



# DEPARTMENT-WIDE PROGRAMS

**Overview** – Department-wide programs support bureaus and offices through the execution of activities that are broad in scope and impact. These programs complement the many diverse activities of the Department of the Interior and help to achieve key strategic goals.

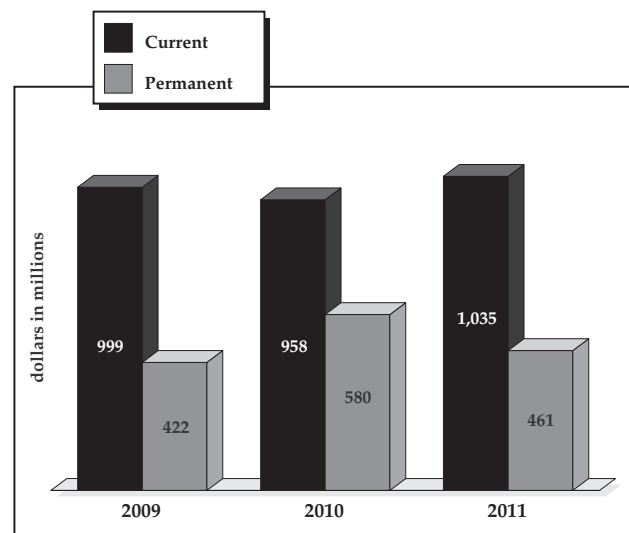
The Department’s Wildland Fire Management program funds fire prevention, suppression, and rehabilitation activities performed by the land management agencies and the Bureau of Indian Affairs. The Payments in Lieu of Taxes program supports the activities and functions of the Department’s land management bureaus by funding payments to local governments in jurisdictions where Federal lands are located. These payments assist local jurisdictions to offset costs incurred in association with maintaining infrastructure that supports Federal lands within their boundaries. Through the Central Hazardous Materials Fund, Interior remediates hazardous substances on Interior lands, working collaboratively with bureaus and offices to approach these activities in a consistent and coordinated fashion. The Natural Resource Damage Assessment and Restoration program coordinates the Department’s restoration efforts for resources that are injured as a result of oil spills or hazardous substance releases where endangered species or migratory birds are impacted.

The Department’s Working Capital Fund is a revolving fund that finances centralized administrative and business services in lieu of operating duplicative systems and processes in each bureau and office. The Working Capital Fund also provides the mechanism to collect funds for services that are provided to other Federal agencies in business areas such as payroll. The Department’s Franchise Fund finances acquisition services that are provided to Interior customers and other Federal agencies.

## Wildland Fire Management

**Mission** – The goal of the Wildland Fire Management program is to achieve both a cost-efficient and technically effective fire management program that meets resource and safety objectives, while minimizing both the cost of suppression and damage to resources.

## Department-wide Programs Funding



**Program Overview** – The Wildland Fire Management appropriation and two new appropriation accounts discussed below provide the Department’s funding for wildland fire preparedness, suppression, hazardous fuels reduction and other prevention activities, and rehabilitation activities. Wildland Fire Management activities are performed by four Interior bureaus: the Bureau of Land Management, Fish and Wildlife Service, National Park Service, and Bureau of Indian Affairs. The Office of Wildland Fire Coordination coordinates the Department’s efforts among the Interior bureaus and with other agencies. Multi-bureau operational programs are managed by the National Interagency Fire Center in Boise, Idaho. Interior’s major partner in wildland fire management is the Forest Service at the U.S. Department of Agriculture. The Wildland Fire Leadership Council, consisting of high-level Federal, State, and local officials, provides policy guidance for participating agencies.

The Wildland Fire Management program continues to improve the budget allocation process to more cost-effectively achieve program goals. Funds for four fire programs, Hazardous Fuels Reduction, Rehabilitation,

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Facilities, and Joint Fire Science, are distributed annually on a nationally competitive, priority basis. The Interior wildland fire management agencies adopted a systematic hazardous fuels allocation process in 2007. The Hazardous Fuels Prioritization and Allocation System is now used each year to make hazardous fuels reduction agency allocations. The HFPAS employs the use of a modeling tool called Ecosystem Management Decision Support, or EMDS. The EMDS tool provides a common approach that all agencies use to direct funds to those areas of the country that have higher risk of wildland fire and to help minimize the loss of valued resources. The EMDS outputs are mapped nationally by agency to produce a visual representation of relative priorities. In recent years, Interior and the Forest Service have been working on the development and implementation of the Fire Program Analysis, a common interagency process for fire management planning and budgeting with a cost-effective trade-off analysis incorporating land and resource management objectives. This FPA was deployed in 2009. Outputs from the 2010 analysis will be used to evaluate 2011 program budget allocations relative to the agencies' potential performance. Under FPA, the allocation process will be refined to better reflect fire management objectives and performance efficiencies.

The Wildland Fire Management program has worked to better understand the factors leading to the high costs of suppression through fire management and cost reviews at most large incidents. The reviews have led to significant improvements in the management of fire incidents, such as assigning advisors and contracting officer representatives to oversee all large fires and helping line officers understand the cost implications of fire fighting options. The Obama Administration has built on these improvements by implementing important reforms within the Wildland Fire Management programs that strengthen oversight and accountability of suppression spending and use risk management principles to guide decision-making at the strategic, program, and operational levels. For example, the agencies have implemented policies that allow management of fires for multiple objectives, reducing impediments to risk-informed decisionmaking.

**Budget Overview** – The 2011 budget proposes a total of \$933.9 million to support the fire preparedness, suppression, fuels reduction, and burned area rehabilitation needs of the Department of the Interior. This represents an increase of \$78.0 million over the 2010 enacted level, which did not fully fund the ten-year suppression average.

The 2011 budget request provides sufficient funding for wildland fire suppression to minimize the need for transferring funds from non-fire accounts, and also

emphasizes budget transparency. The 2011 budget allocates suppression funding among three accounts. The ten-year average of \$384.0 million is split between \$288.0 million in the regular suppression account in the Wildland Fire Management appropriation and \$96.0 million in the FLAME Wildfire Suppression Reserve Fund that was authorized by Congress in Title V of the 2010 Interior Appropriations Act. Consistent with the FLAME Act, the regular suppression account will fund initial attack and predictable firefighting costs, while the FLAME Fund will fund the costs of large catastrophic-type fires and also serve as a reserve when funds available in the regular suppression account are exhausted.

In the event that suppression needs exceed the ten-year average, the 2011 budget request also includes a \$75.0 million Presidential Wildland Fire Contingency Reserve. This contingency reserve helps ensure that sufficient funds are available for suppression activities. It cannot be tapped until all suppression funds have been depleted and the President issues a finding that the amounts are necessary for emergency suppression operations.

In total, the 2011 request for suppression for all three accounts is \$459.0 million, an increase of \$139.2 million over the 2010 enacted level. The budget proposes to reduce funding for Hazardous Fuels Reduction by \$42.6 million. The Department will apply the funding decrease for the fuels program to treatments outside of the wildland-urban interface. The budget request gives greater priority to reducing the risk of wildfire to communities by increasing the proportion of fuels funding spent on treatments in the wildland-urban interface. The budget also proposes to discontinue the \$7.0 million in funding for the Rural Fire Assistance program, reduces funding for Preparedness by \$5.0 million, and funding for Burned Area Rehabilitation by \$2.0 million.

**Fixed Costs and Related Changes** – Fixed costs of \$7.4 million are absorbed.

**Management Efficiencies** – The request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$300,000 from travel and relocation, \$1.3 million from information technology, and \$2.9 million from strategic sourcing.

### Central Hazardous Materials Fund

**Mission** – The mission of the Central Hazardous Materials Fund is to protect the public health and ensure the safety of the users of Interior's lands and facilities; conduct hazardous materials cleanup activities and the subsequent maintenance and monitoring of the remedial actions

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in a manner consistent with the National Contingency Plan and with bureau land use and management plan objectives; and pursue aggressive cost recovery and cost-sharing actions with the parties responsible for contaminating Federal lands.

**Program Overview** – The Central Hazardous Materials Fund enhances the protection of the Department’s interests, lands, resources, and facilities through its multi-bureau clean-up efforts, as well as by working closely with others including the Environmental Protection Agency, States, and tribal governments that manage the response to, remediation, and reuse of contaminated sites located on Interior managed lands. The program integrates the Department’s interests in remediation and environmental restoration of contaminated sites by incorporating Interior’s natural resource management concerns into Superfund remediation actions. The Central Hazardous Materials Fund coordinates its remedial activities with other programs, leveraging staff and resources to maximize efforts. Annually, the program funds remediation and restoration at approximately 35 sites.

**Budget Overview** – The 2011 budget request for the Central Hazardous Materials Fund is \$10.2 million, a decrease of \$23,000 below the 2010 enacted level. In 2011, cleanup activities at the larger on-going sites such as the Crab Orchard National Wildlife Refuge in Illinois and Topock, California where soil and groundwater contamination continue to threaten the Colorado River and the adjacent Havasu National Wildlife Refuge will continue to be funded. The Central Hazardous Materials Fund also plans to conduct ten internal control reviews, provide technical and legal support on Central Hazardous Materials Fund projects, aggressively pursue cost avoidance or cost recoveries at sites with viable potentially responsible parties, and provide technical training for bureau staff working at Central Hazardous Materials Fund sites. The Central Hazardous Materials Fund Technical Review Committee will make a recommendation on the complete list of sites to be funded for 2011 in late 2010. The Central Hazardous Materials Fund also plans to begin utilization of the newly developed nomination module to track site specific data that will be used for prioritization and performance monitoring.

**Fixed Costs and Related Changes** – Fixed costs are fully funded at \$85,000.

**Management Efficiencies** – The request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$1,000 from information technology and \$107,000 from strategic sourcing.

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## Natural Resource Damage Assessment and Restoration

**Mission** – The mission of the Natural Resource Damage Assessment and Restoration program is to restore natural resources injured as a result of oil spills or hazardous substance releases into the environment. In partnership with other affected Federal, State, tribal, and co-trustee agencies, damage assessments provide the basis for determining the restoration needs that address the public’s loss and use of these resources.

**Program Overview** – The Natural Resource Damage Assessment and Restoration program assesses the damages and injuries to natural resources entrusted to the Department that are caused by oil spills or hazardous releases. While the Central Hazardous Materials Fund protects public health and ensures the safety of users of Interior lands and facilities by conducting hazardous materials cleanup activities, the Natural Resource Damage Assessment and Restoration Program restores natural resources injured as a result of oil spills or hazardous material releases into the environment.

Appropriations and recoveries for damage assessments are used to fund activities that identify and quantify injury and provide the basis for compensation from responsible parties, usually through negotiated settlements. Restoration activities are then carried out or funded by the responsible parties as compensation for the injury to natural resources, and may include the replacement and protection of affected resources, acquisition of equivalent resources and services, and long-term environmental monitoring. These actions are taken on behalf of the public and in partnership with other natural resource trustees, including States, Tribes, and other Federal agencies. Responsible parties are also given an opportunity to participate in the assessment and restoration process.

Every damage assessment and restoration case managed by the program is conducted in collaboration with co-trustees, and all restoration plans must undergo public review and be approved by affected State and tribal governments. The Restoration program is an integrated Departmental program, drawing upon the interdisciplinary strengths of the various bureaus and offices. Funds are leveraged by staff and resources in bureaus and other offices. A centralized program management function minimizes redundant administrative and managerial functions in the bureaus.

**Budget Overview** – The 2011 request for the Restoration program is \$6.4 million, \$28,000 below the 2010 enacted level. The \$6.4 million request includes \$3.9 million for

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damage assessment projects, \$1.9 million for program management, and \$621,000 for restoration support. Additionally, \$52.0 million represents the anticipated amount of settlement receipts to be recovered in settled damage assessment cases in 2011. Current balances in the NRDAR Fund, as of December 31, 2009 total over \$415 million. Restoration planning and implementation are underway in various stages at hundreds of sites nationwide. Consistent with statutory and regulatory requirements, the receipts are used exclusively by trustees for restoration of injured lands and resources or for reimbursement of past assessment costs. In 2011, the Restoration program will continue partnership efforts with Federal, State, and tribal co-trustees to restore injured lands and resources.

**Fixed Costs and Related Changes** – Fixed costs are fully funded at \$91,000.

**Management Efficiencies** – The 2011 budget request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$9,000 from travel and relocation, \$3,000 from information technology, and \$107,000 from strategic sourcing.

### Working Capital Fund

**Mission** – The Department's Working Capital Fund provides centralized services and systems to Interior bureaus and offices and to other customers.

**Program Overview** – The WCF funds centralized administrative and business services that support Interior and bureau operations. In lieu of maintaining duplicative systems and staffs in each bureau and office, the Department uses the WCF, a revolving fund, to finance centralized functions that provide payroll, finance and accounting, information technology, and other support services, as well as pooled costs for activities like water settlement negotiations. The WCF bills bureaus and offices for the costs of these services based on an annual budget that is formulated with the input of the Working Capital Fund Consortium, an oversight entity that is comprised of representatives of each Interior bureau and office.

There is an appropriated component of the WCF that funds the Financial and Business Management System deployment and information technology and acquisition support for improved efficiency. There is another component that is not appropriated, but funded from collections from bureaus and offices via centralized and direct billing. Centralized billing is used whenever the product or service being provided is not severable or it is inefficient to bill for the exact amount of products or services procured. Customers are billed each year on a

pre-established basis that is adjusted annually to reflect cost changes reported in the budget to the Congress, and budgeted in each bureau through fixed cost and program changes. In 2011, the WCF centralized bill is held level with 2010, consistent with the constrained budget across the Department. Direct billing is used whenever the product or service provided is severable and is sold through either a time and materials or fixed price reimbursable support agreement or similar contractual arrangement. The Department negotiates these annual changes with all Interior bureaus and offices, which helps to contain costs and ensure transparency and accountability.

**Budget Overview** – The 2011 budget proposes \$84.1 million for the appropriated portion of the Department's Working Capital Fund, a decrease of \$1.7 million from the 2010 enacted level. Of this amount, \$74.1 million is included to fund the continued deployment of the Financial and Business Management System, a decrease of \$6.3 million from the 2010 enacted level. The System has been deployed to the Minerals Management Service, the Office of Surface Mining and BLM, and deployment is scheduled for the U.S. Geological Survey by late 2010. The 2011 funding will complete the deployment of FBMS to the Office of the Secretary and Fish and Wildlife Service and initiate deployment for the remaining Interior bureaus. Also included are funds to cover bureau costs in preparing and transitioning to the new system.

The request includes \$5.0 million for on-going enterprise-wide information technology enhancements required by Administration directives, Office of Inspector General findings, technology developments, and security threats. This funding will allow the Department to reconfigure and consolidate its infrastructure. These efficiency actions will posture the Department to realize additional fiscal savings in information technology infrastructure costs. An increase of \$5.0 million is included for acquisition improvements and will support the recruitment of additional skilled acquisition staff, the creation of centers of acquisition excellence, and the necessary training and oversight to achieve acquisition goals and savings. The Department will develop shared contracts that will be used Interior-wide for the acquisition of commodities, supplies, and services. In 2011, Interior will stand-up centers of expertise that will be strategically located to implement these master contracts.

In 2011, estimated collections into the WCF total \$202.5 million for centralized billing and \$358.8 million for direct billed activities.

**Fixed Costs and Related Changes** – There are no fixed costs requested for funds appropriated to the Working Capital Fund.

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**Management Efficiencies** – The 2011 budget request includes reductions that are proposed Interior-wide based on SAVE Award nominations reflecting anticipated efficiency savings of \$69,000 from travel and relocation, \$405,000 from information technology, and \$724,000 from strategic sourcing.

### **Payments in Lieu of Taxes**

**Mission** – The Payments in Lieu of Taxes program makes payments to counties to help offset the costs of services and infrastructure incurred by local jurisdictions where certain Federal lands are located. The 2011 budget continues this program as a mandatory classification in accordance with the Emergency Economic Stabilization Act of 2008.

**Program Overview** – The PILT payments are made to local governments in counties, townships, and other jurisdictions where Federal lands are located within their boundaries. The program is based on the concept that local governments incur costs associated with maintaining infrastructure on Federal lands within their boundaries, but are unable to collect taxes on these lands. These payments are made for lands administered by Interior agencies including BLM, FWS, and NPS, as well as for

lands administered by other agencies such as the Forest Service and the U.S. Army Corps of Engineers.

Unlike other Federal payments that require local governments to use the funds for only specified activities, PILT payments may be used for any governmental purpose. Since the inception of this program in 1977, \$4.8 billion in payments have been made. Local governments may receive other benefits from having Federal lands located within their borders, including direct payments from economic uses of the public lands. In 2009, counties reported a total of \$306.9 million in these direct payments.

**Budget Overview** – Since the inception of the PILT program in 1977 and through 2007, PILT funding had been subject to appropriation. The Emergency Economic Stabilization Act of 2008 converted PILT to a mandatory classification, and authorized the program through 2012. In 2009, payments of \$381.6 million were made to counties, which were funded from the mandatory appropriation at the full entitlement level of \$382.0 million. The remaining \$400,000 covered administrative costs which are authorized to be funded from the mandatory appropriation. The 2010 PILT payment amounts for local jurisdictions will be formulated with a scheduled payment to be made in June 2010.

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## SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

*Comparison of 2011 Request with 2010 Enacted:*

	2010 Enacted		2011 Request		Change from 2010	
	FTE	Amount	FTE	Amount	FTE	Amount
<b>Appropriations</b>						
Wildland Fire Management ( <i>FTE DWP only</i> ).....	10	794,897	13	762,925	+3	-31,972
FLAME Wildfire Suppression Reserve Fund.....	0	61,000	0	96,000	0	+35,000
Presidential Wildland Fire Contingency Reserve...	0	0	0	75,000	0	+75,000
Central Hazardous Materials Fund.....	5	10,175	5	10,152	0	-23
Natural Resource Damage Assessment.....	9	6,462	9	6,434	0	-28
Working Capital Fund.....	19	85,823	49	84,119	+30	-1,704
Subtotal, Appropriations.....	43	958,357	76	1,034,630	+33	+76,273
<b>Permanents and Other</b>						
Payments in Lieu of Taxes.....	1	395,297	1	409,434	0	+14,137
Natural Resource Damage Assessment.....	0	185,000	0	52,000	0	-133,000
Working Capital Fund.....	1,299	0	1,309	0	+10	0
Interior Franchise Fund.....	103	0	103	0	0	0
Subtotal, Permanents and Other.....	1,403	580,297	1,413	461,434	+10	-118,863
TOTAL, DEPARTMENT-WIDE PROGRAMS.....	1,446	1,538,654	1,489	1,496,064	+43	-42,590

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## HIGHLIGHTS OF BUDGET CHANGES

### By Appropriation Activity/Subactivity

#### APPROPRIATION: Wildland Fire Management

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Preparedness.....	281,767	290,452	282,679	-7,773
Suppression Operations.....	335,191	258,797	287,968	+29,171
Other Operations				
Hazardous Fuels Reduction .....	203,053	206,206	162,069	-44,137
Burned Area Rehabilitation .....	20,305	20,305	18,072	-2,233
Fire Facilities .....	6,137	6,137	6,137	0
Joint Fire Science .....	6,000	6,000	6,000	0
Rural Fire Assistance .....	7,000	7,000	0	-7,000
Subtotal, Other Operations.....	242,495	245,648	192,278	-53,370
TOTAL APPROP. (w/o supp and ARRA).....	859,453	794,897	762,925	-31,972
Supplemental Appropriations.....	+50,000	0	0	0
TOTAL APPROP. (w/ supp) .....	909,453	794,897	762,925	-31,972
Am. Recovery and Reinvestment Act..	+15,000	0	0	0
TOTAL APPROP. (w/ supp and ARRA) .....	924,453	794,897	762,925	-31,972

#### *Highlights of Budget Changes*

##### Fixed Costs

Fixed costs of \$7,410 are absorbed within the total request.

##### Preparedness

A decrease of \$7,773 is proposed for this activity, including a program decrease of \$4,969 which includes a reduction of \$3,720 for wildland firefighter training, equipment and supply replacement, and technical contract services. An additional reduction of \$1,249 will be achieved through elimination of the Ready Reserve program. Management savings of \$2,804 for travel, information technology, and strategic sourcing are allocated to this program. Fixed cost increases of \$5,190 are absorbed within this program.

##### Suppression Operations

A program increase of \$29,171 fully funds the Department's estimated initial fire attack portion of the ten-year average.

##### Other Operations

*Hazardous Fuels Reduction:* A decrease of \$44,137 is proposed for this subactivity, including a program decrease of \$42,627. The Department will focus the balance of program funds on reducing risks in the wildland urban interface. Management savings of \$1,510 are allocated to this program. Fixed cost increases of \$2,220 are absorbed within this program.

*Burned Area Rehabilitation:* A program decrease of \$2,000 will allow the Department to maintain funding at a level in line with the cost of treatments in an average year. Management savings of \$233 are allocated to this program.

*Rural Fire Assistance:* A program reduction of \$7,000 eliminates the grant program, which is duplicative of others within the Departments of Homeland Security and Agriculture.

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**APPROPRIATION: FLAME Wildfire Suppression Reserve Fund**

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION .....	0	61,000	96,000	+35,000

***Highlights of Budget Changes*****FLAME Wildfire Suppression Reserve Fund**

The budget proposes an increase of \$35,000 to fully fund the FLAME Wildfire Suppression Reserve Fund that was authorized by Congress in Title V of the 2010 Interior Appropriations bill. Together with funds in the regular suppression account in the Wildland Fire Management appropriation, the budget request fully funds the ten-year average of \$384 million. Funds in the FLAME account will be used to pay for the costs of large catastrophic-type fires and also serve as a reserve when funds available in the regular suppression account are exhausted.

**APPROPRIATION: Presidential Wildland Fire Contingency Reserve**

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION .....	0	0	75,000	+75,000

***Highlights of Budget Changes*****Presidential Wildland Fire Contingency Reserve**

The budget proposes to establish a new contingency reserve of \$75,000 for suppression operations that may be transferred to Wildland Fire Management and expended for emergency fire suppression under the following conditions: the Secretary of the Interior has issued a declaration that all funds appropriated for emergency fire suppression operations in the Wildland Fire Management and FLAME Wildfire Suppression Reserve Fund accounts will be exhausted within 30 days, and the President issues a written determination that the transfer of such amounts is necessary for emergency fire suppression and Federal emergency response operations.

**APPROPRIATION: Central Hazardous Materials Fund**

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION .....	10,148	10,175	10,152	-23

**APPROPRIATION: Natural Resource Damage Assessment and Restoration Fund**

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
Damage Assessments .....	3,979	4,022	3,880	-142
Restoration Support .....	604	615	621	+6
Program Management .....	1,744	1,825	1,933	+108
TOTAL APPROPRIATION .....	6,327	6,462	6,434	-28



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**APPROPRIATION: Working Capital Fund**

	2009 Actual	2010 Enacted	2011 Request	Change from 2010
TOTAL APPROPRIATION .....	73,435	85,823	84,119	-1,704

***Highlights of Budget Changes***

**Working Capital Fund**

The WCF budget request is \$1,704 below the 2010 level. This decrease includes a \$6,308 reduction for the development and deployment of the Financial and Business Management System, which also includes reductions for anticipated efficiency savings of \$69 for travel, \$405 for information technology, and \$724 for the Department's strategic sourcing initiative. The request also includes a decrease of \$396 for on-going enterprise-wide information technology enhancements. An increase of \$5,000 for acquisition improvements is also requested.