



# United States Department of the Interior

BUREAU OF RECLAMATION  
Washington, D.C. 20240

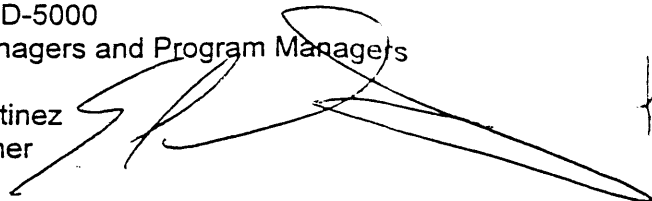
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## MEMORANDUM

To: Regional Director, PN, MP, LC, UC, GP  
 Attention: PN-1000, MP-100, LC-1000, UC-100, GP-1000  
 Director, Program Analysis  
 Attention: D-5000  
 All Area Managers and Program Managers

From: Eluid L. Martinez  
 Commissioner



*fast file*

Subject: Directive for Customer Involvement in Operations and Maintenance (O&M) Program Formulation

*Mike Finnegan*

The House Report 105-190 on the Energy and Water Development Appropriations Bill, 1998 states, in part:

"The Committee strongly encourages the Bureau of Reclamation to create new opportunities for water and power contractors to participate in the review and development of O&M budget priorities for their respective Bureau of Reclamation projects."

The Statement of the Managers accompanying the FY 1998 Conference Report for the Energy and Water Development Appropriations Bill reiterated the support of the Conference Committee for this provision.

Customer involvement assists in our effort to deliver quality services in the most efficient and economic manner. We have been working closely with many of our customers and customer organizations (*i.e. water and power contractors*) for several years in the formulation of the O&M program. We need to continue with activities that are responsive and helpful.

In response to the Committees' encouragement and as an expansion of current efforts, I am establishing this customer involvement directive for use by Regional Directors and their managers with program responsibilities. This directive is to be used in working with customers who are interested in the development and implementation of the O&M program.

Managers will:

1. Contact customers to determine their level of interest and desired participation in program formulation.
2. Provide interested customers with O&M programs, cost estimates and priorities for those parts of projects in which the customers share in responsibility or pay a portion of the

cost. The focus will be on the budget being formulated in the Region (Budget Year +2). However, additional information may also be provided to serve as a bridge to Budget Year +2. The total package of information may cover four years including the prior year actual expenditures, current year program, the President's budget for the next fiscal year (Budget Year), and the Budget Year +2 projections. This information should be provided to the customers during the August to September time frame. Using FY 1998 as an example, the information would cover FY 1997 actual expenditures, FY 1998 program, FY 1999 President's budget, and program projections for the FY 2001 budget year. The FY 2000 budget would be in embargo status, therefore unavailable (see table below as further reference). As part of the process, managers should be prepared to explain shifts from projected expenditures to actual expenditures for the prior year.

Reference for August / September 1998 Time Frame

Fiscal Year	Time Period	Budget Nomenclature and Status Reference
1997	10-1-96 / 9-30-97	Prior Year - Completed (Actuals)
1998	10-1-97 / 9-30-98	Current Year - Program being carried out
1999	10-1-98 / 9-30-99	Budget Year - Pending in Congress
2000	10-1-99 / 9-30-00	Budget Year + 1 - Under review within Department and OMB (embargoed)
2001	10-1-00 / 9-30-01	Budget Year + 2 - Under development within Region

3. Provide interested customers the opportunity within a reasonable time frame (*a minimum of 15 working days*) to review and comment on work plans and cost estimates. Managers will provide responses either written or oral, as appropriate, to customers that address their comments.
4. Notify interested customers of any changes in the work plans or cost estimates after the Regional budget deliberations (*For example: the Regional deliberations on the FY 2001 budget normally take place between October 1998 and January 1999*) and before the Budget Review Committee (BRC) Regional meetings (*2001 BRC Regional meetings normally occur in March 1999*).
5. Honor executive branch guidelines on non-disclosure of budget materials after the Regional budget deliberations and until the President's Budget goes to the Congress (*for the FY 2001 budget this will be in February of 2000*).
6. Review budget information with the customers, as requested, after the Congress receives the President's budget so that there is an understanding of Reclamation's proposed budget.

The Director of Program Analysis is directed to incorporate this memorandum into the Reclamation Manual. In order to determine whether this directive is overly burdensome for Reclamation managers and also to determine whether it is meeting our customer's needs it will be reviewed after a full cycle of implementation, presumably in the Spring of 2002. In the interim

there may be a need to adapt schedules contained herein to meet local circumstances. Although requiring an additional commitment of time for some managers, I believe this will provide our customers with a meaningful opportunity to comment on O&M activities that affect them.