pursuing reclamation of abandoned coal mines.

1.3 Relationship to Departmental Goals

This performance plan is OSM's annual effort to satisfy, on a continuing basis, its comprehensive strategic plan. The plan consists of two goal categories and four mission goals, associated with accomplishing the mission of the Office and supporting the Department of the Interior's goal to

"Protect the Environment and Preserve Our Nation's Natural and Cultural Resources." The two goal categories are: Program Goals, those goals that reflect the mission and statutory mandates of SMCRA and directly relate to protecting and restoring the environment as a result of surface coal mining and Management Goals, those that are necessary to improve its operations in order to accomplish and support the program goals and the organization.

1.4 Linkage to Strategic Plans and Budget

There is a direct link between OSM's annual performance goals to the strategic plan and budget. OSM developed its mission statement and mission goals from which long-term goals and business lines were created to carry out the mission. The annual performance goals are the yearly implementation of the long-term goals.

OSM developed core business lines to achieve each of its goals. They are: (1) Environmental Restoration; (2) Environmental Protection; (3) Technology Development and Transfer; and

(4) Financial Management. An additional business line is used for budgetary purposes. It is (5) Executive Direction and Administration.

OSM then developed a new budget structure. The new structure, which is based on the business lines, reflects the way OSM does business in carrying out its mission and meeting its goals. This structure links budgetary resource requests to OSM's core business lines and supporting program activities. This allows OSM to communicate its resource requests in a way that the public can understand and still meet Congressional requirements. OSM submits its budget requests based on the business line structure and Congress appropriates funds in that manner. OSM then allocates funds internally for its operating budget within each business line.

1.5 Additional Annual Performance Plan Requirements

1.5.1 Customer Service Standards

One of OSM's strategic mission goals is to provide better service to its customers, partners and stakeholders by strengthening the capabilities of States, Tribes and OSM staff to enforce the Surface Mining Control and Reclamation Act effectively. This in turn, supports the mission outcomes of the Office. Better decision making information and skills will be provided by improving service through open communications, technical training opportunities, technical assistance and the transfer of technology

OSM's annual performance goals for FY 2000 reflect the commitment to provide better service. They are:

- OSM will maintain an 89% customer satisfaction rate in the quality of our technical training.
- OSM will maintain an 86% customer service rate for technical assistance activities.
- OSM will attain an 87% customer satisfaction rate for technical training/assistance of the Technical Information Processing System (TIPS).

- OSM will maintain an 86% customer satisfaction rate for our technical transfer activities.
- OSM will attain an 86% customer satisfaction rate in the quality and timeliness of Applicant Violator System provided services.
- OSM will maintain a 95% customer service rate in the accuracy, timeliness and overall satisfaction of grants financial management.

1.5.2 Use of Non-federal Parties in Preparing this Annual Plan

The staff and management of OSM prepared this plan in conformance with Section 220.7 of OMB Circular A-11 and without any input from non-Federal parties.

1.5.3 Crosscut Issues

OSM participates, along with a number of other natural resources agencies, in the Natural Resource Performance Management Forum (Forum). The Forum was established in 1995 to discuss strategic goals and to coordinate agency planning activities. The Forum includes almost all of the Federal natural resource agencies including: Bureau of Land Management, Fish and Wildlife Service, National Park Service, Bureau of Reclamation, Minerals Management Service, U.S. Geological Survey, Forest Service, Natural Resources Conservation Service, Department of Energy, National Oceanic and Atmospheric Administration, Environmental Protection Agency, Tennessee Valley Authority, Department of Defense, Army Corps of Engineers and Office of Management and Budget. OSM's contribution to this is its Appalachian Cleans Streams Initiative, which leverages OSM appropriated funds and outside funds for the clean-up of acid mine drainage pollution.

1.5.4 Management Issues

In 1998, the Department of the Interior's Inspector General identified ten major management issues in the Department. The only issue related to OSM concerns revenue collection. In September 1997, the Inspector General issued a report, "Fee Compliance Program, OSM Reclamation and Enforcement" (No. 97-1-1303). The Inspector General found that OSM generally conducted its Fee Compliance Program, which collects and audits Abandoned Mine Reclamation Fund fees, in an efficient and effective manner in accordance with authorizing legislation and regulations. However, OSM could improve the efficiency of the fee collection process by requiring for coal mine operators to transmit fee reporting data electronically.

Status of Recommendation: OSM has sent a letter to the Office of the Solicitor seeking a legal opinion on the Surface Mining Control and Reclamation Act's "notary requirement" regarding allowability and feasibility of requiring coal operators to electronically transmit completed OSM-1 forms to OSM.

In March 1996, the Inspector General issued a report, "Division of Debt Management, OSM Reclamation and Enforcement" (No. 96-I-639). The Inspector General found that although OSM's Debt Management Division and the Department's Office of the Solicitor had made significant progress in streamlining operations and reducing the backlog of debt cases, certain improvements could further reduce debt collection costs, ensure compliance with laws and

regulations governing the debt collection function and result in more accurate data on delinquent debt. The report recommended that OSM take actions to reduce administrative costs, to ensure compliance with Federal debt collection requirements and to more accurately record and report debt. The report also recommended that the Solicitor initiate action to transfer some administrative tasks related to debt processing to OSM.

Status of Recommendations: OSM reduced staff to the level recommended in the report, thus achieving an estimated \$820,000 in cost savings. OSM has completed all actions on the recommendations.

1.5.5 Adjustments to the Strategic Plan

This Annual Performance Plan reflects a refocusing of OSM's mission goals in its Strategic Plan which have been restated to have a more strategic outlook of what OSM wants to do.

<i>NEWLY REFOCUSED GOALS</i>	<i>PREVIOUS GOALS</i>
<p><i>MISSION GOAL #1 - BETTER AML</i></p> <p><i>Repair, reclaim and restore as much land and water as possible that was degraded by past mining - in order to provide America with cleaner and safer land and water and to provide employment and economic opportunities in depressed coal regions.</i></p>	<p><i>In cooperation with the States and Tribes, we will aggressively pursue the reclamation of Abandoned Mine Lands (AML).</i></p>
<p><i>MISSION GOAL #2 - BETTER PROTECTION</i></p> <p><i>Improve OSM's regulatory program for protecting the environment, people and property during current mining operations and subsequent reclamation through cooperative results-oriented oversight and evaluation of State programs and in carrying out OSM's regulatory responsibilities - in order to safeguard people and the environment.</i></p>	<p>In cooperation with the States and Tribes, we will prevent environmental problems in the coal fields.</p>
<p><i>MISSION GOAL #3 - BETTER SERVICE</i></p> <p><i>Strengthen the capabilities of States, Tribes and OSM staff to enforce the Surface Mining Control and Reclamation Act effectively by improving service to OSM customers, partners and stakeholders, through open communications, technical training opportunities, technical assistance and the transfer of technology - in order to have better information and skills to make decisions</i></p>	<p>We will strengthen the capabilities of States, Tribes and OSM staff to enforce the Surface Mining Control and Reclamation Act effectively through quality technical and scientific information, expertise and training.</p>
<p><i>MISSION GOAL #4 BETTER OPERATIONS</i></p> <p><i>Improve OSM's operations through a more effective and efficient management of human and fiscal resources and the ability to make science based decisions - in order to protect the environment, people and property, during and after mining.</i></p>	<p>We will maintain the financial integrity of the Surface Mining Control and Reclamation Act appropriations and the AML Fund by properly and promptly accounting for grant funds and all revenues collected; maximizing voluntary compliance with AML reclamation fee</p>

provisions; providing grant financial services and accounting to the States and Tribes; and maximizing collections through fair and consistent policies and procedures.

1.5.6 Capital Assets/Capital Programming

OSM has no capital assets and therefore there is no need for any capital programming in FY 2000.

1.5.7 Waivers for Managerial Accountability and Flexibility

This Plan requests no waivers of administrative requirements to provide managerial accountability and flexibility.

Section II. Mission-Related Goals

II.1 Mission Goal #1: Better AML

II.1.1 Description of GPRA Program Activity

Business Line/Program Activity: Environmental Restoration

MISSION GOAL

BETTER AML

Repair, reclaim and restore as much land and water as possible that was degraded by past mining - in order to provide America with cleaner and safer land and water resulting in employment and economic opportunities in depressed coal regions.

		FY 1999	Uncontrollable	Program	FY 2000	Difference from FY99
		Enacted	Costs	Change	Request	
Regulation & Technology *	\$\$\$	419	6	0	425	6
	FTE	2	0	0	2	0
Abandoned Mine Land	\$\$\$	170,140	329	25,000	195,469	25,329
	FTE	110	0	0	110	0
TOTAL	\$\$\$	170,559	335	25,000	195,894	25,335
	FTE	112	0	0	112	0

* Civil Penalty Collections (\$275,000) are included in total with no change estimated in FY 2000.

This goal will be achieved through OSM's Environmental Restoration business line. The Environmental Restoration business line involves all functions that contribute to reclaiming lands affected by past coal mining practices. It provides for the use of Abandoned Mine

Reclamation (AML) funds to protect public health, safety and general welfare from extreme danger and adverse effects of past coal mining practices. It also restores land and water resources and the environment previously degraded by these practices. In addition, OSM funds the Appalachian Clean Streams Initiative within this business line.

The majority of OSM's total funding request for this business line is devoted to AML State and Tribal reclamation grants funding. In addition to funding regular reclamation projects, these grants provide monies for State-operated emergency programs. The Environmental Restoration business line supports the costs of the Federal reclamation program (both high priority and emergency reclamation projects) in States without their own reclamation programs. This business line also funds the costs of AML program development by providing resources for policy direction and program evaluation. The program emphasizes protection of public health, safety and general welfare by: correcting problems associated with past mining practices, reclaiming mined land abandoned before the passage of SMCRA (including certain interim program and insolvent surety coal sites abandoned after August 3, 1977) and constructing beneficial public facilities.

II.1.2 Strategic Issues Related to the GPRA Program Activity

Long-term Goal: BETTER AML: Repair, reclaim and restore as much land and water as possible that was degraded by past mining - in order to provide America with cleaner and safer land and water and to provide employment and economic opportunities in depressed coal regions.

Resources, Skills and Technology Needed: OSM and the AML program States and Tribes will continue to need a diverse and multidisciplinary cadre of scientific and engineering skills. These human resources establish reclamation project design and construction criteria either directly or in conjunction with contractors. Program analysts, grant specialists and other support personnel are needed to implement the State/Tribal grants program and to conduct program evaluations. Computer systems personnel and contractors are needed to maintain the Abandoned Mine Land Inventory System. OSM maintains the system and network by which the States and Tribes manage their data.

II.1.3 Related Budget Accounts, Budget Activities, Subactivities

BUDGET ACCOUNT	PROGRAM ACTIVITY	BUDGET ACTIVITY	2000 REQUEST (\$ 000)
Regulation and Technology	Better AML	Environmental Restoration	425
Abandoned Mine Land	Better AML	Environmental Restoration	195,469

II.1.4 Proposed Legislation

None of OSM's current performance goals are contingent on enactment of legislation.

II.1.5 Impact of FY 2000 Budget Changes +\$25,335,000

Since the inception of the first AML reclamation programs, much reclamation has been accomplished. Still, over half of the abandoned mine reclamation sites remain unchanged. The increase is to substantially accelerate the reclamation of AML sites and the recovery of streams polluted from acid mine drainage from past mining practices.

a. Reclamation Program Grants +\$20,500,000

In FY 2000, OSM proposes a \$20.5 million increase for "regular" (i.e., non-emergency, non-Clean Streams) grants to States and Indian tribes. This increase supports OSM's goal of increasing the proportions of reclaimed pre-SMCRA coal high priority sites to total abandoned sites.

The FY 2000 increase will be directed to high priority and environmental problems caused by historic abandoned coal mine sites. This increase is consistent with the President's Clean Water Action Plan. The additional funds will result in approximately 1,200 acres more being reclaimed than otherwise would be the case.

In addition to restoring land and waters to productive use and removing existing health, safety and general welfare hazards, the increased funds will generate additional economic benefits to local communities. Since many of these sites are in areas of the country that have not experienced an improving economy, the direct and ancillary jobs created through the increased expenditures will be especially beneficial. Residents will refocus away from the past negative impacts from coal mining and towards a safer and environmentally healthier community.

For the past several years, appropriated funds have been provided to the States and Tribes through a formula that considers the amount of reclamation fees collected in each State/Tribe (i.e., the State/Tribal Share) and the amount of pre-SMCRA coal production that occurred in each State/Tribe (i.e., Historical Coal Share). Taken into account is the certification by a State/Tribe that it has completed all known coal related reclamation work, as well as making the required adjustment in funding for the minimum program States. OSM will continue to use this formula for the majority of the granted funds. However, the \$20.5 million increase will be directed specifically to those States and Tribes who are using AML funds to address environmental problems caused by historic abandoned coal mining sites. The increased funding will be targeted to those States and Tribes who obligated all of their distributed portion of the FY 1999 AML appropriation. These two special provisions will focus the increase on coal mining related problems in States and Tribes with a demonstrated ability to use the appropriated reclamation funds.

b. Appalachian Clean Streams Initiative +\$3,000,000

In FY 2000, OSM proposes to increase support for clean water efforts by \$3,000,000. Proposed is \$2,000,000 for the Appalachian Clean Streams grant funding to States and \$1,000,000 for OSM cooperative agreements with local organizations such as not-for-profit groups, especially

small watershed organizations. The increase directly supports OSM's goal of improving water quality in streams damaged by acid mine drainage (AMD).

Through the traditional State grant processes, eligible States receive special grant funding to be used as "seed" money to combine with other available funding sources for the planning, design and construction of AMD restoration projects related to pre-SMCRA coal mining water pollution. The success of the Clean Streams Initiative has generated an ever-increasing network of project sponsors and cooperators. The special grants, unlike the regular AML grants, require partners and have achieved an overall 1:1 leverage rate.

In FY 1999, funds are being devoted to the new OSM watershed cooperative agreement program. Application procedures for not-for-profit watershed groups are being announced in the Federal Register, the Commerce Business Daily and through other appropriate mechanisms. The Clean Streams grants to the States are mainly "seed" money to start attracting partners and get the project going. The cooperative agreement program provides the "finishing" money, the final amount necessary for the project to proceed to construction.

The requested \$3,000,000 increase takes the Clean Streams Initiative to its targeted annual level of \$10,000,000 and will enable OSM and its partners to build upon the solid, early success of the Initiative. OSM will continue to consult with the States and our non-government partners to determine how best to maximize our assistance by providing "seed" money through the State grant process and "finishing" funds through direct cooperative agreement assistance. The Appalachian Clean Streams Initiative responds to several Administration initiatives, including the Clean Water Action Plan and American Heritage Rivers. Our FY 2000 goal for environmental restoration is to increase the number of new Clean Streams projects to 42 and to leverage the funds so that 60% of the money comes from other sources.

c. State Emergency Programs Grants +\$1,500,000

In FY 2000, OSM proposes to increase support for approved State Emergency Programs by \$1,500,000. This increase supports OSM's goal of abating emergency hazards in States who administer their own emergency programs.

For the past several years, the total appropriation for both the Federal and the State emergency programs has been \$18 million. Appropriation language has imposed a 25% limitation on funds going to any single state. Thus, when the appropriated level of emergency funds is \$18 million, a maximum of \$4.5 million may be spent by any one state. This creates difficulties in meeting emergency needs. Under the current law, if a State receiving the maximum, such as West Virginia, needs to spend all of its funds during the first portion of a year, there would be no current year funding available for emergencies which might occur toward the end of the year. This happened in West Virginia during FY 1997 and FY 1998, when the State experienced above-average localized precipitation in coalfield communities. To meet West Virginia's emergency needs, OSM used unallotted prior year State emergency funds. By FY 2000, these unallotted funds will be greatly diminished. OSM proposed elimination of this 25% limitation provision in FY 1999 and does so again in FY 2000.

Adequate funding for State emergency programs is a priority item. Such emergency work not only protects people from immediate physical danger, but it often protects water resources from pollution caused by debris, acid mine drainage, etc. being introduced to a nearby stream from the abandoned coal mine site causing the emergency. By States agreeing to take over the Federal responsibility for emergency response, the overall cost of the emergency program is lowered and efficiencies gained. If OSM had to respond in a timely manner to emergencies nationwide, additional Federal employees and travel dollars would be necessary. Also, State operation of both the AML emergency and non-emergency reclamation program better enables a seamless transition in many cases from the emergency work to the high priority work that may remain to be done after the emergency is abated.

By using unallotted prior year recoveries, OSM has been able to meet all identified State emergency program needs. However, we believe that by FY 2000, the combination of weather-induced emergencies, suburban growth and aging underground support structures will have exceeded OSM's ability to deal with them at the FY 1999 level of appropriated funds. A sufficient level of recoveries will no longer will available. This increase will enable OSM to meet its responsibilities to those States operating their own emergency programs.

II.1.6 Exhibit A-1 - Performance Plan

	FY 1999	FY 2000 Proposed
	Enacted	BA
	BA	(\$000)
	(\$000)	
GPRA Program Activity	170,559	195,894
Environmental Restoration - BETTER AML: Repair, reclaim and restore as much land and water as possible that was degraded by past mining - in order to provide America with cleaner and safer land and water and to provide employment and economic opportunities in depressed coal regions.		

Long-term Goals:

- 01.01.00.00 By FY 2002, OSM will award grants within 60 days 100% of the time.
- 01.02.00.00 By FY 2002, the Surface Mining Program will increase the ratio of reclaimed/funded pre-SMRCA coal high priority abandoned sites to total AML inventory sites to 55% .
- 01.03.00.00 By FY 2002, the Surface Mining Program will reclaim approximately 40,000 acres over the FY 97 baseline.
- 01.04.00.00 By FY 2002, the Surface Mining Program will continue to abate emergency hazards that arise.
- 01.05.00.00 By FY 2002, the Surface Mining Program will begin 50 new cooperative Acid Mine Drainage projects under its Clean Streams Initiative.
- 01.06.00.00 By FY 2002, the Surface Mining Program will increase the non-Surface Mining Program funds to 63% for the Clean Streams Initiative.

FY 2000 Annual Performance Goals:

- 01.01.00.00 In FY 2000, OSM will award grants within 60 days 95% of the time.
- 01.02.00.00 In FY 2000, the Surface Mining Program will increase the ratio of reclaimed/funded pre-SMRCA coal high priority abandoned sites to total AML inventory sites by 0.6% over FY 1999.
- 01.03.00.00 In FY 2000, the Surface Mining Program will reclaim approximately 9,235 acres.
- 01.04.00.00 In FY 2000, the Surface Mining Program will abate 426 emergency hazards that arise.
- 01.05.00.00 In FY 2000, the Surface Mining Program will begin 42 new cooperative Acid Mine Drainage projects under its Clean Streams Initiative.
- 01.06.00.00 In FY 2000, the Surface Mining Program will increase the non-Surface Mining Program funds to 60% for the Clean Streams Initiative.

Performance Measures

01.01.00.00 Percent of instances where OSM awards grants within 60 days.	92.3%	90%	90%	93%	95%
01.02.00.00 Percent increase of reclaimed coal high priority abandoned sites to total AML sites.	0.3%	.5%	.5%	.6%	.6% <u>2/</u>
01.03.00.00 Number of acres reclaimed annually by the Surface Mining Program. <u>1/</u>	6,727	8,000	7,201	7,400	9,235 <u>2/</u>
01.04.00.00 Number of emergency hazards abated annually by the Surface Mining Program.	402	390	406	390	426
01.05.00.00 Number of new cooperative acid mine drainage projects under the Clean Streams Initiative.	16	12	9	37	42
01.06.00.00 Percent of non-Surface Mining Program funds for the Clean Streams Initiative.	56%	52%	50%	58%	60%

Note: Budget dollars shown related to the Mission Goal are approximate and have been rounded to the nearest \$100,000. 1/ A statistical conversion has been applied to the numerous types of Priority 1,2 and 3 reclamation projects which are measured in various units such as miles, acres, sites, counts, etc. in an attempt to make comparisons and summarizations possible. 2/ Estimate reflects full number of projects funded by increase; actual completion of projects funded by increase may occur one to three years after initiation.

II.1.7 Performance Plan Detail and Narrative

a. Goal Purpose: The FY2000 annual performance goals reflect the Surface Mining Program's commitment to reclaiming lands left abandoned prior to the Surface Mining Act and the abatement of emergency hazards and acid-mine polluted waters. OSM's first performance goal is to award AML grants to the States and Tribes in a minimum amount of time. This will enable them to carry out their responsibilities in meeting the overall mission goal and to effectively and efficiently manage their human, fiscal and informational resources to reclaim abandoned mine lands. The second goal is OSM's attempt to narrow the gap between the number of hazards being reclaimed and the number of hazards being identified and added to the AML Inventory. If the gap can be narrowed, progress is being made to overall reclamation. The third goal is the overall outcome measure of number of acres being reclaimed. This could be interpreted as an output, but the quality of the reclaimed land reflects the outcome of the Surface Mining Program's mission.

The fourth goal demonstrates the Program's mandate and commitment to abate any emergencies that arise as a result of past mining that may have an effect on the safety and protection of people, land and property. The fifth and sixth goals relate to OSM's participation and commitment to the President's Clean Water Action Plan in providing seed money to fund grassroots projects cleaning up watersheds polluted by acid mine drainage.

Legislative mandates for this mission goal and the subsequent performance goals are: Section 102(h) of the SMCRA - promote the reclamation of mined areas left without adequate reclamation prior to the enactment of SMCRA.... and Title IV of SMCRA - Abandoned Mine Reclamation.

b. Status: Progress is being made in all of the performance goals. The preceding table shows the status of goal accomplishment. Analysis and evaluation of selected performance goals tested in FY98 are discussed below in the FY98 Annual Performance Report.

c. Goal Achievement: The overall achievement of the mission goal for Better AML will be accomplished through: more funds appropriated to the States for the restoration of abandoned mine lands - more funds means more projects which means more acres of land reclaimed and more miles of streams cleaned; the use of "Enhanced AML" reinvention concepts by reinventing new ways of funding and/or reclaiming land and water with minimal use of taxpayer dollars; the "Appalachian Cleans Streams Initiative" which allows for every dollar OSM invests, a dollar is generated from outside sources; and support and conviction for better remediation and applied technology research.

Specifically the strategies for achieving the annual performance goals are:

Goal 1.1 Awarding grants - Monies from the AML Fund are appropriated for the use of State and Tribal programs for on-the-ground reclamation projects. This goal provides a direct measure of the time between when a complete grant application is received from the State or Tribe and when the funds are available for their use. State and Tribal programs depend on these grant funds to operate and delays in providing funding could result in program interruptions that should be avoided. OSM, through its grants and program specialists, will strive to improve its grants program with its current level of resources.

Goal 1.2 & 1.3 High-priority AML sites & Acres Reclaimed - with an increase in appropriated funds for State AML grants, more money will be available to reclaim more abandoned high priority projects which will increase the number of acres reclaimed and decrease the ratio of high priority sites to total sites.

States and Indian tribes will be encouraged to immediately begin taking the steps required to get additional AML projects under way in FY 2000. Since they have been conducting AML reclamation for many years, the States and Indian tribes are capable of increasing the number of on-the-ground projects for reclamation. OSM is requesting an increase of \$22 million for FY 2000 which could result in approximately a twenty-five percent increase in acres reclaimed over the FY 1999 estimate. In addition, we will also stress to the States and Indian tribes the importance of getting completed reclamation projects into the data base quickly so that there

accomplishments can be reported timely in accordance with this mandate. In the area of technology and information, we will continue to enhance our inventory data base (The Abandoned Mine Land Information System). Improvements to this system will not only make the States and Indian tribes more eager to report their accomplishments, but will provide useful planning tools that would enable them to more efficiently conduct their reclamation.

Goal 1.4 Emergencies hazards abated - this measure is very important as an indicator of the protection of health and safety in the coal fields from abandoned mines, but, is reactionary and cannot be predicted. OSM will assure an adequate amount of funding for the emergency program in order to abate those hazards that arise. OSM is requesting \$10,970,000 for the emergency program in FY 2000 and estimates there could be as many as 426 emergencies. Skills required to satisfy this goal are reclamation specialists, inspectors, engineers, environmental scientists, grants specialists, and contract specialists.

Goal 1.5 and 1.6 Acid mine drainage projects and their funding - OSM will continue to seek increased funding for the Appalachian Clean Streams Initiative (ACSI) , which, will provide more seed money for projects which supports the Administration's Clean Water Action Plan. Through the ACSI, OSM supports community efforts to accelerate the cleanup of rivers and streams polluted by contaminated runoff from abandoned coal mines, predominantly in Appalachia. Through the State AML grant process, States receive AML grants for clean streams projects. This money is utilized as Aseed@ monies to combine with other available funding sources for acid mine drainage (AMD) remedial projects. In FY 1999, a total of \$7,000,000 has been appropriated for ACSI. Of this total, \$5,900,000 in grants has been distributed to 11 States. OSM also received authorization in FY 1999 to provide \$750,000 in funding to local watershed organizations in the form of Cooperative Agreements with local organizations, such as non-profit groups, especially small watershed organizations, to support local AMD reclamation projects. So far, OSM has been successful in leveraging one dollar of outside funds for every dollar of clean streams funds.

To continue these programs in FY 2000, OSM has proposed a total of \$10,000,000 for the Appalachian Clean Streams Initiative. This would include an increase of \$2,000,000 for Clean Streams Grants to States, bringing the total for State Grants to \$7,900,000. There would also be a \$1,000,000 increase for Cooperative Agreements with local watershed organizations, bringing the total Cooperative Agreement funding to \$1,750,000.

Other current actions or programs and subprograms that are being conducted to contribute to the overall accomplishments of OSM's goals are:

(1) *State and Tribal Funding* - SMCRA established the Abandoned Mine Reclamation Fund (AML Fund) to finance the restoration of land mined and abandoned prior to August 1977. Coal mining had disturbed more than one million acres of land, resulting in significant health and safety problems for coalfield citizens and the public in general. An adequate AML Fund is essential to ensure that these problems are abated by providing the financial resources for State, Tribal and Federal reclamation efforts. Although substantial progress has been made, more than \$2.5 billion of priority 1 (threats to public health and safety) and priority 2 (general welfare

problems) sites remain unreclaimed and over \$1.7 billion of unreclaimed priority 3 (environmental hazards) sites have been identified by States and Tribes.

(a) *Reclamation Program Grants* - OSM provides grants to States and Tribes who have approved reclamation programs. States and Tribes use the grants to address hazards and problems such as underground fires, subsidence, landslides, open shafts, unstable or burning refuse piles, acid mine drainage and dangerous, unstable, man-made cliffs. Reclamation grants to States and Tribes comprise the vast majority of this program activity.

Under the Act, each State must have an approved regulatory (Title V) program and a reclamation (Title IV) program before it is eligible to receive reclamation grant funding. Tribes are allowed access to AML funds derived from reclamation fees if they have an approved reclamation program. Currently, three Tribes (Crow, Hopi and Navajo) have approved programs and receive AML grant distributions. Twenty-three States and three Tribes will continue to receive reclamation grant funding in FY 2000. An increase of \$20.5 million is requested for non-emergency, non-clean stream grants.

The National Association of Abandoned Mine Land Programs supports a restoration of the \$2 million minimum level for program States. The minimum program States have said they need the \$2 million level but did not want it at the expense of impacting other States/Indian tribes as total grant funding remained stable. With the increase of \$20.5 million in non-emergency, non-Clean Streams grants, OSM supported the States' request that the minimum program amount be returned to the statutory \$2 million.

The following eight States qualify for the minimum program funding level of \$1.5 million in FY 1999: Alaska, Arkansas, Iowa, Kansas, Maryland, Missouri, North Dakota and Oklahoma. These are expected to qualify again in FY 2000. At the \$2 million level, New Mexico and Utah may qualify for minimum program status.

(b) *Appalachian Clean Streams Initiative* - Acid mine drainage (AMD) is a major environmental and public health problem related to mining, especially in the Appalachian region. More than 8,000 miles of streams have been destroyed or damaged in Appalachia alone. AMD problems are occurring in other regions as well. In FY 2000, OSM proposes to increase funding support for the Clean Streams Initiative, a major AMD abatement action, by \$3 million.

Many of OSM's and the States' demonstration projects that received Clean Streams funding in FY 1997 and FY 1998 are now under construction, or in design with construction to begin soon. OSM's emphasis on the Clean Streams Initiative has also helped promote a general increase in State project activity related to, or incorporating, AMD treatment.

(c) *State Emergency Programs Grants* - In FY 2000, OSM will continue to encourage States to assume responsibility for emergency AML reclamation projects. In FY 1998, two additional States (Missouri and Oklahoma) assumed responsibility for such emergency projects. States who operate their own emergency programs fund the emergency projects from their AML grants. States have developed considerable expertise in performing reclamation. More effective reclamation occurs when States perform the emergency abatement and immediately follow-up by

completing the reclamation project through their regular AML programs. Transferring this responsibility to the States results in better control of program costs and eliminates cost duplication. The following thirteen States now operate their own emergency programs: Alabama, Alaska, Arkansas, Illinois, Indiana, Kansas, Missouri, Montana, North Dakota, Ohio, Oklahoma, Virginia and West Virginia. For FY 2000, an additional \$1.5 million is requested to support the State Emergency Programs.

(2) State Program Evaluation - SMCRA requires OSM to monitor the progress and quality of each State and Tribal program to ensure that their reclamation programs function effectively.

OSM analyzes documents submitted by States and Tribes (e.g. grants, amendments, reports) and conducts onsite observations of selected reclamation projects. OSM provides the States and Tribes expert assistance on reclamation projects. OSM, States and Tribes hold conferences to discuss reclamation issues, technology and solutions to problems.

In consultation with States and Tribes, OSM has developed a review system that provides for enhancement and performance evaluation of programs, rather than oversight. This system, which is based on principles of excellence, recognizes that evaluation involves an ongoing relationship between OSM and State or Tribal agencies -- who have the autonomy to run their programs. OSM is responsible for assisting in program enhancement while monitoring compliance with the Surface Mining Control and Reclamation Act.

The revised evaluation system does not require that each program be reviewed each year in each of the six areas covered under the principles of excellence. Instead, the system allows each State or Tribe to develop, with the appropriate Field Office, a programmatic agreement which addresses the areas to be reviewed and establishes applicable performance measures. Since much of the enhancement and performance evaluation is trend analysis and the interaction between the programs and OSM is continual, the programmatic agreements can be for periods longer than one year. However, they are reviewed each year to determine the progress being made. This system allows the State or Tribe the autonomy to conduct its program and still provides OSM the vehicle to ensure that the program is functioning properly.

These agreements first address the overriding goal of the AML program - reclamation. They recognize that if the State or Tribe is permanently reclaiming abandoned minesites by abating hazards, reducing/mitigating adverse effects of past mining and restoring adversely affected lands and water to beneficial use, it is conducting an overall successful program.

(3) Federal Reclamation Program -This program activity funds the following components:

(a) Federal Emergency Projects OSM manages emergency abatement projects in States and on Tribal lands where the State/Tribe has no approved regulatory program and is therefore ineligible for an AML program, or because the State/Tribe has determined it does not want to have an emergency reclamation program. Many coal-producing States, including two with high numbers of emergency projects, Pennsylvania and Kentucky, do not have an approved emergency program. Consequently, OSM performs over half of the emergency abatement work done in the U.S. each year.

The Federal Emergency Projects component provides immediate relief from abandoned mine hazards that threaten public health and safety on Federal and Indian lands in non-emergency States. Emergencies are generally the result of two different types of events. One is subsidence, the caving in of old underground mines and shafts. Subsidence is life-threatening when occurring in areas where there is frequent human activity. Such as, in parks, playgrounds, other residential areas or when subsidence impacts buildings or other structures. Subsidence is most common in the Anthracite region of northeastern Pennsylvania.

The second type of event is landslides. These are usually the result of unstable mine spoil (excavated overburden) placed on steep hillsides. Landslides can impact structures or block streams which can cause flooding.

(b) Federal High-Priority Projects OSM manages projects in States and on Tribal lands where the State/Tribe has no approved regulatory program and is, therefore, ineligible for an AML program.

During FY 1998, OSM spent \$2.4 million reclaiming non-emergency projects. Projects were initiated in California, Georgia, Michigan, Tennessee and Washington. This ensures continuation of the systematic reclamation efforts underway in Washington and Michigan; and the completion of almost all inventoried projects in Georgia. Tennessee, with an unfunded inventory of over \$17 million of high-priority sites to reclaim, remains the largest consumer of OSM's high-priority funds. As of the end of FY 1998, there was approximately \$17.9 million in known problems outstanding at 170 sites to be reclaimed under the Federal High-Priority Program.

(c) Outcrop and Underground Fire Control Projects Pursuant to Public Law 83-738, as amended by Public Law 102-486 (Energy Policy Act of 1992), funds are provided to control or extinguish outcrop and underground fires. Funds for this purpose are used for coal fire control or extinguishment. These projects are not eligible for funding under the AML program. Coal outcrops are ignited by forest/brush fires, lightning and campfires and occur mostly in the western States. The purpose of these projects is to prevent injury and loss of life, protect public health, conserve natural resources and protect public and private property. This program was originally authorized under the former Bureau of Mines and subsequently transferred to OSM.

(d) Program Operations OSM performs all the work related to emergency reclamation occurrences on Federal and Tribal lands and in States without an emergency program. This begins with the initial investigation of the site in order to make two threshold determinations: (1) does an emergency condition exist? and (2) is the condition mining-related? In some instances, extensive field and office work is needed to determine if the condition is, in fact, mining-related. This determination can, at times, be particularly challenging when the mining activities in the area occurred decades ago. Another challenge is that since these are emergency situations, time is of the essence. There are instances when abatement activities occur within hours of OSM's initial investigation.

OSM performs the technical work related to the compliance of the National Environmental Policy Act (NEPA) and the Historic Preservation Act. This involves determinations and

consultations with other State and Federal agencies, along with the documentation of all the requests to approve a project as an AML emergency.

(e) Civil Penalty Reclamation Projects As authorized in appropriations, Federal civil penalties collected under Section 518 of SMCRA are authorized to be used to reclaim lands mined and abandoned after August 3, 1977. These lands are not eligible to be reclaimed with monies from the AML Fund. These funds are derived from civil monetary penalties from OSM-issued citations nationwide and are also available to help reclamation of bond forfeiture sites. These funds are divided among projects proposed by both State and Federal regulatory authorities and used for project costs only.

In fiscal years 1999 and 2000, OSM estimates \$275,000 will be collected and used annually to fund similar reclamation projects.

(f) Bond Forfeitures These funds are received through offsetting collections to be used to reclaim lands where the bond was forfeited and OSM is the regulatory authority. Forfeited funds are site-specific and cannot be transferred for use at other sites. Using the forfeited funds, OSM issues and administers contracts for reclamation to be performed in accordance with the mining plan developed during the permit process. OSM is mandated under SMCRA to reclaim sites that have been abandoned and forfeited in Federal Program States. Bond forfeiture is an important component of OSM's mission to restore lands abused by mining.

(4) Program Development and Maintenance

This program activity provides funding for reclamation program management and programmatic guidance to States and Tribes.

OSM helps States and Tribes to build on successes and enhances primacy by implementing the reengineered grants process, ensuring National Environmental Policy Act compliance and by conducting program-focused enhancement and performance evaluation. OSM encourages States to assume responsibility for their reclamation and emergency reclamation programs and supports implementation of their AML programs through technical and program assistance as needed.

(a) AML Inventory OSM manages the National AML Inventory which serves as a planning and evaluation tool for the States, Tribes and OSM. The States and Tribes also use the inventory to assist them in planning and to make funding decisions and to report program accomplishments.

The inventory is maintained on a computer system known as the Abandoned Mine Land Inventory System (AMLIS). AMLIS is the system OSM uses to record and report AML Program accomplishments under GPRA. The public can easily access AMLIS via the Internet. OSM is working with States and Tribes to expand the use of the new AMLIS capabilities. In FY 1998, training on the inventory computer system was provided to States at the three OSM Regional Offices.

(b) Grants Management OSM takes a decentralized team approach to grants management with a small policy staff in the headquarters office. The day-to-day grants and program management are

performed in the regional/field offices and the financial tracking occurs under the Financial Management business line. Under the grants management program, the OSM team and the State/Tribal grantees cooperate to maximize the use of available funding and operate an effective program. Grantees provide input to the program by participating on *ad hoc* teams and by reviewing and commenting on proposed changes in the program. This cooperative working relationship contributes to: streamlined application and awards processes, faster obligation of Federal funds, innovative program monitoring and less paperwork-intensive reporting and close-out of grants. In addition, OSM periodically holds meetings/workshops with the State/Tribal grantees to provide training for grantees and to keep them abreast of policies and procedures.

(c) AML Enhancement Initiative OSM plans to issue final rules that allow more AML eligible sites to be reclaimed without significant additional cost to the government in FY 1999. The intent of the new rules is to achieve more AML reclamation by allowing contractors to offset reclamation costs by removing and selling coal found incidental to reclamation projects.

d. Benefits Derived

The most obvious benefits, of course, are the reclamation or abatement of land that was previously environmentally damaged and a hazard to life. Acreage is restored to productive use; grazing, farming, recreation, wildlife habitats and forests are restored; and miles of streams are cleaned-up directly leading to health and safety protection. Indirectly there are socio-economic benefits that come from the funds, jobs and projects that reclamation creates. For instance, it is estimated that for every \$1 million spent on AML reclamation construction projects, it creates 17 on-site jobs, 14 off-site jobs and 28 ancillary jobs. Personal income increases in the damaged area can reduce public assistance rolls and State and local revenues increase from enhanced income and sales tax base. These benefits can restore community pride and enable self-sufficiency long after reclamation projects end.

II.1.8 FY98 Annual Performance Report for Mission Goal # 1 - Better AML

Repair, reclaim and restore as much land and water as possible that was degraded by past mining - in order to provide America with cleaner and safer land and water and to provide employment and economic opportunities in depressed coal regions.

a. 1998 Annual Performance Goals:

- OSM will award grants within 60 days 90% of the time.
- The Surface Mining Program will increase the ratio of reclaimed/funded pre-the Surface Mining Control and Reclamation Act coal high priority abandoned sites to total AML inventory sites by 0.5% over FY 1999.
- The Surface Mining Program will reclaim approximately 8,000 acres.
- The Surface Mining Program will abate 390 emergency hazards that arise.
- The Surface Mining Program will begin 12 new cooperative Acid Mine Drainage projects under its Clean Streams Initiative.
- The Surface Mining Program will increase the non-Surface Mining Program funds to 52% for the Clean Streams Initiative.

b. Description

FY1998 was a pilot year for the collection and establishment of goals and performance measures. This report does not report on all of the performance goals cited above, but provides a pilot report on a select few which OSM deems to be important.

Performance Measure	1997 Actual	1998 Plan	1998 Actual
Number of acres reclaimed annually by the Abandoned Mine Land Program	6,800 acres	8,000 acres	7,201 acres
Number of emergency hazards abated annually by the Abandoned Mine Land Program	402 hazards	390 hazards	406 hazards
Number of new cooperative acid mine drainage projects begun	16 projects	12 projects	9 projects

c. Analysis of Performance and Strategies for Improvement

In FY 1998, 7,201 acres of land and water were reclaimed. While this is a shortfall of 799 acres from the goal of 8,000 acres, it represents an increase of 401 acres over the prior year. The Abandoned Mine Land program can be impacted by adverse weather conditions which can delay construction, shorten growing seasons and increase the costs of materials and equipment. This past year, heavy rainfall in many areas slowed construction. This wet weather caused some states to shift the focus of their construction to more costly problems. For example, heavy rains forced some work to concentrate on costly, time consuming landslides which have a low acreage completed to cost ratio.

Most of the emergencies abated during 1998 were in Pennsylvania, Kansas, West Virginia and Kentucky. Although not reflected in the total number of emergency hazards abated, the total amount of funds spent to abate the emergencies was higher than in previous years. This was due to a series of storms in Eastern Kentucky during April and a mine fire in Pennsylvania. The storms produced unusually large amounts of rainfall in very short time periods, causing old spoil banks to become saturated and slide down the steep slopes. The significance to the total cost of the program is that landslides cost much more to abate than most other types of abandoned mine land emergencies. Therefore, in any year when the percentage of landslide projects increases, the total cost to abate emergencies can be expected to also rise that year. Mine fire emergencies are the most costly type of abandoned mine land emergency problem to abate.

While OSM experienced continuing success with the Appalachian Clean Streams Initiative, the number of projects started in 1998 decreased compared to 1997. A number of factors contributed to this decline. First, the amount of project funding made available to States decreased from \$4.0 million in 1997 to \$2.517 million in 1998. Several States were unable to finance new projects with their smaller allotment even with the addition of partner funds. In some cases, States used their 1998 Appalachian Clean Streams grants to continue or expand projects started the previous year. There was less advance planning for candidate projects in 1998, versus the intense pre-planning that preceded the 1997 projects. Every state was involved in planning or design of prospective Appalachian Clean Streams projects during the year.

II.2 Mission Goal #2: Better Protection

II.2.1 Description of GPRA Program Activity

Business Line/Program Activity: Environmental Protection

MISSION GOAL

BETTER PROTECTION

Improve OSM's regulatory program for protecting the environment, people and property during current mining operations and subsequent reclamation through cooperative results-oriented oversight and evaluation of State programs and in carrying out OSM's regulatory responsibilities - in order to safeguard people and the environment.

		FY 1999	Uncontrollable	Program	FY 2000	Difference from FY99
		Enacted	Costs	Change	Request	
Regulation & Technology	\$\$\$	70,018	700	0	70,718	700
	FTE	238			238	0
Abandoned Mine Land	\$\$\$	0	0	0	0	0
	FTE	0	0	0	0	0
TOTAL	\$\$\$	70,018	700	0	70,718	700
	FTE	238	0	0	238	0

** Reflects transfer (PL 105-174) and re-programmings since President's Budget submitted.*

This goal will be achieved through OSM's Environmental Protection business line. Program activities within this business line include functions that directly contribute to ensuring that the coalfield citizens, their property and the environment are protected during surface coal mining operations. Included are those activities that assure that coal operators adequately reclaim the land after mining is completed.

As with the Environmental Restoration business line, the principal means of delivering environmental protection within the framework of SMCRA is by providing regulatory grants to the primacy States. OSM provides oversight of the State programs through evaluation processes and inspections.

The Environmental Protection business line provides OSM with the resources needed to implement Federal and Indian programs. It includes direct permitting, inspection and enforcement activities in States not having primacy, in States that have not entered into cooperative agreements to oversee Federal lands within their borders and on Indian lands. It provides for OSM's costs for regulatory program development and processing mine plans for Federal lands.

II.2.2 Strategic Issues Related to the GPRA Program Activity

Long-term Goal: BETTER PROTECTION - Improve OSM's regulatory program for protecting the environment, people and property during current mining operations and subsequent reclamation through a more effective and efficient oversight and evaluation of State programs and carrying out its regulatory responsibilities - in order to safeguard people and the environment.

Resources, Skills and Technology Needed: Program analysts, grant specialists and other support personnel are needed to implement the State regulatory grants program and to conduct program evaluations. OSM and the primacy States will continue to need a diverse and multi-disciplinary cadre of personnel skilled in scientific and engineering areas to review mine permits, determine whether performance bond coverage and amounts are sufficient to ensure reclamation, conduct mine site inspections and implement enforcement actions when necessary. Computer systems personnel are needed to help maintain various data systems such as the Mine Site Evaluation and Inspection Reporting System which contains data from OSM's oversight and regulatory program inspections.

II.2.3 Related Budget Accounts, Budget Activities, Subactivities

BUDGET ACCOUNT	PROGRAM ACTIVITY	BUDGET ACTIVITY	2000 REQUEST (\$ 000)
Regulation and Technology	Better Protection	Environmental Protection	70,718
Abandoned Mine Land	Better Protection	Environmental Protection	0

II.2.4 Proposed Legislation

None of OSM's current performance goals are contingent on enactment of legislation.

**II.2.5 Impact of FY 2000 Budget Changes
+\$700,000**

Budget changes in this business line are required to cover uncontrollable payroll costs such as workers' compensation, unemployment compensation, retirement costs and pay rate increases.

This constant level of funding will enable OSM to continue to improve its regulatory program through a more effective and efficient oversight and evaluation. OSM and the States will continue the current successful revised approach to oversight for which OSM and States received Vice President Gore's National Performance Review "Hammer Award". OSM will expand its participatory outreach approach: to address concerns related to the loss of stream headwaters as a result of mountaintop removal operations, to evaluate its ownership and control rules, to advance remining efforts and to ensure that contemporaneous reclamation is occurring. The Surface Mining Program's performance will be able to increase Phase III bonding releases and to maintain its planned FY 1999 levels in other areas.

II.2.6 Exhibit A-2 - Performance Plan

	FY 1999	FY 2000 Proposed
	Enacted	BA
	BA	(\$000)
	(\$000)	
GPRA Program Activity	70,018	70,718
Environmental Protection - BETTER PROTECTION: Improve OSM's regulatory program for protecting the environment, people and property during current mining operations and subsequent reclamation through a more effective and efficient oversight and evaluation of State programs and carrying out its regulatory responsibilities - in order to safeguard people and the environment.		

Long-term Goals:

- 02.01.00.00 By FY 2002, OSM will award grants within 60 days 100% of the time.
- 02.02.00.00 By FY 2002, the Surface Mining Program will continue to increase the percent of sites (96%) that are free of off-site impacts.
- 02.03.00.00 By FY 2002, the Surface Mining Program will increase the number of acres (160,000) released from Phase I & II Performance Bonds.
- 02.04.00.00 By FY 2002, the Surface Mining Program will increase the number of acres (120,000) released from Phase III Performance Bonds.

FY 2000 Annual Performance Goals:

- 02.01.00.00 In FY 2000, OSM will award grants within 60 days 93% of the time.
- 02.02.00.00 In FY 2000, the Surface Mining Program will increase the percent of sites (94%) that are free of off-site impacts.
- 02.03.00.00 In FY 2000, the Surface Mining Program will increase the number of acres (150,000) released annually from Phase I & II Performance Bonds.
- 02.04.00.00 In FY 2000, the Surface Mining Program will increase the number of acres (110,000) released annually from Phase III Performance Bonds.

Performance Measures

02.01.00.00 Percent of instances where OSM awards regulatory grants within 60 days 90% of the time.	92.8%	89%	89%	93%	93%
02.02.00.00 Percent of sites that are free of off-site impacts as reported through the Surface Mining Program.	88%	90%	93%	94%	94%
02.03.00.00 The number of acres released from Phase I & II Performance Bonds as reported through the Surface Mining Program.	115,000	115,000	14,5000	150,000	150,000
02.04.00.00 The number of acres released from Phase III Performance Bonds as reported through the Surface Mining Program.	82,000	90,000	83,000	100,000	110,000

Note: Budget dollars shown related to the Mission Goal are approximate and have been rounded to the nearest \$100,000.

II.2.7 Performance Plan Detail and Narrative

a. Goal Purpose: The FY2000 annual performance goals reflect the Surface Mining Program's commitment to protecting people, environment and property while current mining is being conducted and subsequent reclamation is performed. OSM's first performance goal is to award regulatory administrative and enforcement grants to the States and Tribes in a minimum amount of time. This will enable regulatory authorities to carry out their responsibilities in meeting the overall mission goal and to effectively and efficiently manage their human, fiscal and informational resources to protect people, environment and property. The second goal reflects the Surface Mining Program's commitment to protection outside of the permitted mining area by minimizing the number of impacts that occur. If off-site impacts are minimized, damage will be minimized. Therefore, protection will be maximized. The third and fourth goals reflect the Surface Mining Program's commitment to put mined and reclaimed land back into productive use. Because of the qualitative standards placed on meeting this output result, acreage released at the final stage of a performance bond is considered to be as or more productive than before the land was disturbed.

Legislative mandates for this mission goal and the subsequent performance goals are: Section 102(a) of the SMCRA - establish a nationwide program to protect society and the environment from the adverse effects of surface mining operations; Section 201(c) of the SMCRA; and Title V of SMCRA - Control of the Environmental Impacts of Surface Mining.

b. Status: Progress is being made in all of the performance goals. The table above shows the status of accomplishment toward these goals. Analysis and evaluation of selected performance goals tested in FY98 are discussed below in the FY98 Annual Performance Report.

c. Goal Achievement:

Goal 2.1 Awarding grants - Monies are appropriated for the use of State and Tribal to operate their programs. This goal provides a direct measure of the time between when a complete grant application is received from the State or Tribe and when the funds are available for their use. State and Tribal programs depend on these grant funds to operate and delays in providing funding could result in program interruptions that should be avoided. OSM, through its grants and program specialists, will strive to improve its grants program with its current level of resources.

Goal 2.2 Off-Site Impacts - OSM will be working with the States, Tribes and coal industry to strive for and maintain a minimum number of occurrences.

The actual goal being targeted is for each mine site or inspectable unit to achieve the goal of having no off-site impacts each year.

OSM has taken the most important step towards this goal by evaluating for off-site impacts where it is the regulatory authority and through the oversight process in States with primacy. The

results have been tabulated for all mine sites nationwide for two consecutive years. Operators, the States and OSM have just now begun to realize the importance of achieving this goal. To continue improving or reducing the number of off-site impacts, OSM needs to review and evaluate the numbers and types of off-site impacts being encountered and prescribe program improvements needed to cut into the impacts. This may include making permit adjustments, targeting inspections, etc. Skills required to satisfy this goal are primarily carried out through OSM's program analysts and field inspectors.

The use of analytical software in making permitting decisions will help to achieve on the ground compliance and lessen the chance of off-site damage. Trend analysis of monitoring data will help focus attention to problematic areas before it leads to a violation. Use of Geographic Information Systems (GIS) to map various layers of a mine permit will assist in visualizing the plans and data available. It will also afford the permitting and inspection staff the ability to categorize land areas and keep better track of the status of reclamation. OSM will continue to raise awareness within OSM staff, the States and the coal industry of the importance and meaning of this goal through continually improving policy guidelines, expanding understanding of GPRA and continuing to educate those most responsible for achieving the goal.

Goal 2.3 & 2.4 Phase I, II and III Bond Release - OSM is exploring strategies to improve performance in this area by working with the operators and States to develop mechanisms by which disturbed and reclaimed lands can be better and consistently identified.

OSM has taken the most important step toward improving performance in relation to this goal by measuring and reporting performance nationwide for two consecutive years. The States and operators are beginning to recognize the importance of this goal. To continue, OSM needs to develop requirements for annual reports in order to track the status of permitted and disturbed areas as the land is mined and backfilled and during the reclamation process. Without such a process no information is available on the status of such lands. OSM's Western Regional Coordinating Center has already begun to monitor disturbed lands and the result is that States and operators become more involved in the reclamation and bond release process. Skills required to satisfy this goal are primarily carried out through OSM's program analysts, field inspectors, reclamation specialists and revegetation specialists.

Through the technology transfer business line, OSM is providing training, technical assistance and conducting workshops and interactive forums on topics dealing directly with bond release issues. Bond release depends on successful achievement of the performance standards and success criteria in SMCRA, regulations and the reclamation plan contained in a specific permit. Understanding the yardstick to be used to measure success is an important factor in achieving bond release. Also, continued inspection of sites provides assurances that reclamation is progressing as scheduled and in accordance with plans. Technology such as Global Positioning System (GPS) units, analytical software, use of geo-statistics and other predictive techniques will help the professionals in the effort. Training courses and workshops will help by sharing experiences in conducting bond releases and cross training on techniques applied successfully in State and Federal programs. Use of geographic information systems (GIS) technology will allow regulators to keep better track of the status of the phase of bond release each parcel is in until released. OSM will continue to raise awareness within OSM staff, the States and the coal

industry of the importance and meaning of this goal through continually improving policy guidelines, expanding understanding of GPRA and continuing to educate those most responsible for achieving the goal.

Other current actions or programs and subprograms that are being conducted to contribute to the overall accomplishments of OSM's performance goals are:

(1) State and Tribal Funding

(a) State Grants Twenty-four States have approved permanent regulatory programs (primacy) for the regulation of coal mining activities. Primacy States have the most direct and critical responsibilities for conducting regulatory operations. The States have the unique capabilities and knowledge to regulate the lands within their borders. Providing a 50% match of Federal funds to primacy States in the form of Administration and Enforcement (A&E) Grants results in the highest benefit and the lowest cost to the Federal Government. If any State relinquished primacy, OSM would have to hire sufficient numbers and types of Federal employees to implement the program. The cost to the Federal government would be significantly higher.

(b) State Regulatory Activities Activities of State regulatory authorities include: permit review and issuance, with reliance on the Applicant Violator System (AVS) to ensure that permits will not be issued to operators with outstanding violations; inspection and enforcement; designation of lands unsuitable for mining; and administration of bonding and bond release programs for reclamation of lands after mining. Special activities are conducted by individual States to address specific needs. These activities may include expanding permitting programs, computerizing systems to improve review of pending permits and drafting regulations that respond to changes in Federal rules.

All active and inactive sites, facilities and areas in support of coal mining and reclamation within a State are inspected by the State regulatory authority (SRA) for compliance with all program requirements. SMCRA requires all active inspectable units under the permanent program to have four complete and eight partial inspections per year. Four complete inspections are required annually for all inactive units.

(c) Cooperative Agreement Funding States which have cooperative agreements with OSM review and issue permits and conduct the required inspections of regulated facilities on Federal lands. Cooperative agreements provide for uniform enforcement of State program requirements at all facilities within the State and reduce both direct Federal program costs and Federal staff requirements. Section 705 (c) of SMCRA sets the amount that a State may receive through a cooperative agreement as up to 100% of the amount that the Federal Government would have to spend to do the same work. Thirteen States have entered into cooperative agreements with OSM to administer most surface coal mining requirements on Federal lands: Alabama, Alaska, Colorado, Illinois, Kentucky, Montana, New Mexico, North Dakota, Ohio, Oklahoma, Utah, Virginia and Wyoming. Kentucky entered into a cooperative agreement with OSM on November 2, 1998. At the present, there is no mining activity on Federal Lands in Indiana, but activity is anticipated in the future. OSM expects that Indiana will enter into a cooperative agreement at some point during FY 1999.

(d) Tribal Regulatory Development Program Grants As allowed by the Energy Policy Act of 1992 and SMCRA Section 710(I), OSM has provided grants to the Crow, Hopi, Navajo and Northern Cheyenne tribes to assist them in developing regulations and programs for regulating surface coal mining and reclamation operations on Indian lands. The grant amounts are based on each Tribe's anticipated workload to develop Tribal regulations and SMCRA program policies, to assist OSM with surface coal mine inspections and enforcement (including permitting activities, mine plan review and bond release) and to sponsor employment training and education in the area of mining and mineral resources. These grants fund 100% of the Tribal primacy development activities.

(2) State Program Evaluation

(a) Oversight Strategy OSM's current oversight strategy (as revised in FY 1996) focuses on whether the public protection requirements and environmental protection standards of SMCRA are being met with primary focus on end results and the on-the-ground success of States in meeting the Surface Mining Control and Reclamation Act's environmental protection goals. These include prompt and effective reclamation of land mined for coal and public participation. This approach is consistent with the Government Performance and Results Act.

OSM and the States have experienced a more positive attitude and spirit of cooperation with the current strategy. In FY 1998, an OSM team completed a report based on interviews with about 100 OSM inspectors and field staff involved in oversight. The team found the current oversight is beginning to take hold and many view it as an opportunity to work cooperatively to improve State program performance.

(b) OSM-State Performance Agreements OSM's oversight directive outlines the performance agreement as a framework for OSM and the State to agree on a plan to conduct oversight activities and, to this end, the performance agreement concept works. The concept of a performance agreement is also a means to maintain and improve the relationship between OSM and the State. Efforts are made to prepare workable agreements. This process leads to improved relationships, shared responsibilities, growing interest in joint reviews and a more open discussion of difficult issues are achieved.

Inspections are identified in performance agreements and are planned and conducted to collect data related to the oversight directive and the annual evaluation report. In some instances, they are designed to address problems or issues specific to an individual State program. Many reviews were designed to investigate some previously-identified areas of concern. Inspections often are the means to collect the data. Joint inspections provided the opportunity for OSM's field offices to work cooperatively with the States and industry to resolve problems.

(c) Public Participation OSM's oversight directive also provides great flexibility to conduct oversight activities in a manner consistent with the needs of individual State programs and, in particular, inspection and public participation activities. Central to identifying potential needs and oversight topics are the views of the public. In 1998, OSM conducted a successful National Symposium on Coal that included a wide range of Federal agencies as well as industry and public groups. This was followed by regional symposia conducted by each of OSM's three

Regional Coordinating Centers. Meetings were also held in each state by our Field Offices to receive input from the public regarding what to consider as OSM developed its FY 2000 budget request. These efforts were highly successful and the results as related to the Environmental Protection Business Line are reflected in respective areas of emphasis identified within this justification.

(d) Oversight Inspections SMCRA requires the Secretary to conduct mine inspections to evaluate the administration of State programs. Inspections range from those regarding current coal mining activities to forfeited bond sites awaiting reclamation. OSM's policy is to allow its regional and field managers discretion and flexibility. They stratify and selectively target their inspections to focus on those topics and activities that present the best opportunity for environmental improvement or the best means of evaluating the impact of program implementation on society and the environment. For example, inspections may focus on high-priority problems such as acid mine drainage and other problem areas, as well as current coal mining operations and abandoned sites awaiting reclamation. This policy provides the most effective use of available resources.

The vast majority of inspections were performed by the States: about 106,000 in 1998. This is consistent with the intent of SMCRA that States take the lead in regulatory programs. In contrast, OSM conducted just over 2,500 inspections in primacy States.

The projected FY 2000 oversight inspection workload includes an estimated 2,500 program evaluation inspections. The actual number will be adjusted depending on the program areas, the presence or absence of problems, input from the public and the terms of the performance agreements in each State. Also, the regulated facilities on Federal lands in those States that have cooperative agreements with OSM are subject to OSM inspections similar to those done on non-Federal lands.

(e) Ten Day Notices The primary emphasis of inspections is to identify and resolve problems and to evaluate whether the Surface Mining Control and Reclamation Act's environmental protection and reclamation goals are being achieved. When an inspection reveals violations of State programs (other than imminent danger of significant environmental harm or danger to the public which requires immediate issuance of a cessation order), a Ten-Day Notice (TDN) is issued to the State. All such notices require written responses from the State regarding the actions taken to resolve the alleged violations or a statement of good cause for not taking such action. A Federal inspection is conducted following a TDN where the State does not act or show good cause for not doing so. If the inspection shows that a violation exists and the State fails to take appropriate action, a Federal enforcement action may be taken. While OSM does not second-guess States on judgment calls, the agency's ability to take enforcement actions to address isolated State program violations is far less drastic, disruptive and costly than a Federal takeover.

(3) Federal Programs

This program activity regulates coal mining activities in non-primacy States (i.e., those with a Federally-administered regulatory program). Within this program activity, OSM implements a full regulatory program including a considerable permitting workload. Other significant regulatory program components OSM must conduct include: establishing and maintaining

performance standards, bonding, inspecting and enforcing (including civil penalty assessment and collection) and conducting technical functions related to the release of performance bonds and bond forfeitures. OSM processes petitions to designate lands as unsuitable for mining.

The largest Federal program that OSM administers (in terms of the number of permits) is in Tennessee. Other Federal programs with current regulatory activity include Georgia, Arizona and Washington, with the bulk of that activity in Washington. Programs are in place for California, Idaho, Massachusetts, Michigan, North Carolina, Oregon, Rhode Island and South Dakota. While none of those States currently have any coal exploration or mining activities, OSM continuously monitors events to initiate regulatory operations when new coal exploration occurs or mining operations resume.

(4) Federal Lands Program

This program activity includes: direct OSM regulatory activities on Federal lands in States without cooperative agreements, implementing cooperative agreements with primacy States to regulate coal mining on Federal lands within their borders, preparation of Mining Plan Decision Documents under the Mineral Leasing Act and processing Valid Existing Rights (VER) claims that involve Federal Lands. This involves consultation with State Historic Preservation Offices, the U.S. Fish and Wildlife Service, Bureau of Land Management (BLM), U.S. Forest Service (USFS) and National Park Service. The processing of Mining Plan Decision Documents constitutes the largest part of the workload under this program activity.

(5) Indian Lands Program

OSM oversees and manages surface coal mining and reclamation activities on Indian lands. The Crow, Hopi, Navajo and Ute Mountain Ute tribes currently have coal mining activities on their lands. The Crow, Navajo, Southern Ute and Ute Mountain Ute tribes are evaluating coal properties for future development. The Hopi/Navajo Tribes jointly have one permanent program permit, two pending permits and eight inspectable units. The Navajo Tribe has three permanent program permits, one pending permit, four initial program operations undergoing reclamation and seven inspectable units. The Crow Tribe has one permit and one inspectable unit. The Ute Mountain Ute has two permits and two inspectable units. The Indian lands mines are among the Nation's largest and together have about 100,000 acres under permit.

OSM coordinates closely with Indian Tribes. The Federal trust responsibility is a legal obligation under which the United States "has charged itself with moral obligations of the highest responsibility and trust" toward Indian tribes. OSM ensures that the lands and trust resources of Federally-recognized Tribes and their members are identified, conserved and protected. In fulfilling these responsibilities, OSM operates within a government-to-government relationship with Indian tribes. As an example of how OSM coordinates its efforts, OSM has established "mine teams" which are comprised of personnel having a cross-section of technical disciplines and programmatic and inspection expertise. The teams promote closer coordination and enhance communication between OSM units and among OSM, mine operators and the public. The teams also provide valuable input and perspectives regarding permitting and inspection activities, are responsible for processing all permitting activities and taking final action and are involved in

inspection and enforcement activity to the maximum extent possible. For the Indian Lands program, permanent mine teams have been established for the Black Mesa and Kayenta mines in Arizona and the McKinley and Navajo Mines in New Mexico. To aid OSM employees meet their trust responsibilities, OSM, Bureau of Indian Affairs, Bureau of Land Management and the Mineral Management Service have sponsored a continuing Indian Trust and Obligation training program.

(6) Program Development and Maintenance

Work elements under this program activity are primarily policy actions, such as rulemaking, grants management and special studies.

(a) Rulemaking OSM issues rules and associated information collection clearance packages required by the Office of Management and Budget. Functions under this program activity include: coordinating clearance and publication of rules and preparing environmental assessments, environmental impact statements, records of compliance and economic analyses for all rules prepared by OSM. OSM also maintains the administrative record for rules and coordinates with the Office of the Federal Register.

Rulemaking Associated with State Programs: OSM assists States to develop, administer, implement and maintain their approved regulatory programs. Decisions affecting State programs are Federal rulemaking actions. OSM evaluates State-initiated changes (statutory, regulatory, or changes in the program's provisions, scope, or objectives) to their approved programs, holds public meetings, maintains the administrative record, approves or disapproves proposed State program amendments and publishes the decisions as final rules in the *Federal Register*.

OSM requires the States to amend their programs as a result of changes to SMCRA and Federal regulations. Under the authority of section 521(b) of the Surface Mining Control and Reclamation Act, OSM recommends withdrawal, in whole or in part, of an approved State program if it finds a State is failing to enforce the approved program after conducting hearings, establishing remedial actions, monitoring compliance, evaluating performance and implementing the rulemakings associated with such withdrawal. Also, OSM responds to requests under section 521(b) to evaluate a State program.

OSM Rulemaking Initiatives: In FY 1997, OSM began using a new approach to developing regulations. By involving interested parties at an early stage, prior to the development of a formal proposed rule. The goal of this approach is to develop better regulatory proposals by maximizing the opportunities for stakeholders to participate in the process. Key rulemaking initiatives underway that are expected to extend into FY 2000 are described below.

- *Ownership and Control:* For potentially controversial rules, OSM expanded on this new approach of early participation in FY 1998, beginning with the ownership and control rules. OSM held public meetings to solicit comments, concerns and new ideas regarding the drafting of new rules. This announcement coincided with the advanced notice of proposed rulemaking/notice of public meetings for the ownership and control rules. OSM

held public meetings to provide a forum for public participation during the developmental stages of the new rules.

- *Remining*: In most eastern States, active coal mining operations commonly involve some mining in areas that have been previously mined. In November 1995, OSM published a final rule which defined those lands eligible for remining. The rule codified provisions of the Energy Policy Act of 1992 which provided for a reduced liability period for revegetation and elimination of future permit blocking for unabated violations caused by unanticipated events at the remining site. In FY 1998, OSM continued working with several States to examine regulatory approaches that could be used to facilitate coal refuse removal and reclamation. In addition to rulemaking, OSM continues to focus on remining efforts through partnerships with States, environmental groups and industry and through an interagency task force.
- *Valid Existing Rights*: Early in FY 2000, OSM intends to issue final rules to redefine the circumstances under which a person needs and has valid existing rights to conduct surface coal mining operations in areas where these operations are otherwise prohibited by section 522(e) of the Surface Mining Control and Reclamation Act. In addition, the rules will establish requirements, procedures and responsibilities for the submission and processing of requests for VER determinations and establish requirements governing coal exploration activities on the lands listed in section 522(e) of the Surface Mining Control and Reclamation Act. The rules are considered environmentally significant and require the preparation of an environmental impact statement. A draft EIS has been published in support of the proposed rules.
- *Other Regulatory Initiatives*: OSM will continue to work with States, other Federal agencies and public stakeholders to identify areas requiring regulatory changes. Among the areas of concern for possible rulemaking in FY 1999 and FY 2000 are: mountaintop mining operations and valley fills in response to current efforts on mountaintop mining in Appalachia; dam safety in response to the National Dam Safety Act passed in 1996 and an internal review of the Department of Interior's Dam Safety Program; and revegetation in response to concerns about ways to promote reforestation and species diversity. Any rulemaking proposals related to these areas would likely be developed in consultation with all interested parties through OSM's new rulemaking approach.

(b) *Grants Management* OSM takes a decentralized team approach to grants management with a small policy staff in Headquarters. The day-to-day grants and program management is performed in the regional/field offices and the financial tracking occurs at the Denver Finance Center. Under the grants management program, the OSM team and the State/Tribal grantees cooperate to maximize the use of available funding and operate an effective program. Grantees provide input to the program by participating on *ad hoc* teams and by reviewing and commenting on proposed changes in the program. This cooperative working relationship contributed to: streamlined application and awards processes; faster obligation of Federal funds, innovative program monitoring and less paperwork-intensive reporting and close-out of grants. In addition, OSM periodically holds meetings/workshops with the State/Tribal grantees to provide training for grantees and to keep them abreast of policies and procedures.

(c) Special Projects Special projects include interpretation of the Surface Mining Control and Reclamation Act, reports to Congress and legislative analyses and assists in responses to litigation. OSM conducts studies and analyses in response to Departmental initiatives and coordinates with other Bureaus and Federal agencies, including the Fish and Wildlife Service (Endangered Species Act), Advisory Council on Historic Preservation (National Historic Preservation Act), EPA (Clean Water Act), etc., whose activities affect the surface coal mining regulatory program.

(d) Tribal Primacy Initiative In FY 1999 and FY 2000, OSM will continue the development of a legislative package that would allow Tribes to assume primacy under the Surface Mining Control and Reclamation Act.

d. Benefits Derived

Further emphasis and attention was developed for the protection of people, the environment and property by measuring the number of off-site impacts. In addition, better communication and coordination is being conducted to get the industry, regulatory authorities and OSM to release reclaimed land from the performance bonds. This is indicative of the commitment of OSM, its customers and stakeholders and the industry to improve the Surface Mining Program.

II.2.8 FY98 Annual Performance Report for Mission Goal - Better Protection

Improve OSM's regulatory program for protecting the environment, people and property during current mining operations and subsequent reclamation through cooperative results-oriented oversight and evaluation of State programs and in carrying out OSM's regulatory responsibilities - in order to safeguard people and the environment.

a. 1998 Annual Performance Goals:

- OSM will award grants within 60 days 89% of the time.
- The Surface Mining Program will maintain the percent of sites that are free of off-site impacts at 90%.
- The Surface Mining Program will increase the number of acres (115,000) released annually from Phase I & II Performance Bonds.
- The Surface Mining Program will increase the number of acres (90,000) released annually from Phase III Performance Bonds.

FY1998 was a pilot year for collecting and establishing goals and performance measures. This report does not address all of the performance goals cited above, but, provides a pilot report on a select few which OSM deems to be important.

Performance Measure	1997 Actual	1998 Plan	1998 Actual
Percent of active mine sites that are free of off-site impacts	88%	90%	93%

Number of acres released from Phase I and II Performance Bonds	115,000 acres	115,000 acres	145,180 acres
Number of acres released from Phase III Performance Bonds	82,000 acres	90,000 acres	85,301 acres

b. Description:

To measure the outcomes of this goal - protecting the environment, people and property during and subsequent to current mining in order to provide safeguards - the Surface Mining Program looked at the two primary and one secondary outputs that would indicate attainment of these desired results. They are:

1. The number of off-site impacts that occur - these are damaging affects that would occur as a result of blasting, land stability, hydrology, encroachment, etc. that would affect people, land, water, or structures outside the permitted area of mining operations. In addition, analysis was conducted on the three categories of impact (minor, moderate, or major) in relation to the severity of any impacts. General guidelines for assessing the degree of impact are:

Minor

- Small amount of disturbance outside of permit or authorized area
- Small amount of sediment, flyrock, erosion outside permit or authorized area
- Low volume or short duration water discharge that marginally exceeds effluent limits and has a marginally negative impact on receiving stream water quality
- Impact does not interfere with land use
- Impact does not jeopardize public safety
- Impact does not cause damage to uncontrolled structures or restricted areas

Moderate

- Anything not fitting guidelines for minor or major impact

Major

- Large amount of disturbance outside of permit or authorized area
- Large amount of sediment, flyrock, or erosion outside permit or authorized area
- High volume or long duration water discharge of poor quality enters a high quality stream
- Impact interferes with land use
- Impact jeopardizes public safety or causes personal injury
- Impact causes damage to uncontrolled structures or restricted areas
- Mining without a permit

2. Phase III bond release - these are the number of acres that have been fully reclaimed from current mining operations, meet the performance standards, and released as useful and productive restored land. This performance measure is the acreage of land that is released every year by active coal mine operators (and is dependent on the operator to file application for the release). This is done through a series of bond releases. The bonds are required to assure that funds are available for reclamation in case the operator fails to reclaim the mined land. OSM is also reporting the acreage of Phase I and Phase II bond release in order to show the progression

of reclamation toward Phase III in the reporting year. OSM's annual goal for FY 1998 was the release of 90,000 acres from Phase III.

3. In addition to the annual performance goal indicators (above) directly related to mission outcomes, OSM also measures customer service satisfaction in providing funds to the States and Indian Tribes for maintaining their regulatory programs. This annual performance goal states that OSM will award grants within 60 days 90% of the time. The significance of this timely service provides OSM's partners with the funds for their fiscal, human and information resources necessary to provide the protection and reclamation of land, water, people, and property in their respective States. These resources are used to contribute to and produce the results of the outputs and outcomes for this mission goal.

c. Analysis of Performance and Strategies for Improvement

In FY 98, OSM, along with its partners the States and Indian Tribes, conducted a pilot analysis of the indicators; the results of which follow.

(1) Off-site Impacts Protecting the environment, people and property is measured by the number of times incidents occur outside the boundaries of the permitted areas being mined. These are known as off-site impacts and the goal is to not have any incidents occur. It is inevitable that some impacts will occur - 100% compliance is not realistic. In 1998, 93% of the mine sites were free of off-site impacts. Of the seven percent of the sites that did have incidents occur off-site only 8% were in the major category of severity. As you can also derive from the following table, 60% of off-site impacts affected water resources and 32% affected land resources.

Resources Affected		People			Land			Water			Structures		
Degree Type	Tot	Min	Mod	Maj	Min	Mod	Maj	Min	Mod	Maj	Min	Mod	Maj
Blasting	5%	1%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%	1%
Land Stability	15%	0%	0%	0%	11%	1%	0%	1%	0%	0%	0%	0%	0%
Hydrology	69%	1%	0%	0%	6%	2%	1%	40%	12%	5%	1%	0%	0%
Encroachment	9%	0%	0%	0%	5%	2%	0%	0%	0%	0%	0%	0%	0%
Other	2%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%
TOTAL	100	4%	1%	0%	25%	5%	2%	42%	13%	5%	1%	1%	1%
Major	8%												
Moderate	20%												
Minimum	72%												

In the future, OSM will be working with States, Tribes and coal industry to strive for and maintain, a minimum number of occurrences.

(2) Bond Release A total of 85,301 acres were released from Phase III performance bonds and our goal was 90,000. Although we fell short of our expectations by 4,699 acres, it represents only a 5% shortfall of the goal. There were 74,237 acres and 70,943 acres released from Phase I and II respectively during the year.

With bond release a major focus of oversight, OSM is exploring strategies to improve performance in this area by working with the operators and States to develop mechanisms by which disturbed and reclaimed lands can be better and consistently identified.

3. Customer service satisfaction in providing funds.

In 1998, OSM achieved an 89% customer service rate for providing funds to the States for carrying out their regulatory programs. While the goal was 90%, this achievement only fell 1% short. OSM is committed to improving this rating and is determined to meet or surpass it in subsequent years.

II.3 MISSION GOAL #3: BETTER SERVICE

II.3.1 Description of GPRA Program Activity

<i>Business Line/Program Activity: Technology Development and Transfer</i>						
MISSION GOAL						
BETTER SERVICE						
Strengthen the capabilities of States, Tribes and OSM staff to enforce the Surface Mining Control and Reclamation Act effectively by improving service to OSM customers, partners and stakeholders, through open communications, technical training opportunities, technical assistance and the transfer of technology - in order to have better information and skills to make decisions						
		FY 1999	Uncontrollable	Program	FY 2000	Difference from FY99
		Enacted	Costs	Change	Request	
Regulation & Technology	\$\$\$	11,300	289	0	11,589	289
		FTE	98	0	0	98
Abandoned Mine Land	\$\$\$	3,473	63	0	3,536	63
		FTE	22	0	0	22
TOTAL	\$\$\$	14,773	352	0	15,125	352
		FTE	120	0	0	120

** Reflects transfer (PL 105-174) and re-programmings since President's Budget submitted.*

This goal will be achieved primarily through OSM's Technology Development and Transfer business line. OSM's efforts to enhance the technical skills and provide the technical tools that OSM, States and Tribes need to operate their regulatory and reclamation programs and to meet SMCRA requirements are identified under this business line. OSM wants to ensure that OSM, State and Tribal staff have the highest possible level of technical capability to effectively implement and maintain the Surface Mining Control and Reclamation Act's objectives.

OSM offers technical training to OSM, State and Tribal staff on new technologies and methods available to improve the effectiveness of regulatory and reclamation programs. OSM provides technical outreach to State and Tribal staff in a multi-disciplinary approach to solve problems related to the environmental effects of coal mining. OSM also provides daily informal assistance to States and Tribes. Technology transfer is a major part of OSM's cooperative effort with States and Tribes. By adopting its stakeholders' recommendations, OSM identified its changing role under this business line. OSM's technology transfer program initiated the development of electronic data transfer protocols, electronic permitting processes and guidelines and geographic information system methodologies. OSM also collects and reviews technical studies on mining-related problems and distributes the results to its stakeholders.

11.3.2 Strategic Issues Related to the GPRA Program Activity

Long-term Goal: BETTER SERVICE- Strengthen the capabilities of States, Tribes and OSM staff to enforce SMCRA effectively by improving service to OSM customers, partners and stakeholders, through open communications, technical training opportunities, technical assistance and the transfer of technology - in order to have better information and skills to make decisions.

Resources, Skills and Technology Needed: To successfully implement the Surface Mining and AML Programs, OSM, as well as the States and Tribes, must maintain multi-disciplinary staffs that are fully competent in addressing a wide variety of technical issues that impact these Programs.

11.3.3 Related Budget Accounts, Budget Activities, Subactivities

BUDGET ACCOUNT	PROGRAM ACTIVITY	BUDGET ACTIVITY	2000 REQUEST (\$ 000)
Regulation and Technology	Better Service	Tech. Develop & Transfer	11,589
Abandoned Mine Land	Better Service	Tech. Develop & Transfer	3,536

11.3.4 Proposed Legislation

None of OSM's current performance goals are contingent on enactment of legislation.

11.3.5 Impact of FY 2000 Budget Changes..... +\$350,000

Budget changes related to this goal are required to cover uncontrollable payroll costs such as workers' compensation, unemployment compensation, retirement costs and pay rate increases.

This constant level of funding will enable OSM to continue to strengthen the capabilities of States, Tribes and OSM staff through communications, technical training, technical assistance and the transfer of technology. OSM is using customer surveys to identify needed improvements. Also, TIPS, the Mine Map Repository and AVS will increase access to users by providing more

material on the Internet. For example, in early FY 1999, OSM gave the public access to an AVS homepage containing guidance materials and information.

II.3.6 Exhibit A-3 - Performance Plan

	FY 1999	FY 2000 Proposed
	Enacted	BA
	BA	(,000)
	(,000)	
GPRA Program Activity	14,773	15,125
Technology Development and Transfer - BETTER SERVICE: Strengthen the capabilities of States, Tribes and OSM staff to enforce SMCRA effectively by improving service to OSM customers, partners and stakeholders, through open communications, technical training opportunities, technical assistance and the transfer of technology - in order to have better information and skills to make decisions		

Long-term Goals:

- 03.01.00.00 By FY 2002, OSM will attain an 90% customer satisfaction rate in the quality of our technical training.
- 03.02.00.00 By FY 2002, OSM will attain an 90% customer service rate for technical assistance activities.
- 03.03.00.00 By FY 2002, OSM will attain an 90% customer satisfaction rate for technical training/assistance of the Technical Information Processing System (TIPS).
- 03.04.00.00 By FY 2002, OSM will attain an 90% customer satisfaction rate for our technical transfer activities.
- 03.05.00.00 By FY 2002, OSM will train 900 students.
- 03.06.00.00 By FY 2002, OSM will attain an 90% customer service rate in the quality of Applicant Violator System (AVS) services.

FY 2000 Annual Performance Goal:

- 03.01.00.00 In FY 2000, OSM will maintain an 89% customer satisfaction rate in the quality of our technical training.
- 03.02.00.00 In FY 2000, OSM will maintain an 86% customer service rate for technical assistance activities.
- 03.03.00.00 In FY 2000, OSM will attain an 87% customer satisfaction rate for technical

implementation of and compliance with, Title V of this Act and provide technical assistance to states for that purpose....

b. Status: Progress is being made in all of the performance goals. The table above shows the status of these goals. Analysis and evaluation of selected performance goals tested in FY98 are discussed below in the FY98 Annual Performance Report.

c. Goal Achievement: The following program activities support OSM's goal to strengthen the capabilities of the States, Tribes and OSM staff to enforce SMCRA effectively through quality technical and scientific information, expertise and training.

Goals 3.1 & 3.5 Technical Training - Over the past 10 years OSM's National Technical Training Program added to its basic offerings, 18 new specialized and advanced courses at the request of program customers. The program delivers technical and legal training related to permit approval, bond release, reclamation, inspection and, enforcement. The program's objectives are to develop, and update State/Tribal/OSM technical expertise and, to foster consistent application of standards. These objectives assist staff in meeting their agencies' goals of better reclamation and better environmental protection of surface mined lands. The joint identification of needs, development and instruction of courses with State, Tribal and OSM has been very popular with program customers, and in FY 2000, OSM plans to continue to be responsive to its customers by developing and revising courses based on their input and feedback.

The processes used to meet these objectives are classes, symposia and presentations at national mining and reclamation meetings. The skills needed to conduct the program include training specialists to guide course development, technical and legal staff to develop and instruct, and program staff to execute administrative functions. In terms of instructional technology, the program will continue to employ in-class exercises, field exercises, the use of computer presentations and exercises, videos and slide/overhead presentations -- updating technology as funds allow. Funding of approximately \$1.3 million covers all program costs including staff, equipment, administrative and travel costs to instruct 900 students per year.

OSM's stakeholders (States, Tribes, industry) continue to express support for Technology Development and Transfer (TDT) efforts and encourage OSM to provide the types of technical support needed to effectively and efficiently meet the Surface Mining Control and Reclamation Act, the Environmental Policy Act and other environmental and safety laws. Cost-effective compliance will help industry remain competitive with other energy sources. Helping industry achieve up-front compliance will reduce the need for additional regulatory resources.

Goal 3.2 Technical Assistance - OSM provides states, Indian Tribes, federal agencies, the coal industry, and citizens with the technical information and tools they need to carry out their responsibilities under the Surface Mining Act. In FY 2000, OSM will provide specific assistance to address regulatory and reclamation issues, such as mountaintop mining, subsidence and reforestation. Processes used to meet this objective include providing direct technical assistance, such as consultations, site visits, data evaluation, and monitoring assistance, to help address specific mining and reclamation technology problems and maintaining automated systems and databases used by others in making decisions under the Act. Various technical skills are needed,

including engineering, hydrology, geology, agronomy, economics, and environmental assessment and analysis. In providing technical assistance, OSM focuses on making readily available information and assistance to citizens and the coal industry that they need to understand their rights and responsibilities under the Act. Technologies used include automated systems, technical analysis, and scientific monitoring and evaluation. Funds for technical assistance are not directed to one program area or activity but are spread across bureau organization lines and are often an integrated part of services provided within each program area. Beginning in FY 1999, OSM began to use a new OMB-approved customer survey form to measure the quality of our technical assistance. The information derived from customers completing the form will be used as a basis for determining how we can improve on our service.

Goal 3.4 Technical Transfer - Effective technology development and transfer contributes to meeting OSM's goals of protecting the public, property, and the environment during mining and reclamation, and restoring damaged mined lands and waters to productive use. OSM seeks to develop sufficient knowledge, expertise and capability among federal, state and tribal staff so that they can effectively carry out their regulatory and reclamation responsibilities. This activity involves transferring technical capability to others through the processes of training, consultations, forums, and conferences so that they become more technically proficient and better equipped to solve problems on their own. Technology transfer also means working with others to develop and test new technological approaches having the potential to improve the state of mining and reclamation in the United States. Necessary skills include engineering, hydrology, geology, agronomy, economics, and environmental assessment and analysis. Technologies used include advanced computer and audio-visual presentations. Funds for technical transfer are not directed to one program area or activity but are spread across bureau organization lines and are often an integrated part of services provided within each program area. Beginning in FY 1999, OSM began to use a new OMB-approved customer survey form to measure the quality of our technical transfer. The information derived from customers completing the form will be used as a basis for determining how we can improve on our service.

Goal 3.6 Applicant Violator System Services - The primary purpose of the AVS is to provide regulatory authorities with a centrally maintained database of information to evaluate an applicant's mining history, including the applicant's relationship to past operations. AVS contains violation records as well as information on ownership and control of mining operations. By checking AVS during the review of permit applications, regulatory authorities can determine whether an applicant is entitled to a permit. The AVS also is checked prior to awarding AML reclamation contracts. Access to the AVS is available to the general public, coal field citizens, individual coal companies, and industry representatives. The ongoing processes that support AVS services include developing rules, maintaining data integrity, conducting investigations, and training of system users. Necessary skills include data and legal analysis, system programming, computer technical support, investigative and negotiating, and environmental assessment. Technologies include automated computer systems hardware and software, electronic media and communications, and electronic permitting. The AVS budget for FY 1999 is \$1.47 million. Funds supporting AVS services are not a separate line item within this amount, and all AVS staff provide services to customers as an integral and ongoing responsibility concurrent with various non-customer service program functions. Hence, OSM does not have a specific, reliable estimate of the cost of providing AVS services to customers. Beginning in FY

1999, OSM began to use a new OMB-approved customer survey form to measure the quality of our AVS services. The information derived from customers completing the form will be used as a basis for determining how we can improve on our service.

Other current actions or programs and subprograms that are being conducted to contribute to the overall accomplishments of OSM's performance goals are:

(1) Technical Assistance

This program activity provides assistance to State regulatory and reclamation staff and to the OSM staff who review/monitor State programs, develop rules or policy, litigate SMCRA challenges or enforcement actions, or maintain other technical support infrastructure like TIPS, AVS, technical training programs, etc. Technical activities such as permit review, citizen complaint evaluation and cumulative hydrologic impact assessment occur where OSM is the regulatory authority. Technical work also occurs in AML project design and monitoring where OSM is responsible for AML emergency and priority projects. However, these types of endeavors are integral parts of the Environmental Protection and Restoration business lines and are not encompassed by the TDT program activity. The TDT activity described in the following pages represents those activities where OSM staff provide direct technical support to the efforts ongoing in other business lines.

OSM intends to attain an 86% customer service rate for its technical assistance efforts in FY 1999 and FY 2000. Trial surveys were circulated in FY 1998 for the variety of assistance offered by OSM as detailed in the following section. Refined surveys were used during FY 1999 to document the responsiveness of OSM technical assistance to its customers in a timely and professional manner. By meeting the technical assistance needs, OSM can help effectively achieve the Environmental Restoration business line and Environmental Protection business line goals.

(2) Technical Training

(a) National Technical Training Program Recognizing the need for an ongoing educational program to increase the technical competence and professionalism of Federal, State and Tribal personnel, OSM established the National Technical Training Program in 1985. The program delivers training related to permit approval, bond release, reclamation and enforcement. The program updates technical expertise and fosters consistent application of standards. State, Tribe and OSM staff must make numerous and complex technical judgments when performing their duties. No single discipline encompasses all the technical requirement. Therefore, all personnel have some areas where their expertise must be upgraded. Disciplines involved in enforcement of SMCRA include: engineering, hydrology, blasting, agronomy and botany. Staff must have the ability to gather evidence and testify in court. Periodic training is needed to disseminate the latest technological and other changes in regulatory and associated reclamation activities.

Without a comprehensive technical training program, significant problems would likely develop in regulatory and reclamation program implementation such as:

- limited comprehension of on-the-ground conditions, inaccurate field testing, or misinterpretation of test results could lead to:

- delayed or improvidently issued permits,

- incorrect violations,

- bond release problems.

- poor handling of evidence, incomplete documentation, or poor testimony could lead to invalid enforcement actions.

- less than optional AML project designs which could result in added cost or decreased efficiency.

- lack of knowledge of safety procedures on active and inactive sites could result in personal injury.

To help avoid these controllable consequences, OSM's strategic plan clearly recognizes the need to provide training to States, Tribes and OSM personnel. All aspects of the training program, from needs identification through course development and presentation, are a cooperative effort of State, Tribal and OSM offices. Each year, OSM surveys all State, Tribal and OSM offices to determine their technical training needs. The course schedule is developed in accordance with available funding.

In FY 1998, the training program exceeded its target customer satisfaction rate of 85% by 3.6%. In FY 1999 and FY 2000, OSM intends to maintain or exceed its 89% customer satisfaction rate for its national training efforts and provide training to approximately 900 students.

(b) TIPS Training: In FY 1998, 352 technical professionals from the States, Tribes, OSM and industry were trained in 34 classes under the TIPS computer applications training program. Of the total, 71% were from States, 12% from Tribes, 16% from OSM and one percent from industry. Most of these courses (24) were held at OSM's regional computer training facilities. An additional ten special request courses were conducted at trainee sites. The value of this specialized reclamation-specific computer training provided to SRA and Tribal professionals by TIPS is estimated at \$422,400, based on costs of comparable off-the-shelf vendor computer training.

For FY 1999, the TIPS training program has scheduled 12 classes to be held at regional training centers and at least six classes to be conducted at trainee sites. This reduced schedule will allow for implementation of the TIPS conversion to the Windows NT operating system. In FY 2000, the training schedule will be restored to be comparable to the FY 1998 effort.

(3) Technology Transfer

A sound technical development program ensures that the most current and valid scientific information is available to the industry, States and Tribes. Beginning in FY 1999, OSM began using customer surveys to measure the success of its Technology Transfer activities. OSM expects to attain an 86% service rate in FY 1999 and FY 2000.

(a) Technology Development OSM seeks to meet the needs of States, Tribes and OSM staff, as well as the public and the coal industry, by solving problems related to reclamation projects and regulatory implementation through cooperative research efforts with other bureaus. OSM does not have specific funding to conduct research of its own. OSM's research needs are coordinated with the regulatory and research programs of other Federal agencies having responsibility for or supporting environmental protection.

In FY 2000, OSM proposes to continue support for the Acid Drainage Technology Initiative (ADTI) at \$200,000. The \$200,000 will be provided to the National Mine Land Reclamation Center, which acts as the Executive Secretariat for the ADTI cooperative effort. In 1998-1999, the National Mine Land Reclamation Center will issue a two volume AMD prediction methods and technical solutions handbook. This will be updated periodically as the science related to AMD progresses. In FY 2000, field validation of technical approaches used to control AMD will be a focus of the ADTI.

(b) Electronic Permitting The goal of Electronic Permitting is to obtain computer-generated permits in which all text, baseline data, models, drawings and maps are in electronic media. The permits can be loaded onto the regulatory agency's local area network for review and specific items can be loaded into the agency's databases. This will simplify the transfer of information with our citizen and industry stakeholders during the permitting process.

In FY 2000, OSM plans to continue to: (1) coordinate activities with primacy States, Tribes and industry; (2) expand technology to OSM Field Offices; (3) sponsor interactive forums, training and workshops for primacy States, Tribes and industry; and (4) implement prototype Federal/Industry electronic data exchange initiatives. OSM will continue to support States electronic permitting initiatives through its Technology Development and Transfer efforts .

(c) Technology Transfer and Publications Technology Transfer is accomplished through a variety of activities. State technical representatives meet on a quarterly basis with OSM regional technology transfer staff to share resources whenever practicable to resolve regional technical issues. OSM sponsors or attends interactive technical forums, computer applications workshops and technical seminars to address mining and reclamation environmental issues. Examples of technical forums include: Blasting Conferences, EPA's Region 3 State Meeting on the National Pollutant Discharge Elimination System, International Erosion Control Workshop and the National Science Teachers Association Regional Meeting.

After coordinating the needs of States, Tribes and industry, OSM plans and presents technical topic forums. The following describe the types of past and future forums:

Bond Release: The first in a series of five Interactive Bond Release Forums on Arid and Semi-arid Areas was conducted in September 1998. This forum on Applied Statistics for Reclamation

and Surface Mining Applications in the Arid, Semi-arid West 1998 was supported by a series of seven advanced statistics workshops conducted during FY 1998. A series of four additional bond release forums are scheduled through FY 2002.

- FY 1999 topic: Approaching Bond Release: Revegetation/Native Plants and Native American Cultural Plants Used for Reclamation and Surface Mining Applications in the Arid, Semi-arid West
- FY 2000 topic: Approaching Bond Release: Hydrology Cumulative Hydrologic Impacts (CHIA) for Reclamation and Surface Mining Applications in the Arid, Semi-arid West
- FY 2001 topic: Approaching Bond Release: Wildlife Habitat Construction for Reclamation and Surface Mining Applications in the Arid, Semi-arid West
- FY 2002 topic: Approaching Bond Release: Post-mining Land Use (PMLU) for Reclamation and Surface Mining Applications in the Arid, Semi-arid West

Reforestation Policy Outreach Symposium As one means of increasing environmental protection, OSM is hosting a series of events on policy and technical issues related to reforestation on active and abandoned mines. The objective of the events is to provide a forum to discuss current policies related to reforestation including erosion control, soil compaction, revegetation and post-mining land use trends. Discussions will also address recommendations on how to encourage reforestation as a post-mining land use on active and abandoned mined lands, where appropriate.

Reforestation Technical Interactive Forum on Enhancing Reforestation at Surface Coal Mines The purpose of this forum is to highlight information on successful reforestation efforts and technologies currently used to enhance reforestation on mined lands and to promote technologies for enhancing tree planting.

(d) Experimental Practices Program Section 711 SMCRA allows variances from Sections 515 and 516 performance standards as alternative or experimental mining and reclamation practices to encourage advances in mining technology or to allow innovative industrial, commercial, residential, or public postmining land uses. However, the experimental practices must be at least as environmentally protective as the environmental protection performance standards promulgated under Sections 515 and 516 of SMCRA. They must not reduce the protection afforded public health and safety below that provided by the standards. Approval and monitoring of a permit containing an experimental practice requires a close working relationship between the mine operator, the State regulatory authority and OSM.

Since the inception of the program, 27 experimental practices have been approved. Twelve were determined to be successful and three unsuccessful; one was terminated due to regulation change; five have been completed but a final report has not yet been submitted.

OSM anticipates that five new experimental practices may be submitted by Virginia, Kentucky and Utah in FY 1999. If interest continues, similar numbers can be expected in FY 2000.

d. Benefits Derived

By meeting the technical assistance needs, OSM can help effectively achieve the Environmental Restoration business line and Environmental Protection business line goals. The technical training program delivers training related to permit approval, bond release, reclamation and enforcement. The program updates technical expertise and fosters consistent application of standards and provides staff with the ability to gather evidence and testify in court. Without a comprehensive technical training program, significant problems would likely develop in regulatory and reclamation program implementation. A sound technical development program ensures that the most current and valid scientific information is available to the industry, States and Tribes.

II.3.8 FY98 Annual Performance Report for Mission Goal - Better Service

Strengthen the capabilities of States, Tribes and OSM staff to enforce the Surface Mining Law effectively by improving service to customers, partners and stakeholders, through open communications, technical training opportunities, technical assistance and the transfer of technology - in order to have better information and skills to make decisions.

a. 1998 Annual Performance Goals:

- OSM will maintain an 85% customer satisfaction rate in the quality of our technical training.
- OSM will establish a baseline for a service rate for technical assistance activities.
- OSM will attain an 85% customer satisfaction rate for technical training/assistance of the Technical Information Processing System (TIPS).
- OSM will establish a baseline for a customer satisfaction rate for our technical transfer activities.
- OSM will train 900 students.
- OSM will establish a baseline for a customer satisfaction rate in the quality and timeliness of Applicant Violator System provided services.

b. Description

FY1998 was a pilot year for the collection and establishment of goals and performance measures. This report does not report on all of the performance goals cited above, but, provides a report on a select few which OSM deems to be important.

Performance Measure	1997 Actual	1998 Plan	1998 Actual
Customer satisfaction rate in the quality of technical training	85%	85%	88.6%
Number of students trained	1,010 students	900 students	819 students

c. Analysis of Performance and Strategies for Improvement

Measuring performance within the technical training program continues to focus on customer surveys. Student satisfaction with the training is assessed at the conclusion of the course. Several months later, students and their supervisors are re-surveyed to identify whether they have applied what they learned in the course and how the training proved useful in the context of their day-to-day work. Results of the FY 98 class surveys averaged 90% satisfaction and follow-up evaluations indicated that the training does improve job performance in many areas. During 1998, 819 students were trained and at the customers' requests, three additional classes planned for 1998 were re-scheduled for the Fall. This is very close to the goal of training 900 students per year and is the first phase of a larger effort to train 4,500 students over the next five years.

II.4 MISSION GOAL #4: BETTER OPERATIONS

II.4.1 Description of GPRA Program Activity

ORGANIZATIONAL GOAL						
BETTER OPERATIONS						
Improve OSM's operations through effective and efficient management of human and fiscal resources to facilitate reclamation of abandoned mine lands and in order to protect the environment, people and property, during and after mining.						

Business Line/Program Activity: Financial Management

		FY 1999 Enacted	Uncontrollable Costs	Program Change	FY 2000 Request	Difference from FY 99
Regulation & Technology	\$\$\$	511	14	0	525	14
		FTE	5	0	0	5 0
Abandoned Mine Land	\$\$\$	5,860	180	0	6,040	180
		FTE	61	0	0	61 0
SUBTOTAL	\$\$\$	6,371	194	0	6,565	194
		FTE	66	0	0	66 0

Business Line/Program Activity: Executive Direction and Administration

Regulation & Technology	\$\$\$	11,105	304	0	11,409	304
		FTE**	67	0	0	67 0
Abandoned Mine Land	\$\$\$	5,943	170	0	6,113	170
		FTE	37	0	0	37 0
SUBTOTAL	\$\$\$	17,048	474	0	17,522	474
		FTE	104	0	0	104 0
TOTAL	\$\$\$	23,419	668	0	24,087	668
		FTE	170	0	0	170 0

* Includes 13 reimbursable FTE performing personnel functions for BIA.

This goal will be achieved through OSM's Financial Management and Executive Direction and Administration business lines. The Financial Management business line involves efforts to maximize compliance with the Surface

Mining Control and Reclamation Act's reclamation fee provisions so funds are available for abandoned mine land reclamation. This includes collecting and auditing over \$270 million annually and disbursing money through grants to the States and Tribes. Another vital aspect is investing the unappropriated balance of the Abandoned Mine Reclamation Fund to maximize interest earnings, a portion of which is designated for payment to the United Mine Workers Combined Benefit Fund.

The business line also finances the cost of collecting other receivables, such as Federal fines and penalties assessed on mining violators. The revenue generated by the activities managed within the business line is available for appropriation by Congress to accomplish the Surface Mining Control and Reclamation Act's objectives.

Executive Direction and Administration is a business line in both the Regulation and Technology and the Abandoned Mine Reclamation Fund appropriations. The components within this business line are:

- (1) Executive Direction includes the Office of Director, EEO, Office of Strategic Planning and Budget and the Office of Communications;
- (2) Administrative Support includes Information Systems Management and Administrative Services;
- (3) General Services provides funds for bureau-wide overhead costs such as GSA space, FTS telephone, postage, workers and unemployment compensation and the Department's Working Capital Fund; and
- (4) Administrative accounting provides control over appropriated funds.

Strategic and Annual Planning goals are not provided for administrative support functions.

11.4.2 Strategic Issues Related to the GPR A Program Activity

Long-term Goal - BETTER OPERATIONS. Improve OSM's operations through a more effective and efficient management of human and fiscal resources and the ability to make science based decisions - in order to protect the environment, people, and property during and after mining.

Resources, Skills and Technology Needed: To support program activities and to ensure that operators continue to support the surface mining program by paying appropriate fees, OSM plans to maintain a highly trained cadre of fee compliance auditors, financial systems personnel and program accountants. Training will continue so that financial management personnel maintain a high level of skill and technical expertise.

There are a number of program financial data systems that OSM must maintain and enhance during FY 1999 to ensure that an effective, efficient and accurate financial and accounting operation remains in effect.

11.4.3 Related Budget Accounts, Budget Activities, Subactivities

BUDGET ACCOUNT	PROGRAM ACTIVITY	BUDGET ACTIVITY	2000 REQUEST (\$ 000)
Regulation and Technology	Better Operations	Financial Mgt & Admin	525
Abandoned Mine Land	Better Operations	Financial Mgt & Admin	6,040
Regulation and Technology	Better Operations	Ex Direction & Admin	11,409
Abandoned Mine Land	Better Operations	Ex Direction & Admin	6,113

II.4.4 Proposed Legislation

None of OSM's current performance goals are contingent on enactment of legislation.

II.4.5 Impact of FY 2000 Budget Changes..... +\$668,000

Budget changes related to this goal are required to cover uncontrollable costs such as rent, telecommunications, workers' compensation, unemployment compensation, retirement costs and pay rate increases.

This constant level of funding will enable OSM to continue to improve OSM's operations through effective and efficient management of human and fiscal resources. It is expected that OSM will meet or exceed its FY 2000 performance targets through initiatives that include:

- Conducting outreach sessions with industry and other stakeholders. A survey of 60 selected companies showed 97% were very satisfied with the way the audits were conducted. OSM will strive to improve that rate.
- Refining policies regarding the assessment of reclamation fees on coal recovered from coal refuse piles. OSM wants to ensure that the fee application remains in step with the Surface Mining Control and Reclamation Act's overall goals and OSM's efforts to enhance re-mining of abandoned sites.
- Enhancing the audit systems. OSM's automated audit system has been recognized as highly innovative and efficient by the OIG, a Federal Executive Board and other government agencies. The system, along with reengineering of work processes, has enabled OSM to maintain the level of audit productivity and, hence, compliance, with fewer staff.

II.4.6 Exhibit A-4 - Performance Plan

	FY 1999	FY 2000 Proposed
	Enacted	BA
	BA	(\$000)
	(\$000)	
GPRRA Program Activity	23,449	24,087
Financial Management and Administration and Executive Direction and Administration - BETTER OPERATIONS. Improve OSM's operations through a more effective and efficient management of human and fiscal resources and the ability to make science based decisions - in order to protect the environment, people and property, during and after mining.		

Long-term Goals:

- 04.01.00.00 By FY 2002, OSM will continue to have no material weaknesses regarding fee compliance, revenue and grants financial services in OSM's annual financial statements as determined by the Office of the Inspector General.
- 04.02.00.00 By FY 2002, OSM will maintain a 99% AML reclamation fee compliance rate as measured by:

04.02.01.00 - Percent of permits reporting (OSM-1's returned) compared to number of permits mailed (OSM-1's mailed); and

04.02.02.00 - Percent of audited tons reported (Accurately reported tons identified in audits divided by total tons audited).

- 04.03.00.00 By FY 2002, OSM will process requests for grant payments within one day, 99% of the time by measuring the total days to process requests compared to number of requests received.
- 04.04.00.00 By FY 2002, OSM will attain a 95% customer service rate in the accuracy, timeliness and overall satisfaction of grants financial management.
- 04.05.00.00 By FY 2001, OSM will reduce all old "delinquent debt over 180 days" by 100% from the FY97 baseline.
- 04.06.00.00 By FY 2002, OSM will maintain a 98% debt processing rate within the first 180 days (# of cases where collection action is taken as defined by OSM debt strategy divided by the number of cases).
- 05.01.00.00 By FY 2002, OSM will make reasonable progress towards a diversified workforce using statistical analysis of OSM's diversity profiles compared to the Civilian Labor Force and an analysis of OSM's new hires.
- 05.02.00.00 By FY 2002, OSM will make reasonable progress towards the elimination of complaints dealing with accommodation and accessibility for persons with disabilities.

FY 2000 Annual Performance Goal:

- 04.01.00.00 In FY 2000, OSM will have no material weaknesses regarding fee compliance, revenue and grants financial services in OSM's annual financial statements as determined by the Office of the Inspector General.
- 04.02.00.00 In FY 2000, OSM will maintain a 99% AML reclamation fee compliance rate as measured by:

04.02.01.00 - Percent of permits reporting (OSM-1's returned) compared to number of permits mailed (OSM-1's mailed); and

04.02.02.00 - Percent of audited tons reported (Accurately reported tons identified in audits divided by total tons audited).

- 04.03.00.00 In FY 2000, OSM will process requests for grant payments within one day, 99% of the time by measuring the total days to process requests compared to number of requests received.
- 04.04.00.00 In FY 2000, OSM will maintain a 95% customer service rate in the accuracy, timeliness and overall satisfaction of grants financial management.
- 04.05.00.00 In FY 2000, OSM will reduce old "delinquent debt over 180 days" by 85% from the FY 1997 baseline.
- 04.06.00.00 In FY 2000, OSM will maintain a 98% debt processing rate within the first 180 days (#of cases where collection action is taken divided by the number of cases).
- 05.01.00.00 In FY 2000, OSM will make reasonable progress towards a diversified workforce using statistical analysis of OSM's diversity profiles compared to the Civilian Labor Force and an analysis of OSM's new hires.
- 05.02.00.00 In FY 2000, OSM will make reasonable progress towards the elimination of

complaints dealing with accommodation and accessibility for persons with disabilities.

Performance Measures

04.01.00.00 Number of material weaknesses regarding fee compliance, revenue and grants financial services in OSM's annual financial statements as determined by the Office of the Inspector General.	0	0	0	0	0
04.02.01.00 AML reclamation fee compliance rate as measured by percent of permits reporting (OSM-1's returned) compared to number of permits mailed (OSM-1's mailed).	99.3%	97%	99.4%	99%	99%
04.02.02.00 AML reclamation fee compliance rate as measured by percent of audited tons reported (Accurately reported tons identified in audits divided by total tons audited).	98%	98%	98%	99%	99%
04.03.00.00 Percent of instances where OSM processes requests for grant payments within one day, by measuring the total days to process requests compared to number of requests received.	99%	95%	99%	99%	99%
04.04.00.00 Customer service rate for accuracy, timeliness and overall satisfaction of grants financial management.		90%	90%	90%	95%
04.05.00.00 Percent reduction of old "delinquent debt over 180 days".		25%	39.9%	65%	85%
04.06.00.00 Debt processing rate within the first 180 days (# of cases where collection action is taken divided by number of cases).	97.9%	98%	99.3%	98%	98%
05.01.00.00 OSM will make reasonable progress towards a diversified workforce using statistical analysis of OSM's diversity profiles compared to the Civilian Labor Force and an analysis of OSM's new hires.	reasonable progress made	reasonable progress made	reasonable progress made	reasonable progress	reasonable progress
05.02.00.00 OSM will make reasonable progress towards the elimination of complaints dealing with accommodation and accessibility for persons with disabilities.	reasonable progress made	reasonable progress made	reasonable progress made	reasonable progress	reasonable progress

II.4.7 Performance Plan Detail and Narrative

a. Goal Purpose: The FY2000 annual performance goals reflect OSM's commitment to providing financial integrity and accountability for all of its entrusted funds and assuring compliance in the reporting and paying of debts owed to the Office. OSM's first goal reflects its commitment to accounting for its funds. This means that data that OSM

reports is accurate and that OSM has safeguarded taxpayers' money appropriately. The second goal reflects OSM's commitment in maintaining a high compliance rate for coal operators who report and pay fees into the AML Fund. This demonstrates OSM and the coal industry's joint commitment to the Surface Mining Law. The third goal is a customer satisfaction indicator for the manner in which OSM services the States and Tribes in accounting for their grant funds. Accurate and timely management of the grant funds are essential for their operations. The fourth and fifth goals reflect OSM's aggressive pursuit of delinquent debt. The resolution of this debt contributes to the overall mission and goal of the Agency in providing protection and reclamation. The remaining two goals reflect OSM's determination to improve the diversity of its workforce and accommodate persons with disabilities through aggressive recruiting.

Legislative mandates for this mission goal and the subsequent performance goals are: Section 201(c)(13) of SMCRA - perform such other duties as may be provided by law and relate to the purposes of this Act...; Title IV of SMCRA - Abandoned Mine Reclamation; Section 401(a) of the SMCRA - there is created on the books of the Treasury of the United States a trust fund to be known as the Abandoned Mine Reclamation Fund which will be administered by the Secretary of the Interior.....

b. Status: Progress is being made in all of the performance goals. The table above shows the status of accomplishment toward these goals. Analysis and evaluation of selected performance goals tested in FY98 are discussed below in the FY98 Annual Performance Report.

c. Goal Achievement:

The following program activities support OSM's goal to strengthen the capabilities of the States, Tribes and OSM staff to enforce SMCRA effectively through improved financial operations and more effective and efficient management of human and fiscal resources.

Goal 4.1 Clean Audit Opinion - OSM will continue to maintain the overall integrity of its financial systems by automating data synchronizations and reconciliations, conducting routine reviews and analyses, and by implementing new Federal Accounting Standards Advisory Board standards as proscribed. Additionally, OSM has converted its financial systems to Y2K compliance, and is awaiting certification. Staffing resources required include staffing of accountants, accounting technicians, systems accountants and programmers. The technology required includes computers, software and telecommunications. Other resource needs include training, travel and supplies.

Goal 4.2 Fee Compliance - To meet this goal, it is necessary to: promptly and accurately identify all parties authorized to produce coal; ensure they have the information and assistance needed to meet their tonnage reporting and fee payment responsibilities; conduct a comprehensive audit program to ensure the tonnage and fees are accurately reported; and take swift collection and other appropriate actions on those who fail to comply. In FY 2000, it is essential that OSM continues these activities, and augment them as necessary, to maintain a high rate of fee compliance. Achievement of our goal is dependent on maintaining the process of having procedures for identifying coal permittees, providing them preprinted fee reporting forms (OSM-1) or electronic alternatives to paper reporting, conducting audits, and collecting debt. Skills required to accomplish this goal involve highly trained accountants, auditors and collection and systems specialists.

Planned upgrades to FEEBACS, and AFBACS systems are expected to increase efficiencies. Prompt and accurate flow of operator and permit data from the regulatory authorities, reliance on the FEEBACS system to accurately generate quarterly reclamation fee reports, the planned use of electronic data interchange to facilitate the coal operators' reclamation fee reporting, and continued performance improvements from audit results and debt collection should also improve efficiencies. FY 2000 funding for the Fee Compliance function is projected to be approximately \$5.96 million.

Goal 4.3 & 4.4 - Grant Payments and Grants Financial Management - OSM's processing of grant payments is an automated function. In order to assure that the system will maintain its current level of efficiency, we converted to Y2K compliance in October 1998. We are awaiting the associated Y2K certification. If the payment and accounting system fails, there is a back-up manual process to transmit grantee payment requests to Treasury for

timely payment. To assure that we are meeting the grantees' needs, will continue to use surveys, and will act on their suggestions to maintain a 95% overall satisfaction rate. Resources needed include adequate accounting and computer programming staff, computer hardware and software, telecommunications, and related annual funding of \$161,000.

Goal 4.5 & 4.6 Debt Collection - To meet these goals, it is necessary to continue the aggressive pursuit of delinquent debtors utilizing all of the collection tools available through the Debt Collection Improvement Act of 1996, maintain full coordination with Solicitors, the Justice Department, and the Treasury Department to assure that delinquent debt is either being actively pursued or that appropriate termination action has been taken, and internally take effective collection action on all delinquent debt during the first 180 days to maximize collections and the implement payment plans when appropriate.

In FY 2000, it is essential that we continue these activities , and augment them as necessary, to maintain a high rate of debt collection. Achievement of our goal is dependent on having procedures for identifying and making rapid initial contact with debtors, complete and thorough follow-up to assure payment-in-full, utilizing payment plans when appropriate, and full coordination for litigation and collection referrals. The skills necessary to attain these goals involve highly trained collection specialists, accounting technicians, and systems specialists.

Achievement of these goals is dependent on maintaining the process of having up-to-date computer systems capable of interfacing internally and with regulatory authorities. Reliance on the FEEBACS, AFBACS and CPACS systems will continue to support our debt collection efforts. Planned systems improvements will lead to greater efficiencies. Prompt debt collection activity and referrals to the Solicitors, the Justice Department, and the Treasury Department, reliance on the FEEBACS, AFBACS, and CPACS systems to accurately maintain debt management data, and the implementation of aggressive collection policies aggressively followed by the bureaus' debt collection specialists and accounting technicians will assure maximum debt collection results. FY 2000 funding for debt collection activities are estimated at \$445,000 for Revenue Management plus a portion of the funding identified in Goal 4.2.

Goal 5.1 Diversified workforce - It is OSM's goal to Enhance the Human Resource Program through a diverse , highly qualified, well trained, motivated and informed workforce that supports the mission of OSM.

In order to address this goal OSM developed a five year Implementation Plan for Diversity containing 7 objectives. OSM is conducting specialized recruitment and outreach initiatives at colleges and universities with high percentages of minorities, women and persons with disabilities. Recruitment is conducted through onsite visits, mass mailings and Internet publishing. OSM utilizing upward mobility and training/development initiatives to create opportunities for internal employees with potential. Initiatives are also in place to improve the quality of work/family life through building improvements and family friendly programs. The Director is implementing the Departments zero tolerance for discrimination through reaffirmation of policies, training and a newly designed Alternative Dispute Resolution Program. In addition, OSM is meeting the mandates for Executive Orders 12876 (Historically Black Colleges and Universities), 12900 (Hispanic Serving Institutions) and 13021 (Tribal Colleges) through cooperative agreements, co-sponsorships and memorandums of understanding. Funding of \$75,000 was requested in FY 99 and \$100,000 in FY 2000 to accomplish these objectives.

Goal 5.2 Complaints - The Office for Equal Opportunity (OEO) developed a plan for providing reasonable accommodation for individuals with disabilities. The plan was approved by the Department of the Interior and will be distributed to all employees. In addition, the plan will be placed on the OEO Web-site which is currently under construction. The OSM has an interagency agreement with the Bureau of Reclamation to provide an automated tracking and information system for sites and program accessibility. This system was developed by Computer Specialists, Architects and experts in the area of accessibility. In conjunction with this agreement, the OEO developed a three-year plan (commencing in FY 98) for reviewing and evaluating all of OSM's facilities to ensure that they are accessible to persons with disabilities. The evaluations are being conducted by Equal Opportunity Specialists and Administrative Operations staff in the Field and Regional offices. The planned budget for FY 99 and 2000 is \$27,000 and \$12,000, respectively.

Other current actions or programs and subprograms that are being conducted to contribute to the overall accomplishments of OSM's performance goals are:

(1) Fee Compliance

The Surface Mining Control and Reclamation Act established the AML fund to be credited with fees collected on each ton of mined coal sold, used, or transferred to finance the restoration of land mined and abandoned prior to August 1977. Coal mining has disturbed more than one million acres of land, resulting in significant health and safety problems for coalfield citizens and the public in general. An adequate AML fund is essential to ensure that these problems are abated by providing the financial resources for State, Tribal and Federal reclamation efforts. Although substantial progress has been made, more than \$2.5 billion of priority 1 and 2 sites with public health, safety and general welfare problems remain unreclaimed and over \$1.7 billion of priority 3 sites with environmental hazards have been identified by States and Tribes. It is estimated that billions of dollars more are needed for other priority 3 sites which have not yet been inventoried.

OSM's Fee Compliance Program, established to carry out the Surface Mining Control and Reclamation Act's requirements, is one of the most successful in Federal government. The program goal is to maximize compliance by fairly and consistently applying policy and collection procedures at a reasonable cost. In FY 1998, the program achieved record highs with a 99.4% compliance rate and more than \$273 million in total collections. The total program cost of \$5.6 million was less than 2.1% of the amount collected. The program has also received the stamp of approval from the Inspector General's Office (OIG), which concluded in a September 1997 report that the program was operated efficiently and effectively and in accordance with the authorizing legislation and regulations. ("Survey Report: Fee Compliance Program OSM Reclamation and Enforcement (No. E-IN-OSM-002-97)").

Since the inception of the AML Fund through FY 1998, OSM has collected \$5.1 billion. The Abandoned Mine Land Reclamation Act of 1990 granted OSM the authority to invest the unappropriated balance of the Fund in U.S. Treasury issued public debt securities after October 1, 1991. This has generated interest of over \$397 million through FY 1998.

(a) AML Fee Collection The collection component assures that the AML Fee payment requirements of SMCRA are consistently and fairly applied across the country, creating a level playing field for all coal companies. In FY 1998, OSM collected more than \$273.2 million of \$278.5 million in fees due that year. That translates into a 98% collection rate. OSM collected \$5.5 million more in FY 1998 than in FY 1997.

During FY 2000, OSM plans to work with coal companies to explore ways to streamline the fee reporting process. One possible solution is Electronic Data Interchange, which would allow for electronic transmission of the OSM-1 reports filed by coal companies each quarter. Electronic Data Interchange could make it easier to both report and process fee information. Approximately \$90,000 of the funds requested in FY 2000 would be used to expand the pilot demonstration to all coal companies. Software developed in the pilot could be used for further implementation.

During FY 2000, OSM plans to achieve or exceed the following performance measures:

- 99% of permits will comply with the AML Fee reporting requirement;
- OSM will reduce the amount of old "delinquent debt over 180 days" by 85% over the September 30, 1997 base amount; and
- OSM will process 98% of delinquencies, within 180 days.

(b) AML Fee Audit The audit component is designed to promote timely and accurate reporting of coal tonnage and to ensure correct payment of AML reclamation fees, thereby maximizing compliance. The focus on the compliance rate as the primary measure of the program's success is consistent with the Government Performance and Results Act, which requires assessments of program outcomes rather than merely work unit statistics. This "bottom-line"

approach also gets to the heart of SMCRA's mandate to the Secretary of the Interior regarding reclamation fees: conduct such audits as necessary to ensure full compliance. For FY 1998, the compliance, as measured by the accuracy of the tonnage audited, was 98%. More importantly, the compliance helped to increase the Fund revenue by \$5.5 million over the prior year as stated in the section of Fee Collection.

OSM's audit program helps guarantee the continued collection of fees, providing funding crucial to the successful accomplishment of SMCRA's goals. By structuring the audit program to ensure that all companies have the potential to be audited, an effective deterrent to noncompliance is present. To support the program goal, the auditors conducted more than 300 onsite reviews of coal companies' records in FY 1998. Beyond the deterrent effect, this provides an opportunity to assist industry on accounting and reporting matters. For example, when instances of non-compliance are identified, the auditors explain each issue and how similar occurrences can be avoided in the future.

In FY 2000 and beyond, OSM will continue to ensure the policies and regulations are adapted as needed to changes in the industry and undertake other initiatives to allow the program to remain efficient and effective. These activities will include:

- Conducting outreach sessions with industry and other stakeholders. A survey of 60 selected companies showed 97% were very satisfied with the way the audits were conducted. OSM will strive to improve that rate.
- Refining policies regarding the assessment of reclamation fees on coal recovered from coal refuse piles. OSM wants to ensure that the fee application remains in step with SMCRA's overall goals and OSM's efforts to enhance re-mining of abandoned sites.
- Enhancing the audit systems. OSM's automated audit system has been recognized as highly innovative and efficient by the OIG, a Federal Executive Board and other government agencies. The system, along with reengineering of work processes, has enabled OSM to maintain the level of audit productivity and, hence, compliance with fewer staff.

(2) Revenue Management

The Revenue Management activity involves managing a variety of non-fee revenues and receivables that come from the agency's operations. These revenues exceeded \$251,311 in 1998 and included the following:

- Federal civil penalties that are issued for mining violations (\$596,752 in new civil penalties were recorded in FY 1998);
- bond forfeitures by federally permitted mining companies; and
- fees for mine permit reviews and blaster certification training.

Services provided include the accounting, collection, management and disbursement of these funds.

During FY 1999-2000, OSM plans to reduce civil penalty debt that is more than 180 days delinquent. OSM is working with the Solicitor's Office to review delinquent cases that are not in litigation. Cases that are uncollectible will be written off. Cases that may have collection potential will be referred to the Department of Treasury for collection, in accordance with the Debt Collection Improvement Act of 1996. OSM has a memorandum of understanding with the Department of Treasury whereby they will provide collection services on debts over 180 days delinquent. As a result, OSM plans to meet or exceed the following performance measure in FY 2000:

- Reduction of old "delinquent debt over 180 days" by 85% from the September 30, 1997 baseline.

Bond forfeitures on federally-permitted lands are used to reclaim mine sites, when a company fails to perform reclamation. It is a positive indicator that bond forfeitures have declined over the past three years. Fees for mine permit reviews and blaster certification have remained relatively constant.

(3) Grants Financial Management

This activity accounts for and disburses the \$220 million in reclamation and regulatory grants to States and Tribes under the Environmental Restoration and Environmental Protection business lines. Grants represent over 70% of OSM's budget and fund the protection and restoration of land, water and structures. The grants financial management activity includes the disbursement, accounting, reporting and recovery of grant funds. It also includes the computer systems used to support these functions.

After grants are issued, the grant disbursement system allows States and Tribes to request funds and receive payment within one day. The grants tracking system allows grant specialists to track grant awards, disbursements and costs and manage the grant financing. Grant awards are entered into the Grants Information Financial Tracking System (GIFTS) to establish a grant account balance. As States and Tribes need funds, they submit a draw-down request for funds through OSM's on-line Draw-Down Express system. The Draw-Down Express System automatically checks GIFTS to assure that funds are available. If funds are available, the system approves payment and a payment is issued. GIFTS is updated as payments are made. As States and Tribes spend the grant funds they have received, they submit cost reports which are entered into the system. GIFTS gives OSM grant specialists and States and Tribes on-line reports which show the status of grant funds.

During FY 1999 and 2000, OSM plans to enhance its reporting capabilities to give grant specialists the ability to get grant information in whatever format it is needed, so grants can be managed more efficiently. OSM will continue to work with the States and Tribes to make sure that their needs are met. During 2000, OSM plans to meet or exceed the following measures:

- 99% of grant payment requests will be processed within one day; and
- 90% of States and Tribes will rate our services as satisfactory or better.

(4) Executive Direction

This activity provides executive direction, leadership and policy and program management guidance for all areas of responsibility for OSM Reclamation and Enforcement.

The Executive Direction activity includes the salaries and operating expenses for the office of the Director and immediate staff offices which include Equal Opportunity, Communications and Strategic Planning and Budget.

In FY 1999 and FY 2000, OSM will expand outreach efforts begun in FY 1998 which promote public participation in policy making. The arena for such participation include public meetings on proposed rulemaking and conferences which promote discussion and exchange of information on the current state of the coal industry and OSM's evolving role. OSM will continue to take positive steps to contact States, Tribes, citizens and industry to encourage their participation in such forums to maintain a balance between OSM's and the customers' interests.

(5) Administrative Support

This program activity includes administrative support functions for OSM. These functions are administrative policy and operations, information systems management and financial management that support delivery of OSM's mission to the public.

(a) Administration Administration includes the Office of Administration, the Office of Personnel and responsibility for managing the bureau-wide fixed costs accounts in General Services.

(b) Information Systems Management The Division of Information Systems Management (ISM) provides agency wide technical support to OSM management and staff in the design, development and operation of computerized information systems. ISM provides technical support to the Abandoned Mine Land Inventory System (AMLIS), which is used to store and process the information in the AML inventory. ISM has redesigned AMLIS for a Windows environment which allows States and Tribes to enter data into AMLIS documents electronically. ISM will be establishing electronic links to TIPS for all users. This will enable TIPS users to access to GIS software with AML inventory data. ISM has modernized the OSM telecommunications network infrastructure and improved the Local Area Network (LAN), Wide Area Network (WAN), and Internet access for sharing information with States, Tribes and the general public.

ISM also provides technical support services to headquarters, field locations, States, Tribes and the public by maintaining a state-of-the-art telecommunications network. ISM has finalized an effort to share telecommunications circuit costs with other agencies.

An ongoing, agency-wide project to examine its computerized information systems and modify those systems affected by the "Year 2000 Problem," is nearly complete. A plan was developed that included cost estimates and milestones to manage the modifications required for all OSM mission critical information systems, databases, physical facilities and equipment. OSM has tested all systems which have been modified for the Year 2000 "fixes," and is leading these systems through the certification process to ensure that all modifications to the automated systems will function correctly in the Year 2000 and beyond.

(6) Administrative Financial Management

This Division provides OSM's program offices with the administrative, financial, and accounting services needed to implement SMCRA. These services include paying bills, accounting for receipts and expenditures, issuing financial and management reports, assuring that expenditures are within the allocations, collecting administrative debts and maintaining the computer systems that support these functions.

OSM's accomplishments in this area include financial statements which received an eighth straight "clean audit" opinion in FY 1998. To increase efficiency, OSM issued travel and purchase cards to streamline purchasing and cut red-tape. A modified purchase card system was developed to automatically match card purchases with bills from the new Nations Bank credit card. This has resulted in faster payment of invoices and increased rebates. Interest on late payments has been reduced 0.44% in the fourth quarter of FY 1998. Electronic payments have also been promoted so that 98% of the amounts paid are now made by electronic funds transfer.

OSM's goal is to provide the best financial services possible at the lowest cost. Continuing with the FY 1999 effort, OSM plans to increase the efficiency and effectiveness of agency financial operations in several areas. Financial services will be compared to other agencies and adopt the best practices found. Purchase cards will be used wherever appropriate. OSM will continue to promote the use of electronic funds transfer for payments. Delinquent administrative debts will be referred to the Department of Treasury for collection. As a result, the following performance measures will either be met or exceeded in FY 2000:

- 85% of purchases will be made by purchase card;
- 94% of payments will be made by electronic funds transfer;
- 97.5% of vendor payments will be made on time; and
- the agency financial statements will continue to receive a clean opinion.

(7) General Services

This is a "funding" activity which includes essential fixed costs to support OSM's mission. No FTE or operational activities are funded in this component.

d. Benefits Derived

In fiscal year 1998, coal companies paid a record \$272 million in fees into the Abandoned Mine Reclamation Fund. More importantly, the compliance level helped to increase Fund revenue by \$5 million over the prior year. Although the Fund has a balance of about \$1.5 billion, at least \$4.2 billion is needed to reclaim known abandoned mine sites that present safety and environmental hazards to citizens.

II.4.8 FY98 Annual Performance Report for Mission Goal - Better Operations

Improve OSM's operations through effective and efficient management of human and fiscal resources to facilitate reclamation of abandoned mine lands and in order to protect the environment, people and property, during and after mining.

a. Annual Performance Goals:

- OSM will have no material weaknesses regarding fee compliance, revenue and grants financial services in OSM's annual financial statements as determined by the Office of the Inspector General.
- OSM will maintain a 98% AML reclamation fee compliance rate as measured by:

- Percent of permits reporting (OSM-1's returned) compared to number of permits mailed (OSM-1's mailed); and

- Percent of audited tons reported (Accurately reported tons identified in audits divided by total tons audited).

- OSM will process requests for grant payments within one day, 95% of the time by measuring the total days to process requests compared to number of requests received.
- OSM will maintain a 90% customer service rate in the accuracy, timeliness and overall satisfaction of grants financial management.
- OSM will reduce old "delinquent debt over 180 days".
- OSM will maintain a 98% debt processing rate within the first 180 days (#of cases where collection action is taken divided by the number of cases).

b. Description

(1) Material Weaknesses

Each year, OSM is audited by the Office of the Inspector General on their financial information. OSM insists on no material weaknesses or "clean opinions" in these areas because they represent the major financial management programs of OSM. The majority of the revenue coming into OSM or the expenses being paid by OSM are represented by these programs.

(2) AML Reclamation Fee Compliance

Under the Surface Mining Control and Reclamation Act, coal operators are required to report and pay AML reclamation fees on coal sold, used, or transferred. To facilitate coal company compliance, OSM distributes the OSM-1 form with the necessary base information each quarter to coal operators. A "1-800" telephone number for coal operators to use for obtaining answers they may have regarding reporting and payment requirements. Attainment of this annual performance goal maximizes the AML fee collections in the AML fund which are available to reclaim abandoned mine lands.

(3) Grant Payments

OSM awards \$145 million annually to assist States and Tribal governments to carry out reclamation on abandoned coal mine sites. The States and Tribes also receive \$50 million in grant assistance to help them operate their regulatory program. Grant recipients request payments approximately 1,600 times per year. Most of OSM's grant recipients are seeking reimbursement for funds that they have already expended. This measure tracks the speed and efficiency that OSM reimburses the recipient so that they do not have adverse financial burden.

(4) Customer Service Rate

OSM developed a survey which measured system accessibility, system design and reports, usefulness of instructional material, user support and overall satisfaction. The survey is being sent to as many recipients as possible.

(5) Reduction of Delinquent Debt Over 180 Days Old

The Debt Collection and Improvement Act of 1996 (DCIA) requires Federal agencies to refer all non-exempt debt over 180 days old to the Department of Treasury for cross-servicing. OSM is committed to maximizing its collection efforts. In complying with DCIA requirements, delinquent debt is referred to the Solicitors and the Treasury Department. Using the September 30, 1997 delinquent debt balance as a baseline, OSM's goal is to eliminate this non-exempt delinquent debt over 180 days old by September 30, 2001.

(6) Debt Processing Rate within the First 180 Days

Under the Surface Mining Control and Reclamation Act, OSM has the responsibility to collect both AML reclamation fees and Civil Penalty debt in a timely manner. To meet this requirement, OSM has established the goal of taking appropriate collection action for a minimum of 98% of outstanding debt cases within the first 180 days.

c. Analysis of Performance and Strategies for Improvement

FY1998 was a pilot year for the collection and establishment of goals and performance measures. This report does not report on all of the performance goals cited above, but, provides a report on a select few which OSM deems to be important.

Performance Measure	1997 Actual	1998 Plan	1998 Actual
Number of material weaknesses regarding fee compliance, revenue and grants financial services	0	0	0
Abandoned Mine Land fee compliance rate as measured by the percent of permits reporting	99.3 %	97 %	99.4 %
High Customer service rating for accuracy, timeliness and overall satisfaction of grants management	none	90 %	94.7 %
Processing requests for grant payments by measuring the total days to process requests compared to number of requests received.	99%	95%	99%
Reduce old "delinquent debt over 180 days".		25%	39%
Maintain a 98% debt processing rate within the first 180 days (# of cases where collection action is taken divided by the number of cases).	97.9%	98%	99.3%

(1) Material Weaknesses

OSM's financial statements were free of any material weaknesses regarding fee compliance, revenue and grants management services. The independent auditors gave the financial statements an unqualified or "clean" opinion.

(2) AML Reclamation Fee Compliance

For FY 1998, OSM achieved a 99.4% compliance rate. Our results exceeded the FY 1998 goal of 97%. Based on OSM's achievement of exceeding the standard set by this performance measure, OSM has elevated this goal for FY 1999 to 99%.

(3) Grant Payments

During FY 1998, 99.7% of OSM's grant payments were processed within one day. This is due to the fact that the grant payment request, approval process and disbursement is fully automated. The 0.3% of payments that did not meet the goal were due to temporary system failure. The subsequent payments were actually made within 2-3 business days. (OSM does not include in its measurement any delays that could occur at the U.S. Treasury Department). A back-up system is in place at OSM, if any system failure occurs for an extended period of time. There are no plans to change the current system or its processes. However, in July 1998, the Chief Financial Officers Council issued a requirement that all agencies offer its grant recipients a single grant payment system to its grant recipients by October 2000 (FY 2001). OSM has selected the Automated Standard Application for Payments system to offer to States and Tribes as it most closely mirrors the efficiencies achieved by the current system.

(4) Customer Service Rate

Overall, recipients gave OSM a 94.7% satisfaction rating. A few offered constructive comments; one user expressed concern with the fact that the entry screens are hard to read. Most felt that user support was professional and helpful. OSM will migrate to a government-wide grant payment system by October 2000 and there will be both improved efficiencies as well as new challenges to maintain current efficiencies. Grant recipients expressed high satisfaction with the completeness, timeliness, and accuracy of current grant reports. OSM will need to build interfaces between those reports and the new grant payment system which will be operated by the U.S. Treasury.

(5) Reduction of Delinquent Debt Over 180 Days Old

For FY 1998, OSM reduced its delinquent debt balance by 39.6% for baseline debt over 180 days old. OSM's performance exceeded the FY 1998 goal of a 25% reduction. As a result, OSM elevated this goal for FY 1999 to a cumulative reduction of baseline debt to 65%.

(6) Debt Processing Rate within the First 180 Days

For FY 1998, in accordance with its established debt strategy, OSM processed 99.3% of outstanding debt within its first 180 days. This performance exceeded the FY 1998 goal of a 98% processing rate.

d. Benefits Derived:

(1) Financial Management(No Material Weaknesses)

Having a clean audit opinion shows that OSM is reporting financial data accurately and that OSM has safeguarded taxpayers' money appropriately. This is important in view of the \$305 million in appropriations entrusted to OSM and the \$1.6 billion in the Abandoned Mine Land Fund that is managed by OSM. It is the Abandoned Mine Land Fund, financed by the coal industry and not from taxpayers, that provides the funds to reclaim mined lands left abandoned prior to 1977 and to eliminate emergency situations that arise from past mining. In 1998, a major portion of these funds provided for the reclamation of over 7,200 hazardous acres of abandoned mine land, thus preventing or avoiding injury to people and minimizing property damage.

(2) AML Reclamation Fee Compliance

OSM's customers (coal-field citizens), stakeholders (Department of the Interior, the Coal Industry and other OSM programs), Congress (who appropriates our funds), all benefit from high levels of performance by OSM. By achieving AML reclamation fee compliance at a high level, OSM is assuring that reclamation funds are available. Similarly, the successful reduction of delinquent debt balances over 180 days and the achievement of a high debt processing rate within the first 180 days assures that maximum debt collection efforts are in place at OSM.

(3) Grant Payments

State and Tribal governments can reclaim abandoned sites and regulate the coal mining activities within their boundaries without having to worry about receiving funds in a timely manner. Also, grantees do not have to maintain large balances of Federal funds to meet their current needs, because they are assured of getting payment on a reliable basis.

(4) Customer Service Rate

Grant recipients have expressed satisfaction with grant payment and reporting services provided by OSM. Getting accurate and timely information helps grantees and Federal grant specialists manage the \$195 million in grant financing.

Section III - Performance Measures and Verification (Exhibit B)

FY 2000 Annual Performance Goal	Performance Measure and Definition	Baseline	Data Collection Strategy	Validation
01.01.00.00 OSM will award AML grants within 60 days 95% of the time.	Percent of instances where OSM awards grants within 60 days. State and Tribal AML programs depend on OSM funding to operate and excessive delays in awarding funds could result in crucial interruptions to program operations. Measure reflects efficiency of OSM grant process.	FY 97 = 92.3%; FY 98 = 90% currently reporting data quarterly.	Data collected from internal OSM operations through a manual system. Raw data includes Grants/Cooperative Agreement Financial Information Report (OSM-52) form and data from the Advanced Budget and Accounting Control and Information System (ABACIS).	OSM is documenting the process and the data quality control and verification actions include the following: OIG Program Review of AML Grants Program planned for FY99. Verification and validation review planned for FY99.
01.02.00.00 The Surface Mining Program will increase the ratio of reclaimed/ funded pre-SMCRA coal high priority abandoned sites to total AML inventory sites by .6% over FY 1999.	Percent increase of reclaimed/ funded pre-SMCRA coal high priority abandoned sites to total AML sites. Measure reflects net gain of reclaimed sites to new hazardous abandoned mine land sites being added to the inventory.	FY 97 = .3%; FY 98 = .5% currently reporting data quarterly.	Data collected from internal OSM operations and externally from 23 State and 3 Tribal programs through an automated system - Abandoned Mine Land Information System (AMLIS).	OSM is documenting the process and the data quality control and verification actions include the following: Data is reviewed before it is entered into the system and is automatically reviewed through a variety of edit checks. During the State evaluation process, spot checks of project information is conducted. Verification and validation review planned for FY99.
01.03.00.00 The Surface Mining Program will reclaim approximately 9,235 acres.	Number of acres reclaimed annually by the Surface Mining Program. Abandoned mine land hazards must be reclaimed sufficiently to eliminate safety and environmental hazards. All hazards are converted to acres based on a formula. Measure reflects annual progress in reclaiming over 335,000 acres of high priority hazardous sites.	FY 97 = 6,727 FY 98 = 7,201 acres; currently reporting data quarterly.	Data collected from internal OSM operations and externally from 23 State and 3 Tribal programs through an automated system - Abandoned Mine Land Information System (AMLIS).	OSM is documenting the process and the data quality control and verification actions include the following: Data is reviewed before it is entered into the system and is automatically review through a variety of edit checks. During the State evaluation process, spot checks of project information is conducted. Verification and validation

				review planned for FY99.
01.04.00.00 The Surface Mining Program will abate 426 emergency hazards that arise.	Number of emergencies hazards abated annually by the Surface Mining Program. Emergencies are sudden unplanned safety hazards resulting from past mining.	FY 97 = 402 FY 98 = 406 projects; currently reporting data quarterly.	Data collected from internal OSM operations and externally from 12 State programs through a combination of a manual system and an automated system - DATES.	OSM is documenting the process and the data quality control and verification actions include the following: An Alternative Management Control Review of the Federal Reclamation Program is planned for FY99. Verification and validation review planned for FY99.
01.05.00.00 The Surface Mining Program will begin 42 new cooperative Acid Mine Drainage projects (Clean Streams Initiative).	Number of new cooperative acid mine drainage projects. Joint projects between OSM and other government agencies or private organizations. Measure reflects new projects or major new phase of existing project. Measure 1.6 is related indicator.	FY 97 = 16 FY 98 = 9 projects; currently reporting data quarterly.	Data collected from internal OSM operations and externally from State programs through a manual system.	OSM is documenting the process and the data quality control and verification actions include the following: Verification and validation review planned for FY99.
01.06.00.00 The Surface Mining Program will increase the non-Surface Mining Program funds to 60% for the Clean Streams Initiative.	Percent of non-Surface Mining Program funds for the Clean Streams Initiative. Measure reflects leveraging of funds by OSM to address water problems. Measure 1.5 is related indicator.	FY 97 = 56%; FY 98 = 50% currently reporting data quarterly.	Data collected from internal OSM operations and externally from State programs through a manual system.	OSM is documenting the process and the data quality control and verification actions include the following: Verification and validation review planned for FY99.
02.01.00.00 OSM will award regulatory grants within 60 days 93% of the time.	Percent of instances where OSM awards grants within 60 days 90% of the time. State and Tribal AML programs depend on OSM funding to operate and excessive delays in awarding funds could result in crucial interruptions to program operations.	FY 97 = 92.8%; FY 98 = 89% currently reporting data quarterly.	Data collected from internal OSM operations through a manual system. Raw data includes Grants/Cooperative Agreement Financial Information Report (OSM-52) form and data from the Advanced Budget and Accounting Control and Information System (ABACIS).	OSM is documenting the process and the data quality control and verification actions include the following: OIG Program Review of Regulatory Grants Program planned for FY99. Verification and validation review planned for FY99.
02.02.00.00 The Surface Mining Program will maintain the percent of sites (94%) that are free of off-site impacts.	Percent of sites that are free of off-site impacts as reported through the Surface Mining Program. Impacts that affect land, water, people and/or property beyond the permit area and the severity of the impact. Measure reflects effectiveness of preventing safety and environmental problems.	FY 97 = 88%; FY 98 = 93% currently reporting data annually.	Data collected annually from internal OSM operations and externally from 24 State and Tribal programs through a manual system. OSM Directive REG-8 establishes procedures for conducting oversight of State regulatory programs. Field Offices evaluate and report on the effectiveness of State programs in protecting the environment and public from off-site impacts resulting from coal mining. An off-site impact oversight report is prepared for each State. It identifies the number and degree of off-site impacts; provides a general evaluation of causes of repetitive impacts where possible; and identifies where improvements may be made to lessen the number and degree of impacts.	OSM is documenting the process and the data quality control and verification actions include the following: OSM Directive REG-8 establishes procedures for conducting oversight of State regulatory programs. Field Offices evaluate and report on the effectiveness of State programs in protecting the environment and public from off-site impacts resulting from coal mining. Verification and validation review planned for FY99.
02.03.00.00 The Surface Mining Program will maintain the number of acres (150,000) released annually from Phase I & II Performance Bonds.	The number of acres released from Phase I & II Performance Bonds as reported through the Surface Mining Program. Measure reflects currently mined land successfully transitioning through various stages of reclamation.	FY 97 = 115,000 FY 98 = 145,000 acres; currently reporting data annually.	Data collected annually from internal OSM operations and externally from 24 State and Tribal programs through a manual system.	OSM is documenting the process and the data quality control and verification actions include the following: OSM Directive REG-8 establishes procedures for conducting oversight of State regulatory programs. Verification and validation review planned for FY99.
02.04.00.00 The Surface	The number of acres released	FY 97 = 82,000	Data collected annually from internal	OSM is documenting the

<p>Mining Program will increase number of acres (100,000) released annually from Phase III Performance Bonds.</p>	<p>from phase III Performance Bonds. Measure reflects currently mined land successfully transitioning through the final stages of reclamation.</p>	<p>FY 98 = 83,000 acres; currently reporting data annually.</p>	<p>OSM operations and externally from 24 State and Tribal programs through a manual system.</p>	<p>process and the data quality control and verification actions include the following: OSM Directive REG-8 establishes procedures for conducting oversight of State regulatory programs. Verification and validation review planned for FY99.</p>
<p>03.01.00.00 OSM will maintain an 89% customer satisfaction rate in the quality of our technical training.</p>	<p>Customer satisfaction rate in the quality of OSM's technical training. OSM provides 46 technical training classes to federal, state and tribal employees.</p>	<p>FY 97 = 85%; FY 98 = 88.6% currently reporting data quarterly.</p>	<p>Data collected by OSM through customer surveys of State, Tribal and industry staffs through a manual system.</p>	<p>OSM is documenting the process and the data quality control and verification actions include the following: Verification and validation review planned for FY99.</p>
<p>03.02.00.00 OSM will maintain an 86% customer service rate in the quality of our technical assistance activities.</p>	<p>Customer service rate for OSM's technical assistance activities. Technical assistance provided in either permitting, inspection, enforcement, or other technical activities.</p>	<p>FY 99</p>	<p>Data collected by OSM through customer surveys of State, Tribal and industry staffs through a manual system.</p>	<p>OSM is documenting the process and the data quality control and verification actions include the following: Verification and validation review planned for FY99.</p>
<p>03.03.00.00 OSM will attain an 87% customer satisfaction rate for technical training assistance of the Technical Information Processing System (TIPS).</p>	<p>Customer satisfaction rate for technical training in and in the use of the Technical Information Processing System (TIPS).</p>	<p>FY 98 = 85% based on pilot test; customer survey to be approved. Currently reporting pilot results quarterly.</p>	<p>Data collected by OSM through customer surveys of State, Tribal and industry staffs through a manual system.</p>	<p>OSM is documenting the process and the data quality control and verification actions include the following: Verification and validation review planned for FY99.</p>
<p>03.04.00.00 OSM will maintain an 86% customer satisfaction rate in the quality of our technical transfer activities.</p>	<p>Customer satisfaction rate in the quality of OSM's technical transfer activities. Technical transfers include forums, document requests, workshops, presentations, consultations and other.</p>	<p>FY 99; baseline data being collected</p>	<p>Data collected by OSM through customer surveys of State, Tribal and industry staffs through a manual system.</p>	<p>OSM is documenting the process and the data quality control and verification actions include the following: Verification and validation review planned for FY99.</p>
<p>03.05.00.00 OSM will train 900 students.</p>	<p>Number of students trained by OSM. OSM provides 46 technical training classes to federal, state and tribal employees.</p>	<p>FY 97 = 1,010 FY 98 = 819 students; currently reporting data quarterly</p>	<p>Data collected by OSM from its customers - 24 State and Tribal program staffs through a manual system. A Completion Report is compiled listing each participant, course location, CEU, course dates and agency.</p>	<p>OSM is documenting the process and the data quality control and verification actions include the following: Review of Completion Report by participating agencies. Verification and validation review planned for FY99.</p>
<p>03.06.00.00 OSM will attain an 90% customer satisfaction rate in the quality and timeliness of Applicant Violator System (AVS) services.</p>	<p>Customer satisfaction rate in the quality and timeliness of Applicant Violator System (AVS) services.</p>	<p>FY 99; baseline data being collected</p>	<p>Data collected through a manual system by OSM of customer survey responses.</p>	<p>OSM is documenting the process and the data quality control and verification actions include the following: Verification and validation review planned for FY99.</p>
<p>04.01.00.00 OSM will have no material weaknesses regarding fee compliance, revenue and grants financial services in OSM's annual financial statements as determined by the Office of the Inspector General.</p>	<p>Number of material weaknesses regarding fee compliance, revenue and grants financial services in OSM's annual financial statements as determined by the Office of the Inspector General.</p>	<p>FY 97 = 0 FY 98 = 0 weaknesses; currently reporting data annually.</p>	<p>Data collected annually by OSM from the Office of the Inspector General through a manual system.</p>	<p>OSM is documenting the process and the data quality control and verification actions include the following: Verification and validation review planned for FY99.</p>
<p>04.02.01.00 OSM will maintain a 99% AML reclamation fee compliance as measured by the reclamation fee compliance rate as measured by the % of permits (OSM-1's) reporting compared to number of permits mailed (OSM-1s).</p>	<p>AML reclamation fee compliance as measured by the % of permits (OSM-1's) reporting compared to number of permits mailed (OSM-1s).</p>	<p>FY 97 = 99%; FY 98 = 99.4% currently</p>	<p>Data collected from internal OSM operations through an automated system</p>	<p>OSM is documenting the process and the data quality control and verification actions include the following: Verification and validation review planned for FY99.</p>

		reporting data quarterly.		
04.02.00.00 OSM will maintain a 99% AML reclamation fee compliance rate as measured by the % of audited tons reported.	AML reclamation fee compliance rate as measured by the % of audited tons reported.	FY 97 = 98.5%; FY 98 = 98% currently reporting data quarterly.	Data collected from internal OSM operations through an automated system	OSM is documenting the process and the data quality control and verification actions include the following: Verification and validation review planned for FY99.
04.03.00.00 OSM will process requests for grant payments within one day, 99% of the time by measuring the total days to process requests compared to number of requests received.	Percent of instances where OSM processes requests for grant payments within one day, by measuring the total days to process requests compared to number of requests received.	FY 97 = 99%; FY 98 = 99% currently reporting data quarterly.	Data collected from internal OSM operations through a manual system.	OSM is documenting the process and the data quality control and verification actions include the following: Verification and validation review planned for FY99.
04.04.00.00 OSM will attain a 95% customer service rate in the accuracy, timeliness and overall satisfaction of grants financial management.	Customer service rate for accuracy, timeliness and overall satisfaction of grants financial management.	FY 98 = 90%; currently reporting data quarterly.	Data collected by OSM from its customers - 24 State and Tribal program staffs through a manual system.	OSM is documenting the process and the data quality control and verification actions include the following: Verification and validation review planned for FY99.
04.05.00.00 OSM will reduce old " delinquent debt over 180 days" by 85%.	Percent reduction of "delinquent debt over 180 days". The goal is to reduce this debt over a four year period.	FY 98 = 39.9%; currently reporting data quarterly.	Data collected from internal OSM operations through an automated systems: FEEBACS, AFBACS and CPACS.	OSM is documenting the process and the data quality control and verification actions include the following: An Alternative Management Control Review of the Fee Compliance Program is planned for FY99. Verification and validation review planned for FY99.
04.06.00.00 OSM will maintain a 98% debt processing rate within the first 180 days.	Debt processing rate within the first 180 days (# of cases where collection action is taken divided by number of cases).	FY 97 = 97.9%; FY 98 = 99.3% currently reporting data quarterly.	Data collected from internal OSM operations through automated systems: FEEBACS, AFBACS and CPACS.	OSM is documenting the process and the data quality control and verification actions include the following: An Alternative Management Control Review of the Fee Compliance Program is planned for FY99. Verification and validation review planned for FY 99.

Appendix Index of Common Terms

Goal Category, this optional classification exists only to provide a common way of grouping the major themes of an organization.

Mission Goal is a classification identifying outcome oriented goals that define how an organization will carry out its mission.

Long-Term Goals are the "general performance goals and objectives" identified in the Government Performance and Results Act. They define the intended result, effect, or consequence for what the organization does. They provide a measurable indication of future success by providing target levels of performance and a time frame for accomplishment. Long-term goals should focus on outcomes rather than outputs (products and services).

Annual Goal is a one-year increment of the long-term goal. It contains a targeted level of performance to be achieved for a particular year. It is to be expressed in an objective, quantifiable and measurable form. OMB approval of an alternative form of evaluating the success of a program is required if the annual goal cannot be expressed in an objective or quantifiable manner.

GPRA Program Activity, is described as the consolidation, aggregation or disaggregation of program activities that are covered or described by a set of performance goals, provided that any aggregation or consolidation does not omit or minimize the significance of any program constituting a major agency function or operation.