



United States General Accounting Office  
Washington, DC 20548

Resources, Community, and  
Economic Development Division

B-285491

June 30, 2000

The Honorable Fred Thompson  
Chairman  
The Honorable Joseph I. Lieberman  
Ranking Minority Member  
Committee on Governmental Affairs  
United States Senate

Subject: Observations on the Department of the Interior's Fiscal Year 1999  
Performance Report and Fiscal Year 2001 Performance Plan

As you requested, we have reviewed the 24 Chief Financial Officers (CFO) Act agencies' fiscal year 1999 performance reports and fiscal year 2001 performance plans required by the Government Performance and Results Act of 1993 (GPRA). In essence, under GPRA, annual performance plans are to establish performance goals and measures covering a given fiscal year and provide the direct linkage between an agency's longer-term goals and day-to-day activities. Annual performance reports are to subsequently report on the degree to which those performance goals were met. This letter contains two enclosures responding to your request concerning key program outcomes and major management challenges at the Department of the Interior (DOI). Enclosure I to this letter provides our observations on the DOI's fiscal year 1999 actual and fiscal year 2001 planned performance for the key outcomes that you identified as important mission areas for the agency. These key outcomes are that (1) the health of federally managed land, water, and renewable resources is maintained; (2) visitors safely enjoy and are satisfied with the availability, accessibility, diversity, and quality of national park facilities and services; (3) the federal government effectively meets its trust responsibilities to protect and preserve Indian trust lands and trust resources; and (4) safe and environmentally sound mineral development occurs on the outer continental shelf for which the public receives fair value.

Enclosure II lists the major management challenges facing the agency that we and DOI's Inspector General identified, how the agency's fiscal year 1999 performance report discussed the progress it made in resolving these challenges, and the applicable goals and measures in the fiscal year 2001 performance plan.

## Results in Brief

The performance plan for DOI consists of nine bureau plans and one departmental overview. Overall, DOI and its bureaus have significantly improved the presentation and substance of the performance plans. These plans are more useful, readable, and easier to follow compared to prior years. For example, in addition to providing highlights of bureau plans, the departmental overview shows linkages between bureau goals and the department's five strategic goals and draws together some common bureau goals into more outcome-oriented departmentwide objectives. Nonetheless, while these are significant improvements, the Department needs to go further. DOI officials indicated that the plan is still evolving and that they intend to move toward a more departmentwide approach in developing future plans.

Beginning with its FY 2000 plan, DOI reorganized its 10 fiscal year 1999 "commitments" into 5 goals. In doing so, its original commitment of maintaining the health of federally managed land, water, and renewable resources became part of a broader goal of protecting the environment and preserving our nation's natural and cultural resources. Taken together, the goals associated with this outcome do not yet result in a comprehensive approach to maintaining the health of federally managed land, water, and renewable resources. Currently, most of the goals associated with this outcome are activity based and/or they do not give a sense of where the agency is in making progress toward restoring public lands, damaged resources, or natural systems. For example, the goal of restoring or enhancing about 3.4 million acres of mined lands, refuges, park lands, and forests does not provide a frame of reference for how much land remains to be restored or enhanced. Furthermore, other goals that support the DOI outcome related to land health affect only a small minority of lands and do not provide a broad assessment of the health of lands managed by DOI. In commenting on a draft of this report, the Department agreed with our assessment of this goal but noted that much greater detail on land health-related goals were available in several of the individual bureau plans. In this regard, DOI indicated that, taken as a whole, all of the goals—including individual bureau goals—related to this outcome present a more complete picture of DOI's accomplishments in this area. Nonetheless, it also acknowledged that the current plan is only an initial step towards developing a more concise, comprehensive plan for the entire Department. We think this is a positive step.

The Park Service is making progress in satisfying visitors to national parks and increasing the visitors' understanding of park resources. In addition, the agency has already surpassed its long-term goals for promoting safety in parks. However, the information on visitors' safety is based on an incident/accident reporting system that, according to our recent work, may be underreporting certain types of incidents, such as structural fires. The agency indicates that it plans to strengthen its reporting systems on safety-related activities. For the goals associated with visitors' satisfaction and understanding, the performance information appears reliable because it is based on annual surveys done at nearly all parks.

The Bureau of Indian Affairs (BIA) was generally successful in achieving its performance goals to protect and preserve Indian trust lands and trust resources. However, because the annual performance goals for this key outcome are largely output goals, rather than outcome goals, their achievement provides little information on the overall status of Indian trust lands and resources. The Bureau is responsible for protecting and preserving about 54 million acres of Indian trust lands and their associated resources. The Bureau reported that it restored 80,000 acres infested with noxious weeds, enhanced over 10,000 acres of wetlands, and completed repair construction on one dam in fiscal year 1999. But we do not know if the overall status of Indian trust lands and resources improved or worsened during fiscal year 1999. The Bureau's fiscal year 2001 annual performance goals for this key outcome are generally the same as those for fiscal year 1999. A few more output goals were added, such as training 500 bureau and tribal employees in the areas of environmental management and endangered species preservation and processing 3,000 trust transactions. However, the Bureau needs to continue to look beyond its day-to-day activities and strive to find more outcome-related performance goals.

For the Mineral Management Service (MMS), neither the fiscal year 1999 performance report nor the fiscal year 2001 performance plan define or explain key terms—thus making it difficult to assess their fiscal year 1999 performance. The lack of a clear explanation is particularly notable for the mission goals involving safety and the environment. The accident index that forms the core of the first mission goal is left undefined and its calculation unexplained, even in the section of the report that specifically attempts to describe this goal. Similarly, neither the report nor the fiscal year 2001 plan defines or clarifies the calculation of the environmental index that forms the core of the second mission goal. MMS is somewhat more effective in discussing its efforts to ensure fair market value for its leases, a third goal. MMS is especially helpful in clarifying the significance and credibility of a key ratio used to ensure fair market value. A fourth goal of providing for mineral development on the outer continental shelf is being dropped from future plans because MMS cannot control the external factors that influence the outcome. MMS provides a clear discussion regarding its decision to drop this goal.

DOI clearly identifies key management challenges and risks in its performance plans. In fact, in its fiscal year 2001 plan, DOI has added a new goal to resolve most GAO and DOI-OIG recommendations in a timely manner. For this report, we reviewed how DOI addressed 11 major management challenges facing the Department that were identified by either us and/or the Department's Inspector General. We found some of these issues were fully addressed in the plan while others were not addressed at all. Specifically, of these 11 management challenges, 4 were addressed in the plan through goals and measures that were directly applicable to the agency's major management challenges. In another instance, goals and measures were established that were indirectly applicable to a major management challenge. Furthermore, in two instances, goals and measures were

not established, but strategies to address the challenges were provided. Finally, in four instances, no goals, measures, or strategies were established to address major management challenges—although DOI officials indicated that several of these challenges are being tracked via methods other than GPRA.

## **Objectives, Scope, and Methodology**

Our objectives concerning selected key agency outcomes were to (1) identify and assess the quality of the performance goals and measures directly related to a key outcome, (2) assess the agency's actual performance in fiscal year 1999 for each outcome, and (3) assess the agency's planned performance for fiscal year 2001 for each outcome. Our objectives concerning major management challenges were to (1) assess how well the agency's fiscal year 1999 performance report discussed the progress the agency had made in resolving the major management challenges that we and the agency's Inspector General had previously identified, and (2) identify whether the agency's fiscal year 2001 performance plan had goals and measures applicable to the major management challenges. As agreed, in order to meet the Committee's tight reporting timeframes, our observations were generally based on the requirements of GPRA, guidance to agencies from the Office of Management and Budget (OMB) for developing performance plans and reports (OMB Circular A-11, Part 2), previous reports and evaluations by us and others, our knowledge of DOI's operations and programs, and our observations on DOI's other GPRA-related efforts. We did not independently verify the information contained in the performance report or plan. We conducted our review in April and May 2000 in accordance with generally accepted government auditing standards.

## **Agency Comments and Our Evaluation**

We provided a draft of this report to the Department of the Interior for its review and comment. DOI generally agreed with the draft report and noted that our findings were accurate assessments of its fiscal year 1999 performance report and fiscal year 2001 performance plan. DOI agreed with the need to improve the plans' goals and measures as well as the data systems that support these measures. However, DOI also indicated that the report could better acknowledge the improvements the agency has made over the previous performance plans. We agree, and we have modified the report to identify areas where the agency's plans have improved. In addition, DOI noted that it takes resolution of its management challenges very seriously and has chosen to track several of its management challenges through means other than GPRA. We have modified the report to reflect this. DOI also provided technical clarifications, which we have incorporated into the report as appropriate. DOI's comments appear in full in enclosure III.

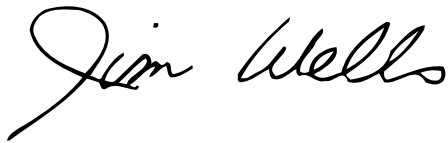
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As agreed with your offices, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of this letter. At that time, we will send copies to the Honorable Bruce Babbitt, Secretary of the Interior. We will also make copies available to others on request.

Please call me or Derek Stewart on (202) 512-3841 if you or your staff have any questions. Key contributors to this report were Dennis Carroll, Cliff Fowler, Jeff Malcolm, and Ned Woodward.

Sincerely yours,

A handwritten signature in black ink that reads "Jim Wells". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

Jim Wells  
Director, Energy, Resources,  
and Science Issues

Enclosures – 3

**Observations on the Department of the Interior's Fiscal Year 1999  
Actual Performance and Fiscal Year 2001 Planned Performance  
in Relationship to Key Outcomes**

This enclosure provides our observations on the Department of the Interior's (DOI) fiscal year 1999 actual performance and fiscal year 2001 planned performance related to the following selected key outcomes: (1) the health of federally managed land, water, and renewable resources is maintained; (2) visitors safely enjoy and are satisfied with the availability, accessibility, diversity, and quality of national park facilities and services; (3) the federal government effectively meets its trust responsibilities to protect and preserve Indian trust lands and trust resources; and (4) safe and environmentally sound mineral development occurs on the outer continental shelf for which the public receives fair value. As requested, we have identified the goals and measures directly related to a selected key outcome. Our observations are organized according to each selected key outcome and follow the goals and measures.

**Key Agency Outcome: The Health Of Federally Managed Land, Water, And Renewable Resources Is Maintained.**

Fiscal Year 1999 Performance Goals Related To Suggested Outcome

*Protect the Environment and Preserve Our Nation's Natural and Cultural Resources*

Public Lands Restored: In FY 1999, 3,376,741 acres of mined lands, refuges, park lands, and forests will be restored or enhanced. (This goal was exceeded.)

Damaged lands and resources restored:

In FY 1999

- increase the cumulative number of restoration projects to 65 (this goal was not met),
- increase the cumulative number of damage assessment projects resulting in settlements to 136 (this goal was exceeded), and
- increase the cumulative recoveries to 175 percent of cumulative appropriations (this goal was met).

In FY 1999, restore South Florida natural systems by:

- acquiring or extending offers on 29,000 acres of land (this goal was not met),
- providing funding for the state of Florida to acquire or extend offers on 33,000 acres of land (this goal was exceeded),
- having at least two species in South Florida eligible for reclassification from endangered to threatened (this goal was met),
- reducing the number of public lands infested with melaleuca to about 352,000 (this goal was not met),
- establishing and/or maintaining four research and monitoring programs to determine the principal causes of decline in coral reef communities in the Florida Keys (this goal was exceeded), and
- submitting the Central and South Florida Restudy Plan to Congress (this goal was met).

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Natural processes are restored through fire management. In FY 1999:

- complete action on 15 steps in the Wildland Fire Safety Awareness Study (this goal was met and is being discontinued),
- revise 75 percent of bureau fire management plans (this goal was met and is being discontinued),
- treat 905,000 acres with fire (this goal was not met), and
- establish new fire planning, prevention, and training standards for 60 percent of key positions (this goal was exceeded and is being discontinued).

### GAO Observations

In its FY 2000 plan, the Department reorganized its 10 FY 1999 “commitments” into 5 goals. In doing so, its original commitment of maintaining the health of federally managed land, water, and renewable resources became part of a broader new goal of protecting the environment and preserving our nation’s natural and cultural resources. These new goals established in the fiscal year 2000 plan also became new goals for the fiscal year 1999 plan.

Taken together, the goals associated with this outcome do not result in a comprehensive approach to maintaining the health of federally managed land, water, and renewable resources. Most of the goals are activity-based and/or they do not give a sense of where the agency is in making progress towards completely restoring public lands, damaged resources, or natural systems. Furthermore, other goals that support the DOI outcome related to land health affect only a small minority of lands and do not provide a broad assessment of the health of lands managed by DOI.

For example, the goal of restoring or enhancing 3,376,741 acres of mined lands, refuges, park lands, and forests does not provide a frame of reference of how much land remains to be restored or enhanced. Similarly, the goal of increasing the cumulative number of restoration projects to 65 does not provide a frame of reference as to whether these projects represent the majority of work needed to restore lands or only a small minority.

Another goal—establishing and/or maintaining four research programs—is so vague that it is difficult to determine if the department is beginning a new activity or continuing to fund ongoing ones.

Furthermore, the outcome of maintaining healthy natural systems is supported by one goal specific to the South Florida ecosystem (for FY 2001 the plan also includes restoring the California Desert ecosystem) and by another goal related to fire management. While these ecosystems and fire management issues are important aspects of land health, they affect only a minority of lands managed by DOI and cannot be used to represent the overall health of public lands.

The Department indicates that program evaluations are a useful tool in the management of programs. DOI relies largely on outside groups such as GAO, the Inspector General, the National Academy of Science, OMB and others to perform program evaluations. However, there is little discussion on any program evaluations specific to goals related to land health.

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In our view, program evaluations are important since they are among the sources that provide information on what activities contribute to the outcomes that DOI is managing toward.

The extent of data verification and validation varies considerably from goal to goal. For example, for the goals associated with fire management, the data are validated by spot reviews made by higher-level offices. In contrast, for the goals associated with restoring damaged land and resources, the data are validated by making ongoing improvements to existing data systems, frequently updating these systems, conducting on-site visits, and regularly reporting on each project.

### Unmet Fiscal Year 1999 Performance Goals

Four goals were not met. They include:

- increasing the cumulative number of restoration projects to 65,
- acquiring or extending offers on 29,000 acres of land in the South Florida ecosystem,
- reducing the number of public lands infested with melaleuca to about 352,000 acres, and
- treating 905,000 acres with fire.

### GAO Observations

The agency states that the goal associated with increasing the number of restoration projects was not met because of, among other things, problems of compliance with other laws. The agency has prepared policies and guidelines that should help expedite its processes and expects to reach its FY 2000 goal of 75 restoration projects.

The goal on acquiring land in South Florida was not met because of insufficient appropriations. The Department expected that \$35 million would be appropriated for this purpose, but only \$20 million was provided. The Department does not discuss whether this goal should be adjusted or whether it expects further appropriations to meet its FY 1999 goal later. It has established land acquisition goals in its fiscal year 2001 plan, but there is no discussion detailing any cumulative goal or where DOI stands in reaching that goal.

The goal of reducing the number of public lands infested with melaleuca was not met because severe weather in Florida limited treatment of infested areas. The Department indicates it was 7,000 acres short of reaching its goal, but does not provide information on how many acres were actually treated—or why having 352,000 acres remain infested is an acceptable outcome. The agency does state that components of the invasive species strategy were completed in fiscal year 1999, are being implemented in fiscal year 2000, and will be fully implemented in fiscal year 2002.

The Department treated about 828,000 acres with fire—about 77,000 acres short of its goal. According to DOI, FY 1999 was one of the worst years for wildfires which kept fire crews busy fighting fires to protect people and property. Because of this, and bad weather, the agency was not able to meet its goal. The Department acknowledges that it may not reach its goal in the future. This is because DOI does not set goals for fighting wildfires, but when



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wildfires occur, fire crews must address this need before they can work on the fire treatment goal. While DOI was close to reaching its goal, this is another example in which the Department failed to provide a frame of reference regarding how its goal of treating 905,000 acres compared to the total acres that remain to be treated.

### Fiscal Year 2000 Performance

There is very little discussion on FY 2000 performance goals.

### GAO Observations

In its fiscal year 2000 plan, DOI reorganized its original 10 “commitments” for the fiscal year 1999 plan into 5 broad goals. As a result, the performance goals and measures to which DOI held itself accountable in its fiscal year 1999 performance report were those contained in its fiscal year 2000 performance plan.

Beyond discontinuing several goals, it does not appear that the Department adjusted any of its FY 2000 goals based on its FY 1999 performance. This is in contrast to many of DOI’s bureau plans, which provide updates for the bureaus’ planned performance in fiscal year 2000.

### Fiscal Year 2001 Performance

Public Lands Restored: In FY 2001 3,673,600 acres of mined lands, refuges, park lands, and forests will be restored or enhanced.

Damaged lands and resources restored:

In FY 2001—

- increase the cumulative number of restoration projects to 85.
- increase the cumulative number of damage assessment projects resulting in settlements to 185.
- increase the cumulative recoveries to 225 percent of cumulative appropriations.

In FY 2001, restore South Florida natural systems by

- acquiring 12,225 acres of land, and
- providing funding for the State of Florida to acquire an additional 14,342 acres of land.

In FY 2001, restore and protect the California Desert by completing six (eight cumulative) coordinated management plans

### GAO Observations

Many of DOI’s goals are updated to reflect its performance in FY 1999. However, there goals continue to be largely activity-based and do not reflect how much progress the agency is making towards fully restoring (1) public lands, (2) damaged lands and resources, or (3) natural systems.

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Several of the goals associated with the restoration of the South Florida ecosystem have been discontinued. However, DOI is in the process of developing a congressionally mandated strategic plan for the future of the South Florida ecosystem. This plan will have additional goals.

In addition, there is a new goal regarding protecting and restoring the California Desert. This new goal is entirely activity-based—preparing six coordinated management plans. The Department indicates that this is the first step needed to manage this multiagency initiative. The plans are needed to identify and coordinate activities, such as managing wild burro populations, restoring damaged habitats, cleaning up illegal dumps, addressing critical science questions, and others. In future plans, DOI could do more in this area by identifying and quantifying what needs to be done to restore and protect the California Desert and then establishing goals towards meeting those desired results.

**Key Agency Outcome: Visitors Safely Enjoy and Are Satisfied With the Availability, Accessibility, Diversity, and Quality of National Park Facilities and Services.**

Fiscal Year 1999 Performance Goals

By the end of fiscal year 1999:

- 95 percent of park visitors are satisfied with appropriate park facilities, services, and recreational opportunities;
- reduce the visitor accident/incident rate by 6 percent from the Park Service's 5-year average (this goal was later specified as 8.91 accidents/incidents per 100,000 visitor days); and
- 80 percent of park visitors understand and appreciate the significance of the park they are visiting.

GAO Observations

The Park Service's fiscal year 1999 performance measures are objective, measurable, quantifiable, and outcome-oriented.

To assess its performance, the agency developed baseline data for the two measures related to visitors' satisfaction and visitors' understanding of park resources. Once the data were developed, the agency realized its goals were set too low and made appropriate changes. For example, the fiscal year 1999 goal for satisfied park visitors was originally 77.5 percent and was later revised to 95 percent.

For the three measures, the agency met or exceeded its goals. However, the information on visitors' safety is based on an incident/accident reporting system that, according to our recent work, may be underreporting certain types of incidents. Our recent work on the Park Service's structural fire program showed that structural fires are not consistently reported in this system. In fact, the agency acknowledged that there is no agencywide system for collecting structural fire incident information. The agency indicates that it plans to strengthen its reporting systems on all safety-related activities.

The data supporting the measures of visitors' satisfaction and visitors' understanding appear credible because they are based on surveys conducted at all parks. To ensure the consistency and reliability of the data, a central unit within the agency tabulates the results of the survey and independently verifies the data collection efforts of about 30 parks each year.

The agency did not perform any program evaluations in fiscal year 1999. However, the extensive data collection efforts associated with the goals on visitor satisfaction and visitor understanding also provide the type of feedback and analysis associated with a program evaluation. While the report does not discuss how this information is used, discussion with agency officials indicated that the visitor surveys provide information on the quality of items such as visitor centers, trails, exhibits, campgrounds, park maps, ranger programs,

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and assistance from park employees. With this information, parks learn about which elements of their operations are meeting visitors' needs and which are not. The parks are then able to adjust their programs to better meet visitors' needs.

### Unmet Fiscal Year 1999 Performance Goals

None.

### Fiscal Year 2000 Performance

By the end of fiscal year 2000:

- 95 percent of park visitors are satisfied with appropriate park facilities, services, and recreational opportunities,
- reduce the visitor accident/incident rate by 7 percent from the Park Service's 5-year average. (This was later specified to be 8.82 accidents/incidents per 100,000 visitor days.), and
- 82 percent of park visitors understand and appreciate the significance of the park they are visiting.

### GAO Observations

To a moderate extent, the agency has somewhat assessed the effects of its fiscal year 1999 performance on its fiscal year 2000 performance goals.

For example, the goal for visitors' satisfaction remains at the same level. This appears appropriate given that there is little room for improvement.

With regard to visitors' safety, once the agency resolves any concerns about the quality of the data in its incident reporting system, it may then need to reassess its targets for this goal.

The agency has increased its goal and is managing towards further improvement in the percentage of visitors understanding the significance of parks.

### Fiscal Year 2001 Performance

By the end of fiscal year 2001:

- 95 percent of park visitors are satisfied with appropriate park facilities, services, and recreational opportunities.
- the visitor accident/incident rate is reduced by 8 percent from the Park Service's 5-year average—or 8.72 accidents/incidents per 100,000 visitor days.
- 84 percent of park visitors understand and appreciate the significance of the park they are visiting.

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### GAO Observations

The three goals present a clear picture of the agency's intended performance—satisfied visitors who recreate safely and understand the significance of parks. In addition, the agency identifies the strategies it will use to achieve these goals.

The agency plans to perform annual surveys at most parks to continue gathering data on visitors' satisfaction and understanding. Thus, the information on these two goals will continue to be credible.

However, our concerns about the agency's incident reporting system, unless addressed, could result in an underreporting of certain incidents, such as structural fires. The agency acknowledges that it needs to make improvements to this system to collect more data on incidents in parks.

The agency addresses some of the key weaknesses associated with its fiscal year 2000 plan. For example, data validation and verification processes are credible for two of the three goals because they are based on extensive annual surveys conducted at all parks. In addition, the agency generally discusses the need to collect more incident data to support its safety goal. However, it does not articulate any limitation on the visitor safety goal that may result from the lack of complete data.

**Key Agency Outcome: The Federal Government Effectively Meets Its Trust Responsibilities to Protect and Preserve Indian Trust Lands and Trust Resources.**

Fiscal Year 1999 Performance Goals

*Resources Management Long-Term Goal 1:* By 2003, the Bureau of Indian Affairs (BIA) will successfully support the prudent management of natural resources on Indian lands, establish 25 integrated resource management plans (IRMP) planning grants, and increase the number of listed/proposed species on tribal lands benefiting from the endangered species program to 50.

Fiscal Year 1999 Performance Goals:

- The Bureau will provide for the administration of forest product sales and permits involving 650 million board feet. (Expected to meet this goal based on preliminary data.)
- The Bureau will provide for the reforestation and improvement of four percent of the 1.3 million acres of forest lands needing treatment. (Expected to meet this goal based on preliminary data.)
- The Bureau will provide for the restoration of 80,000 acres of trust lands infested with noxious weeds to productive agronomic uses. (Met)
- The Bureau will provide for the enhancement of 6,500 acres of wetlands. (Exceeded)
- The Bureau will increase the number of tribes developing IRMP's by establishing 5 of 25 planning grants. (Exceeded)
- The Bureau will maintain the number of listed/proposed species on tribal trust lands benefiting from the endangered species program at 3 out of the projected 50. (Met)

*Resources Management Long Term Goal 2:* By 2003, the Bureau will successfully support tribal comanagement of shared, multijurisdictional resources located off reservations that provide for the exercise of treaty hunting, fishing, and gathering rights.

Fiscal Year 1999 Annual Performance Goals:

- The Bureau will provide for the exercise of treaty rights by 41 tribal governments. (Met)
- The Bureau will maintain 17 inter-tribal resource co-management programs. (Met)
- The Bureau will maintain 11 off-reservation treaty fishing access sites. (Exceeded)

*Trust Services Mission Goal:*

Ensure the trust responsibility to protect and preserve trust lands and trust resources.

*Trust Services Long-Term Goal 1:* From fiscal year 1999 to fiscal year 2003, the Bureau will assist tribes in establishing and defining water and land claims through negotiation.

Fiscal Year 1999 Annual Performance Goals:

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- The Bureau will assist approximately 57 tribes by procuring defense services or private counsel. (Met)
- The Bureau will fund approximately 20 department teams involved in land and water quantitative negotiations and implementation of Indian land and water rights claims. (Exceeded)
- The Bureau will fund 80 project proposals for legal and technical research and studies. (Exceeded)

*Trust Resources Long-Term Goal 2:* By 2003, the Bureau will complete a 100-percent environmental audit on 54 million acres of trust lands.

### Fiscal Year 1999 Annual Performance Goal:

- The Bureau will complete environmental audits at approximately 17 percent of its facilities and correct deficiencies as required. (Met)

*Trust Resources Long-Term Goal 3:* By 2003, the Bureau will maximize the economic benefit and utilization of individually and tribally owned trust and restricted lands by developing 13 handbooks to provide detailed information to tribes regarding real estate transactions.

### Fiscal Year 1999 Annual Performance Goal:

- The Bureau will develop and issue 3 of 13 handbooks, which will provide more detailed information relative to the procedures used to process its transactions. (Failed to achieve)

*Trust Resources Long-Term Goal 4:* By 2003, the Bureau will ensure that Indian dam structures do not create unacceptable risks to public safety, welfare, property, the environment, and cultural structures by completing construction on 22 of the 115 high- or significant-hazard dams.

### Fiscal Year 1999 Annual Performance Goal:

- The Bureau will complete repair construction to 2 additional dams for a total of 15 dams. (Failed to achieve)

## GAO Observations

In December 1998, BIA revised its fiscal year 1999 performance plan and reduced the number of goals directly related to this outcome from 44 to 15. These 15 annual performance goals can best be characterized as output goals that maintain the status quo. Overall, BIA reported that for 13 of the 15 goals, its performance during fiscal year 1999 met or exceeded the goal. BIA's performance assessment for 2 of the 13 goals that were met or exceeded was based on preliminary forestry data.

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The majority of the performance goals under BIA's resources management mission goal and trust services mission goal simply maintain the agency's current level of performance. For example, one of the goals is to restore 80,000 acres of trust lands infested with noxious weeds. This was the actual performance level reported for 1998, and it was the performance goal for 1999, 2000, and 2001.

Few of these 15 annual performance goals provide any information on how well BIA is protecting and preserving Indian trust lands and trust resources or what the overall state of Indian trust resources is. Most of the performance goals are output goals rather than outcome goals. Although the goals are measurable and quantifiable and the measures indicate progress towards achieving the goals, the goals do not provide meaningful information because they are not clearly linked to the results.

For example, it is unclear whether the overall state of Indian trust resources improved or worsened during 1999. BIA reported that it restored 80,000 acres of trust land infested with noxious weeds. Other key outcome questions—such as, “How many new acres became infested during 1999?” and “Overall, is BIA winning the war against noxious weeds?”—are not answered.

BIA's annual performance report for fiscal year 1999 does clearly articulate the agency's actual performance compared to its targeted level of performance.

In the instances in which BIA's actual performance significantly exceeded the target level, there is no real discussion of how or why this happened. Such a discussion is encouraged, but not required, by OMB Circular A-11. For example, one of BIA's annual performance goals for fiscal year 1999 was to increase the number of tribes developing IRMPs by establishing five new planning grants. BIA exceeded this goal by more than 100 percent by establishing 12 new planning grants. No explanation of how this was accomplished is provided in the performance report. The fact that it could simply be that BIA established 12 small grants instead of 5 larger grants shows how arbitrary and open to manipulation these output goals can be. In contrast, it may also mean that the strategic planning process is working and that resources were moved from lower-priority activities to this high-priority activity. This type of information would enhance the reader's understanding of BIA's actual performance.

The performance report does not provide reasonable assurances that the performance information reported in it is credible. This is an area that BIA needs to continue to improve. Section 3.4, located towards the end of the report, contains a one-half page section entitled “Data Collection, Verification and Validation.” This section raises questions about BIA's ability to get performance information from tribal contractors. Since over half of BIA's programs are administered by tribal contractors this could be a significant data limitation. However, no further information is provided on how this problem affects the information in the performance report. Furthermore, this section ends with the statement that “The Bureau will focus more strongly on ensuring uniform data collection throughout its locations during FY 2000.” No data problems are discussed or alluded to in the main body of the report for these two mission goals.



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Even though the performance report does not provide assurances that the information is credible, the information required for these performance goals is very straightforward.

### Unmet Fiscal Year 1999 Performance Goals

The Bureau will develop and issue 3 of 13 handbooks, which will provide more detailed information relative to the procedures used to process its transactions.

The Bureau will complete repair construction of 2 additional dams, for a total of 15 dams.

### GAO Observations

BIA failed to achieve its targeted performance level for 2 of these 15 annual performance goals. Instead of developing and issuing three real estate handbooks, BIA developed four, but none were issued. According to the performance report, the handbooks are undergoing final review to ensure they comply with BIA's overall trust policy. Also, BIA had planned to complete repair construction on two dams, yet only one was finished. Issues brought forth by an external agency halted construction on one of the dams. Construction on that dam has been indefinitely postponed.

### Fiscal Year 2000 Performance

Source: BIA's annual performance goals for fiscal year 2000 as revised by the annual performance plan for fiscal year 2001.

*Resources Management Mission Goal:* Two goals were discontinued—forest product sales and endangered species—two new annual performance goals were added, and two goals were slightly modified.

#### Two New Goals:

- The Bureau will provide support for an additional 90 tribal water management projects.
- The Bureau will provide support for 50 tribal fish hatchery maintenance projects.

#### Two Modified Goals:

- The Bureau will provide assistance in support of 50 tribal management programs. (Expanded from 17 intertribal resource comanagement programs.)
- The Bureau will provide support for 17 maintenance projects for fishing access sites. (Increased from 14 to 17 projects. The actual level of performance in 1999 was 17.)

*Trust Resources Mission Goal:* Two goals were discontinued—environmental audits and real estate handbooks—and one new long-term goal and six new annual performance goals were added, and one goal was slightly modified.

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### New Long-Term Goal and Six New Goals:

*New Trust Resources Long Term Goal 1:* The Bureau will ensure that obligations under the federal Indian trust responsibility are performed in accordance with the standards required by the laws and policies of the United States.

- The Bureau will perform 67 trust evaluations.

*Restructured Trust Resources Long-Term Goal #3:* By 2005, the Bureau will improve conditions for the environment and endangered species in Indian country by reducing the amount of its total unperformed obligations.

- The Bureau will train 500 Bureau and tribal employees in the areas of environmental management and endangered species preservation.
- The Bureau will conduct compliance assistance audits and perform corrective actions at 5 Bureau offices.
- The Bureau will issue an additional 15 guidance documents on environmental management and endangered species preservation.
- The Bureau will provide technical or financial assistance to 75 tribes in the areas of environmental management and endangered species preservation.

*Restructured Trust Resources Long-Term Goal 4:* By 2005, the Bureau will facilitate the growth of trust income through an increase in the efficient processing of trust transactions for tribal and individual Indian landowners.

- By September 2001, the Bureau will facilitate the growth of trust income by processing an additional 2,000 trust transactions for Tribal and individual Indian landowners.

### One Modified Goal:

- The Bureau will complete repair construction to two additional dams for a total of 16 dams. (Cumulative total reduced from 17 to 16.)

### GAO Observations

Since these 15 annual performance goals for fiscal year 1999 are output goals set at the current level of performance, one year's performance generally has no effect on the next year's goals. For example, one of the goals for fiscal year 1999 was to fund 20 departmental teams involved in land and water negotiations and implementation of Indian land and water rights claims. BIA reported that it exceeded this goal by funding 27 teams. However, the goal for fiscal years 2000 and 2001 is the same as 1999—to fund 20 teams. Also, the 1999 goal of enhancing 6,500 acres of wetlands was exceeded by enhancing 10,332 acres of wetlands. Yet the annual goal for fiscal years 2000 and 2001 remains unchanged, to enhance 6,500 acres of wetlands each year.

## Enclosure I

Overall, the revisions to the annual performance goals for fiscal year 2000 for these two mission goals resulted in a net gain of four. The total number of annual performance goals increased from 15 to 19. Specifically, four goals were dropped, eight new goals were added, and two goals were slightly modified. The new annual performance goals for fiscal year 2000 generally involved replacing old output goals with new output goals.

There was no discussion explaining why changes were made under the resources management mission goal. There was more of an explanation provided for the changes under the trust resources mission goal.

### Fiscal Year 2001 Performance

*Resource Management Mission Goal:* Increased performance levels for four goals and one new long-term goal.

- The Bureau will provide support for an additional 95 tribal water management projects. (An increase of 5 from the fiscal year 2000 goal—90 projects to 95 projects.)
- The Bureau will provide for the exercise of off-reservation treaty rights by 43 Tribes. (An increase of 2 from the fiscal year 2000 goal—41 tribes to 43 tribes.)
- The Bureau will provide support for 23 maintenance projects for fishing access sites. (An increase of 6 from the fiscal year 2000 goal—17 projects to 23 projects)

*New Long Term Goal 3:* By 2005, the Bureau will increase the number of IRMPs to 50.

- The Bureau will increase the number of Tribes developing IRMPs by establishing an additional 15 planning grants. (An increase of 10 from the fiscal year 2000 goal—5 new grants to 15 new grants)

*Trust Services Mission Goal:* Increased performance level for three goals; decreased performance level for one goal

- The Bureau will conduct compliance assistance audits and perform corrective actions at 18 Bureau offices. (An increase of 13 from the fiscal year 2000 goal—5 Bureau offices to 18 Bureau offices.)
- The Bureau will issue an additional five guidance documents on environmental management and endangered species. (A decrease of 10 guidance documents from the fiscal year 2000 goal—15 guidance documents to 5 guidance documents.)
- The Bureau will provide technical or financial assistance to 85 Tribes in the areas of environmental management and endangered species preservation. (An increase of 10 tribes from the fiscal year 2000 goal—75 tribes to 85 tribes.)

## Enclosure I

- By September 2001, the Bureau will facilitate the growth of trust income by processing an additional 3,000 trust transactions for tribal and individual Indian landowners. (An increase of 1,000 transactions from the fiscal year 2000 goal—2,000 transactions to 3,000 transactions.)

### GAO Observations

The revisions to the annual performance goals for the resource management mission goal and trust services mission goal for fiscal year 2001 were minor. The targeted performance level on 7 of the 19 annual performance goals was increased, and the level was decreased for 1 goal. No annual performance goals were dropped from the revised fiscal year 2000 structure, and no new annual performance goals were added.

With one exception, the plan does not discuss why these revisions were made or how increased performance levels will be achieved. However, many of the changes are marginal and may not warrant much discussion. The annual performance goal on processing trust transactions does have a discussion on how the increased processing of transactions will be achieved.

Overall, BIA's fiscal year 2001 plan, combined with the fiscal year 1999 performance report, is well-formatted and easy to use. BIA has also improved on the presentation of the material and the identification of resources for each long-term goal. However, BIA needs to continue to work on three main areas.

First, BIA needs to continue to strive for more outcome-related goals, especially for the Resource Management and Trust Services mission goals.

Second, BIA needs to continue to look for opportunities to discuss issues outside of DOI that affect the agency's performance. These issues would include discussing more external factors that may affect specific goals as well as cross-cutting Indian issues. For example, BIA reported that it failed to achieve its goal on dam repair construction because of issues raised by an external agency. This is an external factor that has not been discussed in any of BIA's performance plans. If it is a factor that is likely to affect this goal in the future, then it should be identified in the plan. To this end, BIA needs to improve its descriptions of planned coordination with others to achieve agency goals.

Third, BIA needs to improve on the presentation of information on program evaluations. Program evaluations, like data collection and crosscutting issues, are discussed briefly and generically in the back of the report. The relevance of these issues is how they affect the agency's performance and the reporting of that performance on a goal-by-goal basis. It is difficult for the reader to apply a generic discussion of these issues to any specific goal. BIA needs to make this connection for the reader.

**Key Agency Outcome: Safe and Environmentally Sound Mineral Development Occurs on the Outer Continental Shelf for Which the Public Receives Fair Value.**

Fiscal year 1999 Performance Goals

(1) To ensure safe outer continental shelf (OCS) mineral development, The Minerals Management Service (MMS) provided one goal and measure: Achieve an accident index no greater than 0.594. (MMS met this goal.)

(2) To ensure environmentally sound OCS mineral development, MMS provided two goals and measures: (a) Show a decrease of 0.5-1.0 in the number of environmental impacts per OCS mineral development activity below the 1998 baseline level of 10.45 and (b) show a decrease in the amount of oil spilled, to a level of 5.07 barrels spilled per million barrels produced. MMS stated in the report that it could not determine the results of efforts toward the first goal until March 2000. (MMS did not achieve the second goal.)

(3) To ensure that the public receives fair market value for OCS mineral development, MMS provided two goals and measures: (a) the ratio of high bids received for OCS leases to the greater of MMS' estimate of value or the minimum bid does not decrease below the 1989-2005 average level of 1.8 to 1 and (b) decrease to 6.8 percent the instances in which tracts classified as nonviable are drilled within 5 years of lease issuance and a discovery is made capable of producing in paying quantities. (MMS achieved the first but not the second goal.)

(4) To provide for mineral development on the OCS, MMS provided seven goals and measures: (a) increase to 265 the number of leases on which exploratory wells are drilled, (b) show a reduction in the rate of decline in the oil reserves-to-production ratio to a level of 0.82 per year, (c) show a reduction in the rate of decline in the gas reserves-to-production ratio to 0.31 per year, (d) show an increase in annual oil production to not less than 554 million barrels, (e) show an increase in annual gas production from the OCS to 4.9 trillion cubic feet, (f) reach an annual sulphur production of 2.1 million long tons, and (g) reach an annual production level of 25.4 million cubic yards of sand. (MMS achieved goals (b), (c), and (e) but did not achieve the other goals. All seven of these goals are dropped from the fiscal years 2000 and 2001 plans.)

GAO Observations

There are four mission goals for the Minerals Management Service (MMS) with annual goals and measures directly related to this outcome. MMS frequently fails to clarify key points associated with these goals. The lack of clarity is particularly notable for the first two mission goals involving safety and the environment. For example, MMS states only that the accident index (which forms the core of the first mission goal) consists of the ratio of the number of incidents times a severity factor to the number of activities times a complexity/risk factor. These factors are left undefined and their calculation unexplained. The section of the report that specifically attempts to describe this goal states that MMS is reevaluating the components of this goal to develop a new accident index but provides no further information.

## Enclosure I

MMS does not define or clarify the calculation of the environmental index that forms the core of the second mission goal. The report states that goal 2(b) involving oil spillage may be made a part of the environmental index in fiscal year 2000 but does not define what the environmental index has included to date when such a critical factor as oil spills is not already part of the index.

For the third mission goal, MMS provides a limited explanation of the significance of the key ratio (1.8 to 1). This is supplemented by the fiscal year 2000 plan, which presents a very clear explanation of its significance and its role in determining whether the government is receiving fair market value.

The fourth GPRA mission goal with its seven annual goals and measures is being dropped from future plans because MMS cannot sufficiently control the external factors that influence the outcome. MMS provides a clear discussion regarding its decision to drop this goal.

In general, the first two mission goals remain unclear with calculations involving safety and the environment that are not adequately explained. Thus, when the agency states that it exceeded or fell short of its goals by a specific number, the significance of this outcome is unclear. For example, the report states that the accident index was 16/1,000 lower than the goal of 0.594, but the real meaning of this number or the degree of progress it represents cannot be determined from the context. It is also difficult to discern whether the measures are objective and measurable or subject to manipulation because their key elements are left undefined and unexplained.

As a further consequence of these limitations, the report and the fiscal year 2001 plan fail to provide assurance that the information is credible and valid. The statements regarding verification and validation are generally very brief and convey little understanding of the processes involved. For example, the report states only that the information in the accident index is validated through on-site inspection, interviews, and discussions with reporting officials. For the environmental goals, the report indicates that MMS has not yet developed and documented validation procedures in conjunction with the development of the index methodology.

### Unmet Fiscal Year 1999 Performance Goals

MMS stated that it did not achieve the following goals and measures:

- For the environmental mission goal, 2(b), show a decrease in the amount of oil spilled, to a level of 5.07 barrels spilled per million barrels produced.
- For the fair market value mission goal, 3(b), decrease to 6.8 percent the instance in which tracts classified as nonviable are drilled within 5 years of lease issuance and a discovery is made capable of producing in paying quantities.

## Enclosure I

- For the mineral development mission goal, increase to 265 the number of leases on which exploratory wells are drilled (4[a]), show an increase in annual oil production to not less than 554 million barrels (4[d]), reach an annual sulphur production of 2.1 million long tons (4[f]), and reach an annual production level of 25.4 million cubic yards of sand (4[g]).

### GAO Observations

MMS provided clear, succinct statements of the reasons for not achieving these goals. For goal 2(b), MMS noted that the largest pipeline spill since fiscal year 1992 occurred in fiscal year 1998 but was not reported until early fiscal year 1999, thus causing the high result for the year. MMS added that the oil spill rate is not by itself a good measure of environmental outcomes and that spills can be caused by events not within MMS' control. MMS noted that it can do some things to try to mitigate spills and encourage caution but did not describe the steps it might take to do so.

For goal 3(b) MMS stated that the goal was not met because of the uncertainties that both MMS and the industry experienced in evaluating tracts as they ventured into exploration and development in deeper waters with rapidly changing technology. MMS added that the result indicates that industry has, on occasion, been able to see things that MMS did not see during tract evaluations in the past, especially for deepwater leases. MMS attributed this problem to industry's investment in interpretive technology and pointed to the importance of keeping abreast of industry in this regard.

For the unmet mineral development goals, MMS pointed to external factors, such as low prices, over which the agency had no control. MMS intends to drop these production-related goals from future fiscal years because of its lack of control over these external factors.

### Fiscal Year 2000 Performance Goals

- (1) To ensure OCS mineral development, MMS set a standard of 0.594 for its accident index.
- (2) To ensure environmentally sound OCS mineral development, MMS planned to show a decrease in the number of adverse environmental impact incidents observed per OCS mineral development activity below the 1998 baseline. The number was not specified in the plan but was stated as 9.45 in the combined fiscal year 1999 report and 2001 performance plan. MMS also planned to decrease the amount of oil spilled to 5.06 barrels spilled per million barrels produced.
- (3) To ensure that the public receives fair value for OCS mineral development, MMS planned to maintain the ratio of the high bids received for OCS leases to the greater of MMS' estimate of value on those tracts or the minimum bid so that it does not decrease below the 1989-95 average level of 1.8 to 1.

### GAO Observations

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The fiscal year 2000 plan appears out of date in several important respects. Most importantly, the plan includes several goals and measures that are being dropped, according to the fiscal year 1999 report and the fiscal year 2001 plan. In addition, the plan identifies its fiscal year 2000 measures as “proposed” and states in one case that a measure remains “to be determined.” The listing of these measures for fiscal year 2000 in the combined report and fiscal year 2001 plan shows that one of the proposed measures has been changed and the missing measure has been determined. Because of the lack of consistency between the fiscal year 2000 plan and the subsequent report/fiscal year 2001 plan, we have identified only those goals in the left-hand column that remain in the latter document and have used the final rather than the proposed measures. Thus, for example, we have omitted any reference to the seven goals and measures (listed in the performance report and the fiscal year 2000 plan) pertaining to mineral development on the OCS that MMS dropped from the fiscal year 2001 plan.

At the time when the fiscal year 2000 plan was prepared, MMS stated that it had not yet determined what conditions contributed to its achievement of the safety goal and therefore was adjusting the target only slightly to 0.588. MMS identified several actions (such as inspections of drilling and production facilities) in a strategy to attain this improvement. The actual elements and calculation of the safety index remain unexplained.

For the environmental goals, the fiscal year 2000 plan provides a brief overview of the issues but provides almost no discussion of the problems facing MMS in developing its environmental index or MMS’ strategy to address them. In addition, the measure for this index was not available in time for inclusion in the plan. For the second goal, involving oil spillage, the plan shows virtually no change from fiscal year 1999 to fiscal year 2000 (a decrease of 1/100 of a barrel per million barrels produced). It also provides little discussion of the strategy to achieve this goal.

For the fair market value goals, the plan’s discussion of the desired ratio is clear and helpful. The discussion explains the significance of this ratio of 1.8 to 1 in relation to the goal of realizing a fair market value for MMS’ leases. In general, as the ratio rises, MMS is concerned that it may be undervaluing its prospects. The discussion describes the reasons for considering the current ratio as a reliable benchmark and retaining it as a measure in the plan. The plan also provides a summary of the strategy for achieving this goal. The strategy includes chartering a team with the goal of improving the overall quality of lease sale prospect evaluations and following up on the team’s recommendations, especially loading and maintaining all seismic data online.

### Fiscal Year 2001 Performance Goals

(1) By the beginning of fiscal year 2001, MMS will evaluate its new accident index and strive to improve its safety record by showing a decrease in the average accident index from the fiscal year 2000 baseline.

(2) By the end of fiscal year 2001, MMS will evaluate its new environmental impact index, refine the index for use in fiscal year 2002, and demonstrate program performance by reporting on the preliminary compilation of the index and showing a decrease in the



## Enclosure I

amount of oil spilled to no more than 5.05 barrels spilled per million barrels produced. MMS proposes a 9.45 measure for its environmental impact index and 5.05 barrels of oil spilled per million barrels produced.

(3) By the end of fiscal year 2001, MMS will maintain the current high bids received for OCS leases to MMS' estimated value ratio of 1.8 (+/-0.4) to 1. The performance measure is the ratio of the value of high bids received to the greater of MMS' estimate of value or the minimum bid.

### GAO Observations

For each of the goals, MMS provided a specific quantitative measure for evaluating its performance. However, the accident index and the environmental impact index remain unclear, and the plan provides no explanation of how they are to be calculated. Even the role of oil spills in formulating the index, as noted by MMS, remains uncertain. From the plan, it is obvious that work on these indexes is still incomplete, but the lack of completion should not prevent an attempt at defining the indexes and describing the problems faced by MMS in making them work accurately and effectively. Until the indexes are described more clearly, any information derived from them will possess only limited credibility.

MMS' discussion of its goal of ensuring fair market value and its strategy to achieve it is somewhat more helpful. The plan describes the goal and the specific steps (including the bid review process and investment in state-of-the-art seismic information) taken by the agency to determine whether a fair value is being realized. MMS' discussion also provides reasons supporting the credibility of the established ratio as a measure ensuring fair market value.

MMS provides very brief statements about validating the information associated with the three mission goals. These statements by themselves are generally too brief to create confidence in the validity of the data.

MMS' discussions of data limitations are also brief or missing altogether. MMS makes no reference to data limitations associated with the safety index for the first goal. However, MMS acknowledges that it is developing a new accident index that will be more comprehensive and will better reflect MMS' efforts to improve operator performance. MMS recognizes limitations in the data associated with the environmental index for the second goal and states that revised and improved indicators are being developed. MMS makes no reference to data limitations associated with the third goal, receiving fair market value for its leases. However, as noted above, MMS provides a helpful discussion of the steps taken to ensure the realization of fair market value; this discussion serves to strengthen the credibility of the information associated with this goal.

**Observations on the Department of the Interior’s Fiscal Year 2001 Goals and Measures to Address Its Major Management Challenges**

The following table identifies the major management challenges confronting the Department of the Interior (DOI). The first column lists the management challenges identified by our office and the DOI’s Inspector General (IG). The second and third columns discuss the extent to which DOI’s fiscal year 1999 performance report and fiscal year 2001 performance plan demonstrated progress in resolving major management challenges or included performance goals and measures to address the challenges that we and the DOI’s IG identified.

Major management challenge	Demonstrated progress in resolving major management challenge in fiscal year 1999	Applicable goals and measures in the fiscal year 2001 performance plan
<p><b>Opportunities for reorganizing or streamlining:</b> The organization and functions of federal land management agencies—particularly the Bureau of Land Management (BLM) and the Forest Service—need to be reexamined and streamlined. Similar responsibilities, tighter budgets, and an increased understanding that the boundaries of natural systems are not consistent with agency boundaries demand that this kind of reexamination be done.</p>	<p>There is no discussion of this issue in the report or the plan. However, the plan does state that this issue is being tracked via methods other than GPRA.</p>	<p>DOI did not discuss this issue in its current or past performance plans. Because there are similar responsibilities in several agencies—both inside and outside of DOI—we continue to believe that there are opportunities to reduce costs, streamline operations, and provide better service to the public through a reexamination of the organization and functions of the land management agencies. However, the plan does state that this issue is being tracked via methods other than GPRA.</p>
<p><b>Oversight and accountability need improvement:</b> Decentralization of responsibility, coupled with inadequate guidance and oversight, has resulted in significant differences in how Interior’s field offices have implemented both legislative mandates and the administration’s goals and objectives.</p> <p>(The DOI-IG also identified this area as a management challenge.)</p>	<p>There is no discussion of this issue in the report or the plan. However, the plan does state that this issue is being tracked via methods other than GPRA.</p>	<p>There is no discussion of this issue in the report or the plan. The strategic planning process provides an opportunity for more oversight, guidance, and accountability in managing a decentralized organization like DOI. However, many programs within DOI’s bureaus are not included in the Department’s or bureaus’ plans. For these programs, other management controls beyond the strategic planning process are necessary. This is particularly important given the lack of key data available for managing programs. For example, some of our recent work has shown that a lack of accountability and oversight in the Park Service has led to problems in its employee housing program, concessions program, and structural fire program. Similarly, our recent work in the Fish and Wildlife Service suggests it may have programs requiring a higher level of accountability and oversight. As a result, we believe the Department can do more in this area to strengthen the management of bureaus and programs</p>

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<p><b>Lack of information on the condition of resources:</b> As caretaker of much of the nation's natural and cultural resources, Interior needs to know the condition of these resources so that they can be properly preserved, protected, and maintained. However, the agency frequently does not have this kind of basic information. As a result, Interior frequently does not know the status of key issues like the condition and extent of resources problems, the effectiveness of measures taken to deal with them, or where limited dollars should be allocated to do the most good.</p> <p>(The DOI-IG also identified this area as a management challenge.)</p>	<p>This is not addressed in a comprehensive manner. However, individual bureaus are reporting progress on this in a few limited areas. For example, the Park Service is reporting progress in meeting many of its goals for developing baseline data in managing cultural and natural resources. In addition, the Fish and Wildlife Service has met some limited goals in developing baseline data on the activities of certain species.</p>	<p>The Departmental Overview and some bureaus' plans have set up goals and measures to address various aspects of this issue. For example,</p> <ul style="list-style-type: none"> <li>- the Park Service has established goals for developing baseline data on natural and cultural resources.</li> <li>- the Fish and Wildlife Service has established goals for developing baseline data on migratory birds.</li> <li>- BLM has established a goal for developing a baseline on the condition of a small percentage of public lands.</li> </ul>
<p><b>Management of the Indian trust funds:</b> Management of the \$3 billion Indian trust fund has long been characterized by inadequate accounting and information systems, untrained and inexperienced staff, poor record keeping and internal controls, and inadequate written policies and procedures.</p> <p>(DOI-IG also identified this area as a major management challenge.)</p>	<p>None. The Office of Special Trustee's annual performance report for fiscal year 1999 was not released by the required deadline of March 31, 2000. As of May 30, 2000, the report was still not available.</p>	<p>The Office of the Special Trustee has yet to report its goals for fiscal year 2001.</p>
<p><b>Addressing the urgent Year 2000 computing challenge:</b> Our January 1999 high-risk series update emphasized that resolving the Year 2000 (Y2K) computing problem was the most pervasive, time-critical risk facing federal agencies.</p>	<p>DOI's performance report addresses this issue. DOI reported that it had completed Year 2000 renovations for mission-critical systems in March 1999. DOI and all its bureaus successfully completed the Year 2000 rollover and remained fully functioning.</p>	<p>Not applicable because it is no longer deemed a major management challenge.</p>
<p><b>Information security:</b> DOI needs to establish that information security issues have been addressed within the agency.</p>	<p>The performance report did not address this issue; however, DOI established it as a new goal for 2001.</p>	<p>The performance plan for 2001 establishes as a performance goal to complete a "critical information technology infrastructure protection plan." Development and implementation of such a plan was required by Presidential Decision Directive 63, issued in May 1998.</p> <p>DOI reports that, when completed, its plan will include addressing known security vulnerabilities, identifying known security issues, establishing risk assessment requirements, and evaluating</p>

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		<p>infrastructure protection controls and implementing needed improvements.</p> <p>DOI also identifies the benefits of implementing such a plan, including limiting the effects of hacking incidents; ensuring that critical information systems are not damaged, tampered with, or compromised; and responding quickly and effectively to security breaches or weaknesses.</p> <p>DOI's fiscal year 2001 performance plan briefly mentions the challenges it faces in implementing information technology security, but does not address how those challenges will be overcome.</p>
<p><b>Major management challenges reported by the DOI Inspector General</b></p>		
<p><b>Financial management:</b> The Bureau of Indian Affairs and insular area governments have been unable to adequately account for revenues and expenditures associated with their operations. In fiscal year 1997, BIA received a qualified opinion on its financial statements due to the agency's inability to provide adequate documentation or reliable accounting information in a number of areas. Similarly, audits of the insular governments have shown that long-standing financial management deficiencies, like the inability to account for financial resources and ensuring that procurement transactions conform to requirements, continue to exist.</p>	<p>While DOI did not meet its goal of nine unqualified audit opinions on its financial statements, it did show progress in this area by having eight unqualified opinions. One bureau, BIA, had a qualified opinion, and the IG was not able to assess MMS because the bureau was not able to prepare a financial statement in a timely manner.</p> <p>The Office of Insular Affairs did not reach its goal of completing "financial management improvement plans" for each of seven insular governments. Three of the seven plans are completed.</p>	<p>The Departmental Overview plan identifies a number of departmentwide management issues that need to be addressed. One of these issues is the need to develop reliable and accurate financial information. The performance goal and measure for addressing this issue includes getting unqualified opinions for the financial statement of DOI bureaus and offices.</p> <p>In addition, the plan for the Office on Insular Affairs has included goals and measures for improving the financial management practices of insular area governments.</p>
<p><b>Land cleanup:</b> Interior's land management agencies face a major challenge in cleaning up sites contaminated by hazardous materials, abandoned mine sites, oil and gas wells, leaking underground storage tanks and pipelines, and illegal dumping sites. The cleanup costs to Interior have not been determined because of the unknown nature and extent of possible contamination and because the liability for cleanup in relation to other parties' has not been established. However, the potential liability could be significant—perhaps hundreds of millions of dollars.</p>	<p>DOI achieved its goal of restoring or enhancing 3.4 million acres of mined lands, refuges, parks, and forests—an estimated 3.5 million acres were restored or enhanced.</p> <p>DOI's results were mixed in restoring hazardous waste sites. It fell short of its goal of 65 restorations projects (59) but it exceeded its goal of 136 settlements resulting from damage assessment projects (151).</p>	<p>The Departmental Overview plan establishes a goal of restoring or enhancing nearly 3.7 million acres of mined lands, refuges, park lands, and forests.</p> <p>It also increases the cumulative number of hazardous waste restoration projects to 85 and increases the cumulative number of settlements resulting from damage assessments to 185.</p> <p>In addition, the Park Service, BLM, BIA, and the Fish and Wildlife Service also have goals and measures for addressing this issue.</p>

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<p><b>Revenue collections:</b> Interior's bureaus are involved in numerous activities that generate revenue for the federal government. These include mineral lease collections, water use repayments, reclamation fees, resource and material sales, and user fees just to name a few. However, despite collecting over \$9 billion in fiscal year 1997, DOI can do more to improve its collection activities. For example, BLM could recover more costs related to reimbursements for its fire-fighting activities, and the Bureau of Reclamation (BOR) could have substantially increased revenues by perhaps as much as \$1.2 billion, by revising its irrigation assistance repayment policy.</p>	<p>DOI—Not addressed as a management issue. No results related to this issue were reported.</p> <p>BLM—The agency does not discuss its performance revenue collections in a comprehensive manner.</p> <p>BOR—Performance not reported</p> <p>MMS—Achieved goal for obtaining fair market value for mineral development</p>	<p>DOI—No specific discussion of this issue.</p> <p>BLM—There is less emphasis on this issue than provided in the past. For example, the agency's fiscal year 2000 plan addressed this as a management issue but its fiscal year 2001 plan does not. Also, the agency has discontinued its goal of increasing recreation fee collections. It has done so despite acknowledging that these fees "have been used to correct maintenance backlogs." The agency indicates that it will emphasize cost recovery to increase available funding but does not provide any measures or details on how this will occur.</p> <p>BOR—The plan identifies revenue collections as a key management issue and establishes goals to address this issue in the fiscal year 2001 plan.</p> <p>MMS—The plan does not identify revenue collections as a key management issue. However, the agency has a goal for receiving fair market value for mineral development.</p>
<p><b>Land exchanges:</b> The Congress has emphasized the use of land exchanges to acquire lands containing resources of public significance and to improve the manageability of federal land by consolidating its ownership. However, BLM has historically experienced problems in administering land exchanges in accordance with established standards and procedural controls. As a result, money is lost. (IG reports have identified \$4.4 million lost on three exchanges.)</p>	<p>DOI— There is no discussion of this issue in the report or the plan. However, the plan states that this issue is being tracked via methods other than GPRA.</p> <p>BLM-- The issue raised by the IG is based on work at BLM. The BLM report acknowledges this as a management issue and discusses actions taken by the agency to address the IG's concerns. Actions included (1) improved management oversight, (2) clarified policies and procedures, and (3) improved training on land appraisals.</p>	<p>DOI—Not discussed as a management challenge. However, the plan states that this issue is being tracked via methods other than GPRA.</p> <p>BLM-- The BLM plan acknowledges this as a management issue and discusses actions taken by the agency to address this issue. The agency indicates that a goal related to this issue has been developed in its fiscal year 2001 plan, but this goal does not appear fully responsive to the IG's concerns.</p>

**Comments From the Department of the Interior**



United States Department of the Interior

OFFICE OF THE SECRETARY  
Washington, D.C. 20240



JUN 13 2000

Mr. Cliff Fowler  
General Accounting Office  
441 G Street, N.W.  
Washington, D.C. 20548

Dear Mr. Fowler:

Thank you for meeting with us on June 12, 2000, to discuss your report *Observations on the Department of the Interior's Fiscal Year 1999 Performance Report and Fiscal Year 2001 Performance Plan*.

We appreciated your listening to our concerns regarding the draft report. Enclosed are our comments on the draft report. By making the few recommended changes in the report language, we believe the report can acknowledge the progress we have made and present a more accurate depiction of our 1999 Annual Performance Report and 2001 Annual Performance Plan.

If you have any questions regarding these comments, or wish to discuss additional issues, please call Mr. Jeffrey Zippin, at 202-208-5966.

Sincerely,

Robert J. Lamb  
Deputy Assistant Secretary-Budget and Finance

Enclosure

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## Enclosure III

### MEETING WITH GAO ON REVIEW OF 1999 ANNUAL PERFORMANCE REPORT AND 2001 ANNUAL PERFORMANCE PLAN June 12, 2000

**GAO Report:** Observations on the Department of the Interior's Fiscal Year 1999 Performance Report and 2001 Performance Plan (GAO/RCED-00-204R)

#### THE CHARGE TO GAO

##### Key Outcomes

GAO was asked to review the 1999 Annual Performance Report and 2001 Annual Performance Plan for the 24 CFO Act agencies. For Interior, GAO was specifically asked to examine 1999 actual and 2001 planned performance related to four key outcomes identified by the Senate Governmental Affairs Committee. These outcomes are:

- 1) The health of federally managed land, waters, and renewable resources is maintained,
- 2) Visitors safely enjoy and are satisfied with the availability, accessibility, diversity, and quality of national park facilities and services,
- 3) The Federal government effectively meets its trust responsibilities to protect and preserve Indian trust lands and trust resources,
- 4) Safe and environmentally sound mineral development occurs on the outer continental shelf for which the public receives fair value.

For each of these four outcomes, GAO considered:

- quality of goals and measures for these outcomes
- performance against these goals in FY 1999, and
- planned performance for FY 2001.

##### Management Challenges

GAO also addressed major management challenges for Interior, citing some of the risks that GAO and the IG have previously identified. The objectives in addressing management challenges are to assess how well the FY 1999 report discussed progress made toward resolving the challenges, and whether the 2001 plan had goals and measures to continue to address these challenges

#### DEPARTMENT OF THE INTERIOR RESPONSE

##### General Comments

We appreciate that many of GAO's comments are accurate assessments and point to needed improvements for our goals and measures, and the data systems that support measurement. We agree that too many of our goals are outputs, and that we need to place our goals in the context of the annual results achieved compared to the scope of work needed to reach an outcome.

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The comments we have received from prior GAO reviews are carefully considered and most have been addressed in our FY 2001 annual plan. We believe we have significantly improved our GPRA documents and have been told so in previous face-to-face meetings with GAO officials. Unfortunately, the draft report overlooks the continued progress we have made in preparing more useful, readable documents with better quality, more accessible information. We believe these improvements can be noted within the context of the report requested by the Governmental Affairs Committee.

It is clear that sections of the document were prepared by different authors. Some of the discussions of the outcomes are based on prior knowledge of certain programs and not solely on the information in our 2001 Plan and 1999 Report. This is noted in more detail with respect to the first outcome. Also, the report does not reflect a working understanding of how Interior has complied with GPRA in combining its 2001 annual plan with the 1999 annual report. For example, on page 2, last paragraph, GAO mentions that MMS combined the FY 1999 report and the FY 2001 plan into a single document, which is true. However, this was true for the entire Department.

The GAO analysis seems to treat the Departmental Overview 2001 Plan and 1999 Report as though it were the counterpart of the bureau plans and reports, which is incorrect. To address the various levels of detail needed by the audience for Interior's GPRA documents, we have prepared detailed bureau plans and reports, and a Departmental Overview that serves as a highlights document presenting goals and measures on Interior programs and a few representative bureau goals and measures. The Overview is a snapshot view of Interior's plans, intended for those who do not need the detail in the bureau documents

In addition to being a highlights view of Interior, the Overview shows the linkage between bureau goals and the Department's five strategic goals, and draws together some common bureau goals into outcome-oriented departmental objectives. We believe creating measurable, broad outcomes at the departmental level that roll up the bureau accomplishments is moving our GPRA implementation in the right direction, and is consistent with having a "health of Federal lands" outcome at Interior. We hoped that the GAO would have acknowledged, referenced, and commented on this new approach, however nascent, in the report, similar to the comments we have received in face-to-face meetings with GAO representatives.

The discussions of management challenges assume that for every management challenge there must be a corresponding GPRA performance measure. We take resolution of management challenges very seriously and have added to our Overview a new goal that addresses timely resolution of material weaknesses and management risks. However, we are addressing some of these challenges through means other than GPRA goals and have indicated such in a letter to the Chairman of the Governmental Affairs Committee and subsequent discussions with Committee staff.



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**Outcome 1: *The health of federally managed land, waters, and renewable resources is maintained.***

We observed that three of the four outcomes are largely derived from goals in the National Park Service, the Bureau of Indian Affairs, and the Minerals Management Service plans and reports. This outcome on health of lands does not appear in any bureau plans or the Departmental Overview. Without addressing the merits of this as an outcome, using it to assess Interior's plans and reports substitutes a Congressional perspective on what we should be measuring for the agency perspective. It begs the question of who gets to select performance goals and measures under the Act: Congress or the agencies.

For the goals that appeared in the Overview relevant to this outcome, we accept GAO's comments:

- that the goals are largely activity based,
- that the goals in the Overview account for only a small percentage of Federal lands under Interior's control,
- that there is no frame of reference for the total amount of lands to be restored, and
- that there was limited discussion of program evaluations.

These are shortcomings that we intend to address in future Plans.

We are concerned that the assessment of Outcome 1 is based solely on the Departmental Overview. As noted previously, the Overview is a highlights view of Interior's plans, not a comprehensive set of goals for the Department. In addition to the goals and measures in the Overview, there are many more in the bureau plans that address the health of public lands and ought to be used to assess this outcome in the GAO report. Taken as a whole, these goals and measures present a more complete picture of the Department's accomplishments in restoring the health of public lands, waters, and resources. These goals are listed in an attachment to these comments.

We believe the GAO report on this outcome should make reference to the Departmental Overview as an initial step in our strategy to develop long-term objectives, such as health of lands, under Interior's five strategic goals. These objectives will present a perspective on Departmental performance, especially for the broad, crosscutting programs that are common to the mission of multiple bureaus. We have discussed this strategy with representatives of GAO, most recently in a meeting prior to an internal planning retreat on GPRA. Just as the report relies, in places (Outcome 2), on knowledge of National Park Service programs beyond what is in the NPS plan and report, GAO's understanding of Interior's strategy and future directions should be included to illuminate the discussion of this outcome. We would welcome formal feedback in this GAO report on the utility of this approach to creating GPRA plans that can be used effectively by Congress. This feedback would be consistent with GAO's strategic goal to "Maximize the Value of GAO and Cultivate and Foster Effective Congressional and Agency Relations."

The report indicates (page 9) that there is little discussion on changes to the South Florida Restoration goals for FY 2000. In fact, the discussion on page 25 of the Overview focuses on the new strategic plan and three goals that are being developed for South Florida Restoration, and states that once the new strategic plan is completed, other goals may be included in the Overview.

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**Outcome 2: Visitors safely enjoy and are satisfied with the availability, accessibility, diversity, and quality of national park facilities and services.**

This outcome is taken from the National Park Service GPRA goals. The GAO report presents an accurate evaluation of the goals and measures for Mission Goal IIa: *Visitors safely enjoy and are satisfied with the availability of park facilities, services and appropriate recreational opportunities.* The NPS appreciates the effort made by the GAO to evaluate our performance, and we will use the information provided in the GAO report to continue to improve our data quality and performance reporting.

The GAO's conclusions and findings pertaining to visitor satisfaction, understanding and safety reflect the NPS performance to date in these areas. The NPS continues to address the issue of visitor safety. The Service feels that its 2001 Strategic Plan and Annual Performance Plan show the significant efforts made to better quantify our visitor safety targets and collection of these data through the incident reporting process. Program evaluations were initiated beginning in FY 2000 in the areas of visitor safety to better address trends, to make necessary modifications, and to provide a more complete picture of all aspects of our program. A reassessment of projected targets for visitor safety will be made once these program evaluations are enacted.

In addition, a goal group, comprising the Associate Director for Park Operations, two regional directors, two deputy regional directors, a regional performance management coordinator, the Program Manager for Risk Management, a representative from the Office of Strategic Planning, and the visiting chief social scientist, has the lead on monitoring accuracy of data, recommending improvements for data collection, reviewing results of program evaluations and recommending any adjustments to Service-wide targets for goals in category II. It also should be noted that the National Park Service has a goal group comprising similar membership as listed above for visitor safety, satisfaction and understanding dealing specifically with natural resource related goals and their associated targets.

The NPS concurs with much of the GAO concerns about the health of federally managed lands, but they have additional goals in their plan that address healthy lands/waters. For the most part, these goals are directly outcome-based or are at least at the intermediate outcome stage. They are listed in the attachment to these comments to show the scope of health related goals across Interior.

**Outcome 3: The Federal government effectively meets its trust responsibilities to protect and preserve Indian trust lands and trust resources.**

This outcome is taken from several of the Bureau of Indian Affairs GPRA goals. The GAO report presents an accurate evaluation of the goals and measures for the Resource Management Mission Goal: *To assist Indian and Alaska Natives in protecting and preserving their natural resources on Trust lands and shared off-reservation resources,* and the Trust Services Mission Goal: *Ensure the Trust responsibility to protect and preserve Trust lands and Trust resources.*

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The BIA appreciates the positive comments provided by GAO on the straightforward presentation of information and ease of use of the Plan and Report. We gladly accept the four recommendations that were offered to help the BIA improve the plans:

- develop more of an outcome focus,
- improve data verification and validation,
- consider external factors, and
- improve presentation of program evaluations.

**Outcome 4: Safe and environmentally sound mineral development occurs on the outer continental shelf for which the public receives fair value.**

This outcome is taken from the Minerals Management Service GPRAs goals. The GAO draft report examines the goals and measures for three Mission Goals: *Ensure safe OCS mineral development, Ensure environmentally sound OCS mineral development, and Ensure that the public receives fair market value for OCS mineral development.* The MMS appreciates the comments made by the GAO to evaluate their performance and will use the information provided in the GAO report to continue to improve their goals and performance reporting.

The references in the summary discussion to MMS combining its plan and report, and whether each part can stand on its own should be eliminated and made part of an overall explanation of Interior's approach to this plan and report, which is followed by all bureaus.

The draft report states that the two indexes used in the MMS goals are not defined and the calculation methodologies are not explained. The MMS is trying to balance the need for more information with the potential for providing too much detail. The details the GAO report suggests are needed appear in another document, which, in retrospect, should have been referenced. Also, the MMS revised strategic plan for FY 2000 - 2005 provides more detail on these indices. The MMS intends to consider either a reference or some further elaboration in future plans and reports.

The MMS believes that the safety index is based upon data that are measurable and objective. However, they recognize the limitations inherent in developing comprehensive and useful measures, especially since they do not have sufficient data, as yet, to establish trends and link MMS actions to results. As the GAO report notes, MMS is working to improve upon and develop more useful, dependable indexes as stated in our plan

In addition, it has been difficult to identify the pertinent data to use in such indexes, especially in the environmental area, as was mentioned in the plan. However, once MMS identifies and applies the data to a particular measure, they intend to ensure that it is accurate and verifiable. Regarding GAO's recommendation that MMS provide information on how they can mitigate environmental impacts, they will provide more detailed information in future reports.

On the bottom of page 21 and top of page 22, the draft report accurately captures the MMS rationale for dropping its fourth goal. However, the summary in the letter at the end of the

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second paragraph on page 3 is more narrowly stated and does not reflect the comments in the body of the report.

The discussion of the FY 2000 goals (page 23) is confusing. The statement that “The fiscal year 2000 plan appears out of date in several important respects” and subsequent discussion makes it appear as if the GAO reviewed the original FY 2000 plan (published in February 1999), but did not take into account that MMS revised the FY 2000 goals (see Appendix II, page 52 of the MMS FY 2001 plan). The comments in the draft GAO report do not reflect that MMS officially revised the FY 2000 goals in the 2001 plan.

Concerning GAO’s comments that, with respect to oil spillage, “...the plan shows virtually no change from fiscal year 1999 to fiscal year 2000,” we agree. However, MMS would like to point out that the target represents a maximum of approximately 3,000 spilled barrels on the entire Outer Continental Shelf during the year out of production of about 500 million barrels from the OCS. The MMS does not consider it reasonable to set a goal to significantly reduce the spill rate below this very low level.

### **Management Risks**

The Department of the Interior, on its own initiative, started including management challenges and risks in our FY 2000 annual performance plan. We continue this practice in the FY 2001 plan and have added a new goal to the Departmental Overview on timely resolution of management challenges. We believe that many of the risks, challenges, and material weaknesses that have been identified should have GPRA goals and measures. In fact, of 17 risks, challenges, and material weaknesses identified by the Department in 1999, we have related performance goals for all but four. However, Interior must determine which management challenges are suitable for GPRA performance measures.

Interior has a system in place to track all these issues at the departmental level, even though most of the actions to resolve these issues are carried out by Interior’s bureaus and offices. To reinforce the management issues tracking system, the Department is using performance management as a means of addressing and resolving high-risk management problems and mission critical material weaknesses. As a counterpart to the President’s Management Council, the Department established an Interior Management Council (IMC) in 1994 to address Department-wide issues, especially management challenges and program risks. The Secretary’s Deputy Chief of Staff and Assistant Secretary for Policy, Management and Budget co-chair the IMC, whose members include top bureau and departmental leaders. This high-level management group receives reports on the status of resolving management and audit issues, monitors progress on key issues, and holds managers accountable for progress.

Our comments on the GAO draft report for specific challenges follow.

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### Opportunities for Reorganizing or Streamlining

The draft report is inaccurate in saying that there were no goals to address this challenge in FY 1999. The Bureau of Land Management had a goal for co-locating offices and consolidating functions of BLM and Forest service offices to provide one stop shopping for customers and share human and fiscal resources. The actual performance measured exceeded the goal to co-locate units and functions of the BLM and FS. This "Service First" initiative required Congressional authorization to consolidate what had been separately administered services and functions and put them in one location with employees from both BLM and FS under one manager. The BLM eliminated the goal after FY 1999 because it reflects an internal management strategy and does not lend itself to mission-outcomes. The BLM continues to work with the FS to expand the number of locations, and bring State, local, and tribal governments into these partnerships.

The draft report implies that the Departmental Overview does not address this challenge. We would appreciate having the report say what we have said in the Overview: This issue is being managed and tracked internally through methods other than GPRA.

### Oversight and Accountability Need Improvement

This challenge focuses on management of a decentralized organization like Interior. In particular, the GAO cites organizational inconsistencies in the BLM oil and gas inspection program, and the broad spending discretion park managers have in the National Park Service. In response to these management issues, the BLM, for example, is implementing an activity based cost accounting system to monitor expenditures and performance across the bureau. In the NPS, park managers do have discretion in spending, but they also have park-specific strategic plans that guide operations and spending decisions. Moreover, the bottom-line outcomes for parks—healthy park environments and visitor satisfaction—are monitored on a nationwide basis by the NPS with GPRA performance measures.

The Department is providing better guidance and oversight of bureau programs. As part of the Department's GPRA oversight, bureaus and departmental offices are required to report on a quarterly basis their progress in meeting their performance goals. For the past two years, the Department has held midyear meetings, bureau by bureau, with senior departmental and bureau managers to review and discuss quarterly performance results. Quarterly GPRA performance reporting is also one of the items monitored by the IMC, along with overall program management and performance. Further, to help strengthen fiscal oversight, the Department has linked GPRA performance goals and measures to the financial accountability segments reported in Interior's Annual Accountability Report and bureau financial statements.

Again, the draft report implies that the Departmental Overview has not addressed this challenge. We would appreciate having the report say what we have said in the Overview: This issue is being managed and tracked internally through methods other than GPRA.

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### Annual Funding Distribution to Tribes

The FY 1999 Omnibus Consolidated and Emergency Supplemental Appropriations Act, *Public Law 105-277*, Section 129, required the Bureau of Indian Affairs to submit a report on alternative methods of distributing funds provided under the budget category, Tribal Priority Allocations (TPA). On July 22, 1999, that report was sent to Honorable Slade Gorton and Honorable Robert C. Byrd, United States Senate, and Honorable Ralph Regula and Honorable Norman D. Dicks, House of Representatives.

The TPA is the principal source of funds for federally recognized Tribes in the United States. While Section 129 of Pub. Law 105-277 expressed Congressional wishes to have the base TPA distributions determined on need, the BIA report found that current Federal funding does not meet all Tribal needs, and that Tribes view the TPA funds as only a part of the Federal trust responsibility and commitment to American Indians and Alaska Natives. The report concluded that just as State and local governments are eligible for Federal funds without means testing, Tribal governments should not be held to a higher standard. We do not consider the distribution of TPA funds to be a major management risk.

### Financial Management

The report for FY 1999 includes information based on FY 1998. This should be corrected to reflect that the Department received a late, but unqualified audit opinion for itself and for all Interior bureaus. The reference to demonstrated progress in FY 1999 should read:

In 1999, the Department's consolidated financial statements and all financial statements prepared by bureaus received unqualified audit opinions. However, there were exceptions on internal controls and material weaknesses, and reportable conditions were noted with respect to internal controls and compliance with laws and regulations.

Regarding the references to the financial management deficiencies of insular governments, these are issues the Department and our OIG have been working on to resolve, and they are being tracked separately. Given the limited enforcement authority the Department has over the insular governments, resolution of these challenges is not amenable to GPRA goals and measures.

### Land Exchanges

BLM has developed an outcome-oriented goal for land acquisition and disposals: *In FY 2001, complete 95,000 acres of projected land disposal and land conveyance actions in support of local community and State economic needs.* The draft report states that BLM has not addressed all GAO land exchange concerns in their performance goal. The BLM feels that to address all GAO concerns would require the addition of output goals, which GAO and the Department discourages. This management challenge is better addressed by management outside of GPRA performance measures. The BLM has made a number of improvements in its Land Exchange Program that have improved management oversight of the program resulting in improved exchange activities. The BLM Director established a Washington office team to provide assistance to field offices and review exchanges in excess of \$500,000. The Southern Nevada

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Public Land Management Act of 1998 provides further direction on managing exchanges and the acquisition of environmentally sensitive lands in Nevada. Because of the management attention on this issue and its narrow geographic scope, BLM does not believe the Land Exchange Program in Nevada warrants a separate bureau-wide performance measure.

Again, the draft report implies that the Departmental Overview has not addressed this challenge. We would appreciate having the report say what we have said in the Overview: This issue is being managed and tracked internally through methods other than GPRA.

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### ADDITIONAL LAND HEALTH GOALS FROM DOI BUREAU 2001 PLANS

#### **Bureau of Land Management**

Mission Goal 01.03: Preserve natural and cultural heritage resources

In FY 2001, improve the condition of 300 Congressionally or Administratively-designated special management areas currently at risk on the public lands and waters.

In FY 2001, reach Appropriate Management Levels (AMLs) on 93 Herd Management Areas, as established through monitoring and planning, through the removal and successful placement of excess wild horses and burros and issue 7,500 titles within six months of eligibility.

In FY 2001, restore and protect 903 "at risk" cultural and paleontological properties on the public lands.

In FY 2001, 82 percent of recreational and educational users are satisfied with BLM's protection of significant historical, cultural, and other heritage resources.

Mission Goal 02.01: Understand the condition of the Public lands

In FY 2001, assess the condition of the public lands in 22 priority sub-basins.

In FY 2001, evaluate 65 of BLM's existing land use plans and associated NEPA documents; develop or update 8 land use plans as necessary to reflect new information; and ensure that 29 land use plans contain habitat conservation strategies.

Mission Goal 02.02: Restore at risk resources and maintain functioning systems.

In FY 2001, implement water quality improvement prescriptions on BLM lands in 80 watersheds within priority sub-basins that do not meet State/Tribal water quality standards; remediate 64 abandoned mines; and at 9 orphan wells sites, the wells are plugged or the sites are reclaimed.

In FY 2001, achieve proper functioning condition (PFC) or an upward trend in riparian/wetland areas in 800 watersheds within priority sub-basins.

In FY 2001, achieve an upward trend in the condition of BLM-administered uplands in 200 watersheds within priority sub-basins; treat 325,000 acres with wildland fire, prescribed fire, and mechanical fuel treatments to restore natural ecological processes; and treat 215,000 acres to prevent the spread of noxious weeds and undesirable plants.

#### **Bureau of Reclamation**

Mission Goal 1: Manage, develop, and protect water and related resources to meet the needs of current and future generations.



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1.2.01 - Assess and improve water quality. In FY 2001, Reclamation will conduct water quality assessments at 10 Reclamation reservoirs and stream segments, implement 3 operational changes, and 2 structural modifications, and provide technical assistance to States and local watershed groups.

1.3.01 - Remove Colorado River salt. In FY 2001, improve water quality in the Colorado River Basin States by eliminating 25,000 new tons of salt at a cost not to exceed \$50/ton..

1.8.01 - Enhance fish and wildlife habitat. In FY 2001, provide approximately 1,360,000 acre feet of water to conserve threatened or endangered species; preserve, restore, or establish 4,475 acres of wetlands habitat; and preserve, restore or establish 45 miles of instream or riparian habitat.

### **Fish and Wildlife Service**

#### Mission Goal I: Sustainability of Fish and Wildlife Populations

1.1 By 2001, 4 percent (10) of migratory bird populations demonstrate improvements in their population status.

1.2 By 2001, 37 percent (210) endangered and threatened species populations listed a decade or more are stabilized or improved and 20 candidate or proposed species are precluded from the need for listing under the Endangered Species Act

1.3 By 2001, 3 depressed interjurisdictional native fish populations are restored to self-sustaining or, where appropriate, harvestable levels.

1.4 By 2001, 2 marine mammal stocks will have current censuses available to maintain populations at optimum sustainable levels; harvest guidelines will be in place for 2 marine mammal stocks through cooperative management agreements, for continued subsistence uses.

1.5 By 2001, 28 priority species of international concern will be conserved.

1.6 By 2001, the Service will prevent importation and expansion, or reduce the range (or population density) of aquatic and terrestrial invasive species on and off Service lands by controlling them on 2,690 acres off Service lands and 170,000 acres within the National Wildlife Refuge System, conducting risk assessments on 4 high risk invasive species for possible amendment of the injurious wildlife list, and developing 2 additional cooperative prevention and/or control programs for aquatic invasive species (coordinated through the ANS Task Force).

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### Mission Goal II: Habitat Conservation: a Network of Lands and Waters

2.1 By 2001, meet the identified habitat needs of Service lands that support fish and wildlife species populations through the restoration of 137,000 acres, and annual management/enhancement of 3.2 million acres of habitats, and the addition of 255,000 million acres within Refuge boundaries, and develop standardized methods to measure biological diversity and environmental health.

2.2 By 2001, 12 percent of mission critical water management facilities (422) and public use facilities (179) will be in fair or good condition as measured by the Facilities Condition Index. 1999 Baseline = 3,481 critical water management facilities and 1,597 critical public use facilities

2.3 By 2001, improve fish and wildlife populations focusing on trust resources, threatened and endangered species, and species of special concern by enhancing and/or restoring or creating 48,414 acres of wetlands habitat, restoring 104,964 acres of upland habitats, and enhancing and/or restoring 711 riparian or stream miles of habitat off-Service lands through partnerships and other identified conservation strategies.

### **National Park Service**

Mission Goal Ia: Natural and cultural resources and associated values are protected, restored, and maintained in good condition and managed within their broader ecosystem and cultural context.

Ia1. Disturbed Lands/Exotic Plant Species: Ia1A —10.1 percent of targeted parklands, disturbed by development or agriculture, as of 1999 [22,500 of 222,300 acres] are restored; and Ia1B — exotic vegetation on 6.3 percent of targeted acres of parkland is contained [167,500 of 2,656,700 acres].

Ia2. Threatened and Endangered Species: Ia2A – 19 percent of the 1999 identified park populations (84 of 442) of federally listed threatened and endangered species with critical habitat on park lands or requiring NPS recovery actions have improved status; and Ia2B -- an additional 18.1 percent (80 of 442) have stable populations.

Ia2X. Native Species of Special Concern: (Park-determined percentage) of populations of plant and animal species of special concern (e.g., State-listed threatened or endangered species, endemic or indicator species, or native species classified as pests) are at scientifically acceptable levels. Optional Goal.

Ia3. Air Quality: Air quality in 70 percent of reporting park areas has remained stable or improved.

Ia4. Water Quality: 85 percent of park units have unimpaired water quality.

Ib3. Vital Signs: 80 percent of 265 parks with significant natural resources have identified their vital signs for natural resource monitoring.

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lb4. Geological Resources: Geological processes in 53 parks [20 percent of 265 parks] are inventoried and human influences that affect those processes are identified.

lb5. Aquatic Resources: The National Park Service has completed an assessment of aquatic resource conditions in parks.

### **Bureau of Indian Affairs**

Resources Management Mission Goal: To assist Indian and Alaska Natives in protecting and preserving their natural resources on Trust lands and shared off-reservation resources.

The Bureau will restore and enhance natural resources on Tribal lands:

- The Bureau will provide for the reforestation and improvement of 20 percent of the 1.3 million acres of forest lands needing treatment.
- The Bureau will provide for the restoration of 80,000 acres of trust lands infested with noxious weeds to productive agronomic uses.
- The Bureau will provide for the enhancement of 6,500 acres of wetlands.
- The Bureau will provide support for an additional 95 Tribal water management projects.

The Bureau will provide support for Tribes to exercise their off-reservation hunting and fishing rights, for Tribes to manage and conserve fish and wildlife resources on Indian lands, and for the operation of Tribal Fish Hatchery maintenance projects.

- The Bureau will provide assistance in support of 50 Tribal Management programs.
- The Bureau will provide support for 23 maintenance projects for fishing access sites.

Trust Services Mission Goal: Ensure the Trust responsibility to protect and preserve Trust lands and Trust resources.

By 2005, the Bureau will improve conditions for the environment and endangered species in Indian Country by reducing the amount of its total unperformed obligations.

- The Bureau will train 500 Bureau and Tribal employees in the areas of environmental management and endangered species preservation.
- The Bureau will conduct compliance assistance audits and perform corrective actions at 18 Bureau and Field offices.
- The Bureau will issue an additional 5 guidance documents on environmental management and endangered species preservation.
- The Bureau will provide technical or financial assistance to 85 Tribes in the areas of environmental management and endangered species preservation.

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