

Departmental Offices

Departmental offices play a key role by providing leadership, policy guidance, coordination, and support services crucial for the bureaus to meet their goals and fulfill their missions.

Departmental management guides and coordinates all of Interior's administrative support activities, such as finance, information resources, procurement and acquisition, human resources, facilities management and budgeting. Support functions and services play a vital role in helping us meet our goals. Departmental offices coordinate this support across the bureaus to fulfill Interior's mission effectively.

With demand for Interior's services increasing, we recognize that all aspects of our operations must become more efficient. In addition to the programmatic goals set by the bureaus, the Department has identified the following key management strategies as critical to meeting our goals.

The Workforce of the Future

Interior requires a dedicated, diverse, highly-qualified workforce to accomplish its mission and achieve its goals. Building, retaining, and maintaining that workforce is of primary concern to all of Interior's leaders and managers. In our rapidly changing world, the skills needed today are seldom sufficient to meet the needs of tomorrow. As we continue to change the way we do business and increase the use of technology, the skills and knowledge needs of our workforce will also change. Interior's human resources community will play a critical role by helping to ensure that training and recruitment complement future program needs and our commitment to diversity. Interior is committed to enhancing the potential of its workforce by recruiting new employees from non-traditional labor pools so that our workforce reflects the American people. The Department also will seek to improve the skills of its existing employees through training, by eliminating barriers to upward mobility, and by providing a safe, collaborative, effective, efficient, and tolerant workplace. Interior is committed to building and maintaining an environment in which merit principles,



During one of its breaks, some of the members of the Interior Diversity Council pose with David Montoya, Deputy Assistant Secretary for Workforce Diversity. From left to right, Judy Moy (OS), Tom Gomez (BOR), Jeff Carlson (OIG), David Montoya, Carolyn McGuire (FWS), Jim Gasser (NPS), Brenda Bennett (BIA), and Dave Park (NPS).

effective leadership, excellence, and empowerment are respected and valued.

To ensure that a quality workforce is in place, our long-range goal is to create a work environment in which our employees are valued, motivated, developed, and rewarded for excellent customer-focused performance. To accomplish this goal, we will attract and develop a high quality workforce and deliver the best possible human resources services to Interior employees. Critical to these efforts is the need to train and develop our employees for both mission accomplishment and career advancement. Our fiscal years 1999 and 2000 actions will concentrate on developing and implementing effective training and development programs that emphasize career management throughout the Department, and will also focus on achieving levels of diversity for the Department's workforce that reflect the Nation's citizenry.

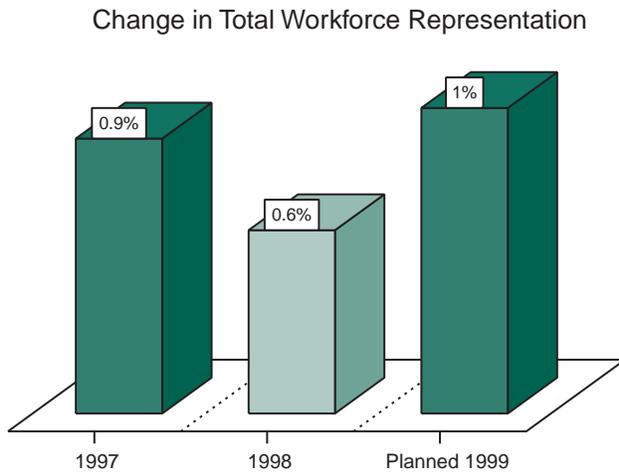
Performance Goal and Measure

The principal performance measure for this management initiative is as follows:

Workforce of the Future Performance Goal: By 2002, achieve levels of diversity for the Department's workforce that are reflective of the Nation's diversity.

Workforce of the Future Performance Measure: Percent increase in diverse workforce representation (Figure 27).

Figure 27



The Year 2000 Computer Problem

The Year 2000 (Y2K) computer problem presents a very real threat to the Department of the Interior's computers and information systems. In addition to disruption of programs and administrative activities there is a real threat to the health and safety of our employees and the public due to possible malfunction of devices that depend on embedded computer microchips. The Y2K date problem is not restricted to any one part of the Department. It includes business functions such as financial management, personnel management, contract management, health and safety, and many others. Computers support our land and mineral leasing operations and Indian financial transactions, which are both major contributors to U.S. revenues. Of equal concern is the prospect of major portions of our infrastructure malfunctioning or failing to work at all, such as dams, elevators, and aircraft.

Interior is committed to ensuring the Department's critical information systems and processes are operating correctly for the Year 2000 date change. The Department is accomplishing this goal by replacing or modifying existing systems and technology-dependent equipment using the five-step approach adopted by the General Accounting Office: awareness, assessment, renovation, validation, and implementation. The Department added an Independent Verification and Validation Phase designed to ensure that comprehensive,

applicable Y2K testing is completed and certified. Centralized monitoring allows us to address Y2K problems within each bureau or office while providing for overall coordination at the Department level.

Having adopted the above approach, the Department is using the Office of Management and Budget timelines to track the Y2K projects (*Figure 28*).

Figure 28

Year 2000 Resolution Process				
Y2K Phases =====→	Assessment Phase	Renovation Phase	Validation Phase	Implementation Phase
Due Dates => (no later than)	June 1997	September 1998	January 1999	March 1999

All components of the Department have dedicated both human and fiscal resources to the Y2K problem to minimize or eliminate any possible disruptions. Of the 92 systems that require revisions as of December 31, 1998, all have been modified, 88 have been validated, and only 4 remain to be reimplemented. All systems will be modified and validated by March 1999. Costs for addressing the problem are estimated to be \$72.1 million in 1999.

Based on current available information, Interior does not anticipate any major risks to Departmental operations. However, contingency plans have been developed in key program systems areas including hydroelectric power plants, telecommunications, MMS's Royalty Management System, firefighting, law enforcement, and search and rescue. Additionally, contingency plans have been developed for critical administrative system areas including finance, personnel, procurement, and property management.

Performance Goal and Measure

The principal performance measure for this management initiative is as follows:

Year 2000 Computer Problem Goal: *Ensure the Department's critical information systems and processes have been remediated and are operating correctly for the Year 2000 date change.*

Year 2000 Computer Problem Performance Measure: *Number of information systems revised, updated, or replaced (Figure 29).*

Figure 29

Number of Information Systems Revised, Updated or Replaced

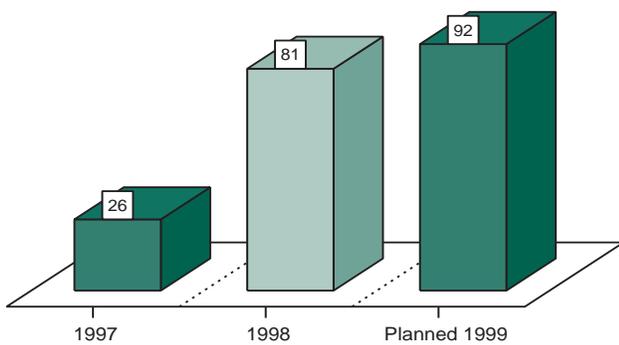
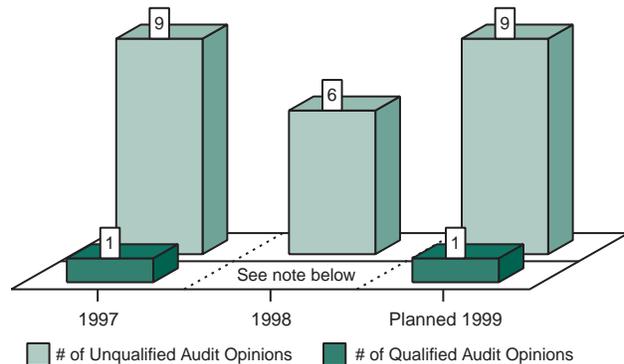


Figure 30

Number of Unqualified Audit Opinions (Bureau and Departmental)



Note - At time of publication, audit opinions had not been issued for four bureaus.

Reliable and Accurate Financial Information

Key laws, such as the Chief Financial Officers Act, the Government Management Reform Act, the Government Performance and Results Act, the Debt Collection Improvement Act, and the Federal Financial Management Improvement Act, have established new standards and high expectations for government operations. In response to these new laws and other initiatives such as the implementation of Federal Accounting Standards Advisory Board (FASAB) pronouncements, the Department continues to reshape the way it conducts business. To comply with the new standards and to meet these high expectations, timely and reliable financial and performance information will permit stakeholders and decisionmakers to track progress and evaluate the results of Interior programs.

Performance Goal and Measure

The principal performance measure for this management initiative is as follows:

Reliable and Accurate Financial Information Goal: *Strengthen the integrity of financial operations to ensure accuracy of financial data and obtain unqualified (clean) audit opinions on all financial statements.*

Reliable and Accurate Financial Information Performance Measure: *Number of unqualified (clean) audit opinions (Figure 30).*

Faster, Better, More Cost-Effective Goods, Services, and Facilities

Procurement and property management play important roles in virtually all activities and programs of the Department. The procurement of goods and services is a critical support element in accomplishing mission objectives. By improving the quality and price of procured items, as well as the timeliness and productivity of our procurement staff, the Department is able to save scarce dollars and improve Interior's services to the American people. The management of personal, real, and museum property is also critical to Interior's mission of protecting and preserving Federal assets. In addition to being one of the largest landholders within the Federal government, Interior has a unique responsibility to conserve approximately 110 million cultural artifacts, pieces of artwork, documents, and other museum properties. Interior also manages personal property assets valued at more than \$1.7 billion, more than 37,500 buildings and facilities, and a fleet of more than 31,500 vehicles. Interior's property management community carries out a vital function by balancing public access to land and property against protection of those assets for the benefit of future generations.

Interior is committed to improving accountability in acquisition, financial assistance, and property management operations. The strategies for improving procurement and property management include:

- Decreasing costs and improving performance by increasing the percentage of commercial items purchased instead of custom-built goods.
- Increasing the percentage of acquisition transactions conducted through electronic means, including purchase cards.
- Simplifying regulations to focus efforts on flexibility and innovation without losing sight of reasonable and proper restraints on expenditures.
- Assessing levels of customer satisfaction and using this information to enhance our processes.
- Increasing coordination with non-Federal institutions that partner with Interior to care for our collections and use them in public exhibits, programming, and research.
- Using technology to integrate procurement and property management activities with finance, information technology, and other programs.
- Continuing education, promotion, and recognition of innovative energy conservation strategies and techniques, including purchase of energy-efficient products and use of energy-saving performance contracting.

Performance Goal and Measure

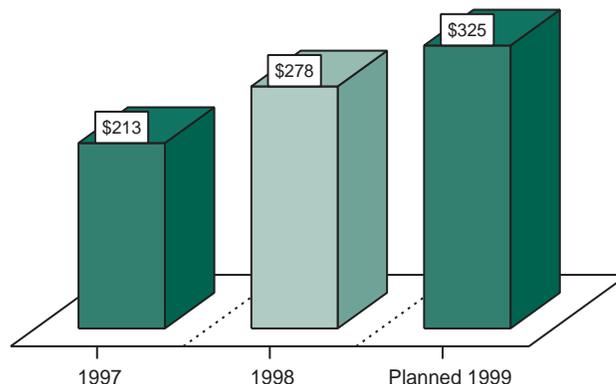
The principal performance measure for this management initiative is as follows:

Faster, Better, More Cost-Effective Goods, Services, and Facilities Goal: Increase productivity and accountability in acquisition, financial assistance, and property management operations.

Faster, Better, More Cost-Effective Goods, Services, and Facilities Performance Measure: Dollars awarded through charge cards (Figure 31).

Figure 31

Dollars Awarded through Charge Cards
(in millions)



Facilities Maintenance and Capital Improvements

The Department of the Interior owns and operates more than 34,000 buildings, 120,000 miles of roads and a wide variety of other constructed assets. These facilities serve nearly 380 million visitors annually. They include schools for 53,000 American Indian children and work places for 66,000 Interior employees. The value of these assets is measured in billions of dollars, with many considered priceless because of their historical significance. In recent years, increasing deferred maintenance and capital improvement needs have threatened Interior's infrastructure and natural resource protection efforts. Additions to Interior's infrastructure inventory have further stretched maintenance and capital improvement dollars. A 1998 Interior study, *Facilities Maintenance Assessment and Recommendations*, has provided the basis for proposed increases in maintenance and capital improvement funding, development of a Five-Year Maintenance and Capital Improvement Plan, and a number of other improvements.

Critical human health and safety and resource protection needs are given highest priority. Interior has developed a set of common definitions for maintenance and capital improvement functions, made adjustments to its budget and accounting structures to better reflect those definitions, initiated the development of a



Interior's facilities serve approximately 380 million visitors annually (photo by Interior).

Five-Year Maintenance and Capital Improvement Plan, and required the use of a condition assessment process for identifying maintenance and capital improvement needs.

As the steward of these assets, Interior is committed to improving the maintenance of these existing facilities as well as making capital investments in new facilities essential to its mission. The Inspector General for Interior has determined that the facilities maintenance programs of the Bureau of Indian Affairs, National Park Service, Bureau of Land Management, and Fish and Wildlife Service have inadequate management controls and insufficient funding to maintain their constructed assets effectively. This has resulted in a significant increase in the backlog of deferred maintenance and repairs in recent years.

The Department's strategy for reducing deferred maintenance includes:

- Increasing the credibility of the management of and accountability for maintenance and construction goals.
- Establishing standard definitions of terms related to maintenance and capital improvement.
- Identifying the highest priority facility needs, beginning with critical health and safety and critical resource protection needs.

- Formulating and implementing a Five-Year Maintenance and Capital Improvement Plan to improve the Department's infrastructure for the next millennium.
- Implementing new financial accounting standards for deferred maintenance.

Performance Goal and Measure

The principal performance measure for this management initiative is as follows:

Facilities Maintenance and Capital Improvements Goal: *Improve Interior's infrastructure for the next millenium by reducing facilities deferred maintenance and preventing increases in the future.*

Facilities Maintenance and Capital Improvements Performance Measure: *Resources allocated to facilities maintenance and capital construction compared to total deferred maintenance (Figure 32).*

Figure 32

	1997	1998	1999
Estimated Deferred Maintenance	Data not Available	\$7 to \$16 billion	Data not Available
Maintenance Investment	Data not Available	\$823 million	\$860 million

Waste Management

The Department faces 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. The majority of the environmental cleanup responsibilities arise from non-Departmental and non-Federal uses of these lands, such as illegal dumping, landfills, mineral extraction operations, and pipelines. In these cases, the government's responsibility, for the most part, derives from the fact that it is the owner of the land. The Department is committed to the cleanup and restoration of contaminated sites and the pursuit of those parties responsible for abusing our public lands.

Interior's strategies for improving waste management include preventing the generation and acquisition of hazardous and other wastes, reducing the amount of waste generated through sound waste management principles, cleaning up and restoring areas that are contaminated by pollution, aggressively pursuing potentially responsible parties for polluting Departmental lands and resources, and establishing environmental auditing programs within Departmental bureaus, with bureau baseline facility audits to be completed in 2002.

Interior bureaus such as the Bureau of Indian Affairs, Bureau of Land Management, Bureau of Reclamation, Fish and Wildlife Service, and National Park Service have active programs to track hazardous sites, secure affected areas, and begin cleanup of priority areas. Bureau program activities include assessment of sites with actual or potential hazardous materials, emergency response and removal actions, and site cleanup and restoration.

Performance Goal and Measure

The principal performance measure for this management initiative is as follows:

Waste Management Goal: *Conduct environmental audits of all Interior facilities to ensure overall environmental compliance by the Department.*

Waste Management Performance Measure: *Beginning in 1999, Interior bureaus will submit a summary of their environmental auditing program and activities. The percent of total Interior facilities that have been audited will then be calculated.*