



United States  
General Accounting Office  
Washington, D.C. 20548

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**Resources, Community, and  
Economic Development Division**

B-277452

July 18, 1997

The Honorable Richard K. Armey  
Majority Leader  
House of Representatives

The Honorable John R. Kasich  
Chairman  
Committee on the Budget  
House of Representatives

The Honorable Dan Burton  
Chairman  
Committee on Government Reform  
and Oversight  
House of Representatives

The Honorable Bob Livingston  
Chairman  
Committee on Appropriations  
House of Representatives

Subject: Results Act: Observations on the Department of the Interior's  
Draft Strategic Plan

On June 12, 1997, you asked us to review the draft strategic plans submitted by the Cabinet Departments and selected major agencies for your consultation with the Congress as required by the Government Performance and Results Act of 1993 (the Results Act). This report is our response to that request concerning the Department of the Interior.

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## Objectives, Scope, and Methodology

Specifically, you asked us to review Interior's draft plan and assess (1) whether it fulfills the requirements of the Results Act and to provide our views on its overall quality; (2) whether it reflects Interior's key statutory authorities; (3) whether it reflects interagency coordination for crosscutting programs, activities, or functions that are similar or complementary with those of other federal agencies; (4) whether it addresses management problems that we have previously identified, and (5) the adequacy of Interior's data and information systems for providing reliable information for measuring results.

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We obtained the version of the draft strategic plan that Interior provided congressional committees with as of June 18, 1997.<sup>1</sup> Interior's draft strategic plan includes a Department-wide strategic overview as well as eight subagency plans.<sup>2</sup> The eight subagencies within Interior are the Bureau of Land Management (BLM), the Minerals Management Service (MMS), the Office of Surface Mining (OSM), the Bureau of Reclamation (BOR), the Geological Survey (USGS), the Fish and Wildlife Service (FWS), the National Park Service (NPS), and the Bureau of Indian Affairs (BIA). We reviewed the overview and the subagency plans because Interior considers them, as a whole, to constitute its strategic plan for purposes of the Results Act. In addition to providing the broad framework for the agency, the Interior's strategic overview is intended to provide linkages between the departmental level and the individual subagency plans.

It is important to recognize that the final plan is not due to the Congress and the Office of Management and Budget (OMB) until September 1997. Furthermore, the Results Act anticipated that it may take several planning cycles to perfect the process and that the final plan would be continually refined as future planning cycles occur. Thus, our findings reflect a snapshot status of the plans at this time. We recognize that developing a strategic plan is a dynamic process and that the Department of Interior, OMB, and congressional staff are continuing to revise the draft.

Our overall assessment of Interior's draft strategic plans was generally based on our knowledge of agencies' operations and programs, our numerous reviews of Interior's agencies, and other existing information available at the time of our assessment. Specifically, the criteria we used to determine whether Interior's draft strategic plan complied with the requirements of the Results Act were the Results Act, supplemented by OMB's guidance on developing the plans (Circular A-11, Part 2). To make judgments about the overall quality of the plan and its components, we used our May 1997 guidance for congressional review of the plans (GAO/GGD-10.1.16). In determining whether Interior's draft strategic plan reflects its major statutory responsibilities, we coordinated our review with the Congressional Research Service, reviewed material in Interior's 1998 budget explanatory notes for an overview of the Department's primary functions and activities, and reviewed statutory provisions

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<sup>1</sup>There is one exception to this cutoff date. The Congress was not provided with the subagency portion of the plan from the Fish and Wildlife Service, dated May 22, 1997, until after June 18, 1997. However, we included the subagency portion in our analysis because it was substantially revised from the version that the Congress received prior to June 18th.

<sup>2</sup>As used in this report, "subagency" refers to agencies and bureaus within Interior.

relating to Interior. To determine whether the plan contained information on interagency coordination and addressed management problems that we previously identified, we relied on our general knowledge of Interior's operations and programs and the results of our previous reports. To determine whether Interior had adequate systems to provide reliable information on performance, we reviewed the Department-wide plan for financial management and the subagency plans for the Chief Financial Officer and the Chief Information Officer. We also relied on the results of our previous reports and those of Interior's Office of Inspector General (OIG). Our work was performed in June and July 1997. We obtained comments on a draft of this report from Interior.

## Background

As the caretaker of the nation's natural resources and much of our cultural heritage and as custodian of our responsibilities to Native Americans, Interior's responsibilities cover a broad range of activities. For the most part, these activities are carried out through eight subagencies within Interior. Given this organization, Interior officials included eight subagency plans as part of the Department's draft strategic plan.

Interior's Department-wide strategic overview defines the common mission for the Department as follows: "to protect and provide access to our nation's natural and cultural heritage and honor our trust responsibilities to tribes." From this common mission, the Department-wide strategic overview identifies 10 overarching themes called "commitments" that guide the development of the subagency strategic plans. Furthermore, the Department has identified two strategic goals that crosscut subagencies' responsibilities. These goals involve (1) developing natural resource management partnerships with other federal, state, local, and private entities and (2) improving departmental management processes and functions.

The Results Act requires that an agency's strategic plan contain the following six critical components: (1) a comprehensive mission statement; (2) agencywide long-term goals and objectives for all major functions and operations; (3) approaches (or strategies) and the various resources needed to achieve the goals and objectives; (4) a relationship between the long-term goals and objectives and the annual performance goals; (5) an identification of key factors, external to the agency and beyond its control, that could significantly affect the achievement of the strategic goals; and (6) a description of how program evaluations were used to establish or revise strategic goals and a schedule for future program evaluations.

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In this report, we consider Interior's draft strategic plan to be a combination of the Department-wide strategic overview and the included subagency plans.

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## Results in Brief

While Interior has made progress in developing its draft strategic plan, the plan does not yet fulfill the Results Act's requirements. In many cases, the plan does not include the six key elements required by the Results Act. Interior's Department-wide strategic overview does contain the Department's overall mission and goals and refers to the subagency plans for information on the six required elements. But half of the eight subagency plans were incomplete and lacked two or more of the six required elements. The overall quality of Interior's strategic plan is not yet sufficient to achieve the purposes of the Results Act. The plan does not include clear linkages between the agencies' goals and objectives and the contributions of these goals and objectives to the Department's major goals or commitments. In addition, some of the goals and objectives in the subagency plans are not stated in a manner that allows for a future assessment of whether the goals have been or are being achieved.

Interior's draft strategic plan reflects a consideration of the key statutory authorities authorizing Interior's programs. However, the Department-wide strategic overview and the subagency plans do not generally present clear linkages between the stated goals and objectives and Interior's relevant statutory responsibilities. The Results Act does not require an agency's strategic plan to contain a statement of statutory authorities. However, we believe that including such linkages may facilitate a better understanding of the diversity and complexity of Interior's overall mission, goals, and objectives.

A number of cross-cutting issues need to be addressed in Interior's draft strategic plan to prevent duplication and overlap. Our past work at the Department has identified several examples indicating where improved coordination should have occurred. For example, while the plan points out that coordination among Interior's subagencies will be done for some of the natural resource partnership initiatives identified in the plan, it does not indicate that the kind of mission-oriented reexamination of the processes and structures suggested by our work has or will be done.

While Interior has identified information management resource goals in its strategic plan, how it plans to achieve and measure the success of those goals is not clearly delineated. Traditionally, Interior has allowed its

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subagencies to independently acquire and manage information technology. This culture has resulted in inefficiencies in technology investments and information sharing.

Interior's draft strategic plan states that a key to the Results Act's implementation will be the availability of timely and reliable financial information that will permit decisionmakers to track progress and evaluate the results of Interior's programs. To achieve this overall goal, Interior has identified specific goals of strengthening financial operations and resource management. In this light, Interior needs to continue to address certain accounting systems and internal control weaknesses that, if not fully corrected, could affect the reliability of program and performance information.

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## Interior's Draft Strategic Plan Does Not Yet Fulfill the Requirements of the Results Act

While Interior has made progress in developing its draft strategic plan, a significant amount of work still needs to be done before the plan can fulfill the requirements of the Results Act. Interior's draft strategic plan does not yet contain all six elements required by the Results Act. Half of the subagency plans (four of eight) are missing required elements. Furthermore, even those that include all required elements need further work and development in several key areas. In addition, the draft strategic plan does not yet represent a comprehensive strategy to accomplish Interior's mission because it lacks some of the key attributes necessary for making the strategic planning process successful.

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## Interior's Draft Plan Does Not Contain All Six Required Elements

Interior's Department-wide strategic overview provides a mission statement for the Department and lays out 10 general goals referred to in the plan as "commitments." For example, the strategic overview establishes a goal of restoring and maintaining the health of federally managed lands and preserving our nation's natural and cultural heritage for future generations. For more information on strategies for achieving the goals; the relationships between long-term goals and annual performance goals; key factors external to the Department or subagency that could affect the achievement of the goals; and the use of program evaluations to establish goals and to modify them in the future; the Department-wide strategic overview refers to the subagency plans.

Our review of the eight subagency plans shows that half of the plans did not contain all six of the elements required by the Results Act. For those agencies which did not include all required elements, each of the

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subagency plans contained information on their mission and goals and objectives, but the information provided for the remaining four required elements varied as follows:

- Two of the eight subagencies (BIA and FWS) did not discuss the approaches or strategies for achieving goals and objectives.
- Four of the eight subagencies either did not sufficiently address the relationship between long-term goals and annual performance goals (NPS and FWS) or did not address it at all (BIA and MMS). In the case of NPS and FWS, the subagency components did not specifically address the links between long-term goals and annual performance measures.
- Two of the eight subagencies (NPS and FWS) did not discuss the impact that external factors could have on their ability to achieve their goals.
- Four of the eight subagencies (NPS, BIA, FWS, and MMS) had little or no discussion about how or whether program evaluations were used to develop the plan and did not include schedules of future program evaluations.

While many of the subagencies' plans included discussions that related to the required elements, the information provided was frequently incomplete and often not relevant or directly linked to the goals and objectives stated in the plans. For example, while six of the eight draft subagency plans discussed the external environment facing them, several of the subagencies did not address how these external factors could affect the subagency's ability to achieve specific goals and objectives. Similarly, not providing a discussion of whether and how program evaluations were used in developing the plan is important not because it is required but because without this information, it is difficult for both the subagencies and other users of the plan to have confidence that the former's goals are the correct ones and that its strategies will be effective.

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## Observations on the Overall Quality of the Plan

While Interior has made progress in developing its draft strategic plan, the plan does not yet fulfill the requirements of the Results Act. Collectively, the Department-wide overview and the subagency plans are not yet sufficient to provide a comprehensive strategy for Interior or achieve the purposes of the act, such as improved program effectiveness, management, and public accountability and confidence in the Department or subagencies, for the following reasons:

- As stated previously, many of the subagency plans are incomplete. Until the subagency plans are complete, they cannot provide an overall guide

for helping agencies to set priorities and allocate resources consistent with these priorities. Furthermore, because all of the required elements are not included, complete information has not been available for the congressional consultation process.

- While the subagency plans generally provided some discussion of how the goals contained in the plans are to be achieved, most of the subagency plans did not discuss the amount of resources—human, capital, or information—that would be needed to implement their strategy. For example, neither USGS, OSM, nor MMS provided details of the extent of resources needed to implement its goals and objectives. Explaining the amount of resources needed to carry out the plan is vital to achieving a full understanding of the trade-offs, costs, and commitments needed to achieve the goals and objectives in the plans.
- Most of the subagency plans did not include clear linkages between the subagencies' goals and objectives and the contributions of these goals and objectives to the Department's major goals. Furthermore, the Department's strategic overview does not link its Department-wide goals or "commitments" back to the subagencies. These linkages are important because the goals and objectives (1) set out the long-term programmatic policy and goals of the Department as a whole and (2) provide the subagencies' staff with direction and guidance toward actions that fulfill the overall mission of both the Department and the subagencies.
- Some of the goals and objectives in the subagency plans are not stated in a manner that will allow a future assessment of whether the goals have been or are being achieved. For example, one of BOR's goals is to "manage the nations western water resources wisely for present and future generations." While not all the goals must be stated in a quantitative fashion, some of the goals in the subagency plans are stated so broadly that they are inherently unmeasurable, either directly or through the use of performance measures.
- Although several of the subagency plans provide some information on performance measures, the information is sometimes not sufficient to show the relationship between the subagencies' strategic goals and the performance goals to be included in the subagencies' annual performance plans.

## Key Statutory Authorities Are Reflected in the Strategic Plan

Interior's draft strategic plan reflects consideration of the key statutory authorities authorizing Interior's programs. However, the Department-wide strategic overview and the subagency plans do not generally present clear linkages between their stated goals and objectives and Interior's relevant major statutory responsibilities. The Results Act

does not require that a statement of major statutory responsibilities be included with the agency's goals and objectives.<sup>3</sup> Nevertheless, we believe that including such linkages in the subagency plans may facilitate a better understanding of the diversity and complexity of Interior's overall mission and the goals and objectives of its constituent agencies. For example, the plan for BOR provides few linkages between the large number of outcome goals and 5-year strategic goals and its many different statutory authorities. The plan contains 18 outcome goals and over 60 5-year strategic goals that contain few statutory references. As another example, BIA's subagency plan does not provide clear statutory linkages with its performance goals and strategies. Sample performance goals related to education, resources management, public safety and justice, and trust services do not identify what relevant statutes authorize such activities. In commenting on a draft of this report, Interior noted that while it may not be necessary to include linkage between authorities' and agencies' goals and objectives, the Department plans on including an attachment to its final strategic plan that identifies these links.

## Crosscutting Activities Need to Be Addressed in the Interior Plan

Historically, Interior has been a highly decentralized agency. As a result, Interior has allowed its subagencies, for the most part, to develop their own systems and processes for managing their programs. Our past work at the Department has identified several areas where improved coordination should have occurred to address issues of duplication and overlap.

The federal government now owns about 30 percent (about 650 million acres) of the nation's total surface area. Four federal land management agencies manage about 95 percent of these lands for a variety of commodity uses—including hardrock mining, livestock forage, oil and gas exploration and development, and timber harvesting—and noncommodity uses—including fish and wildlife; natural, scenic, cultural, and historic resources; recreation; water; and wilderness. These four agencies are the Forest Service (FS) in the US Department of Agriculture and NPS, BLM, and FWS in Interior.

Our work has shown that the responsibilities of these four agencies have become similar over time.<sup>4</sup> Most notably, FS and BLM now provide more noncommodity uses like recreation and protection for fish and wildlife on

<sup>3</sup>OMB Circular A-11 suggests that an agency's mission statement may include a brief discussion of the agency's enabling or authorizing legislation. This suggestion, however, does not extend to the statement of goals and objectives.

<sup>4</sup>Federal Land Management: Streamlining and Reorganization Issues (GAO/T-RCED-96-209, June 27, 1996).

their lands. At the same time, managing these lands has become more complex. Managers have to reconcile differences among a growing number of laws and regulations, and the authority for the administration of these laws is dispersed among several federal, state, and local agencies. These changes have coincided with two other developments—the federal government’s increased emphasis on downsizing and budgetary constraint and scientists’ increased understanding of the importance and functioning of natural systems whose boundaries may not be consistent with existing jurisdictional and administrative boundaries of federal, state and local agencies. Together, these conditions suggest a basis for reexamining the processes and structure under which the federal land management agencies—Interior and FS—currently operate. The strategic planning process required under the Results Act and the development of the overall Interior plan provides this opportunity. While the plan points out that coordination with FS and among Interior’s agencies will be done for some of the natural resource partnership initiatives identified in the plan, it does not indicate that the kind of mission-oriented reexamination of the processes and structures suggested by our work has been done.

In commenting on this point the Department noted in the past that this has been a controversial issue with the Congress and that the partnership efforts currently described in its draft strategic plan represent an effort to deal with this kind of cross-agency situation in a seamless way without addressing organizational structures. In its view, unless the Congress changes Interior’s statutory responsibilities, the strategic plan must reflect the Department’s current mission. We acknowledge that this is a difficult and controversial issue. However, it is this type of mission-oriented issue that needs to be addressed as part of a strategic planning process. Addressing this issue in the draft strategic plan would facilitate a dialogue on the issue during consultations between Interior and the Congress.

Interior has several other broad crosscutting programs where a coordinated strategic planning process would help to provide Department-wide information on program results as follows:

- Environmental protection and remediation programs. Interior currently lacks a complete inventory of hazardous materials and abandoned mines sites to support management and financial reporting. Interior’s environmental programs are managed primarily by BLM, FWS, NPS, BIA, BOR, and Interior’s Office of Environmental Policy Compliance. In addition, BOR’s draft plan addresses reducing, on a site-specific basis, the sources of

pollution that affect water quality, and USGS' plan addresses water quality studies.

- Stewardship assets. Interior's BLM, FWS, and NPS have implemented early the new federal accounting standards for reporting on stewardship land and heritage assets (parks, recreation and wildlife areas, buildings, monuments, and museum collections). By developing Department-wide guidelines for stewardship reporting and adequate inventory systems in subagencies for tracking, managing, and reporting on these assets, Interior would ensure that consistent and reliable data are available.
- Indian Programs. Most of Interior's subagencies (BIA, BLM, BOR, USGS, MMS, OSM, and the Office of the Secretary, and that Office's Office of the Special Trustee for American Indians and Office of American Indian Trust) have a role in helping Interior to carry out its trust responsibility to American Indians and tribes. However, Interior lacks adequate systems and financial and program information to effectively manage and budget for Indian programs. The strategic plan for Indian trust fund and asset management proposes consolidating Indian financial and asset management programs and upgrading and acquiring new systems.
- Land and Natural Resource Management. Interior's BLM, FWS, and NPS are responsible for managing federal land and natural resources, and BIA is responsible for these functions on federal Indian land. In addition, Interior's OSM is responsible for regulating mining activity on federal and Indian land, MMS enforces oil and gas leases on the Outer Continental Shelf, and USGS performs studies, investigations, and mapping services related to land and natural resources. Interior needs to develop adequate crosscutting information on the effectiveness of these agencies.
- Recreation programs. Interior's BLM, BOR, FWS, and NPS manage programs that provide numerous recreational opportunities for the public. Interior's plan states that Interior will continue to promote and provide these opportunities where they are consistent with other land uses and with maintaining the health of the land.

Interior's plan, when completed, is to include information on its component agencies' mission statements and goals. However, it is not clear in the draft strategic plan which, if any, of the issues identified in our work were addressed. A Department-wide framework for identifying and measuring crosscutting programs and goals will help to determine the overall cost or effectiveness of these programs. In addition, Interior will have reliable information for setting priorities and formulating budgets.

In commenting on a draft of this report, Interior noted that (1) a discussion of crosscutting issues is not required by the Results Act and (2) the

Department is involved with a number of activities that address issues of coordination both within and outside of Interior. The Department's comments on both of these points are correct. However, a focus on results, as envisioned by the Results Act, implies that federal programs contribution to the same or similar results should be closely coordinated to ensure that goals are consistent, and, as appropriate, program efforts are mutually reinforcing. We believe the strategic planning process offers an opportunity to discuss matters of overlap and duplication like, for example, those identified in our past work. Furthermore, while the Department is engaged in a number of coordinating activities, there is nothing in the plan that demonstrates that these activities are linked to the cross-cutting matters noted in this report.

## Interior's Strategic Plan Needs to More Fully Address Information Management Issues

The Paperwork Reduction Act of 1995 and the Clinger-Cohen Act of 1996 direct agencies to implement a framework of modern technology management on the basis of practices followed by leading private and public sector organizations that have successfully used technology to improve performance and help meet strategic goals. Interior has identified goals and actions needed to implement the provisions of these Acts in its draft strategic plan. However, how Interior plans to achieve and measure the success of these goals and actions is not clearly discussed in the draft strategic plan.

Traditionally, Interior has allowed its subagencies to independently acquire and manage information technology. This culture has resulted in inefficiencies in technology investments and information sharing. For example, in May 1997, we reported that Interior had not systematically identified and acted on opportunities to consolidate and share telecommunications resources within and among its bureaus or its 2,000-plus field locations.<sup>5</sup> Instead, the Department has relied on its subagencies to independently identify and act on such opportunities. To its credit, Interior has undertaken a number of telecommunications cost-savings initiatives that have produced significant financial savings and helped reduce the Department's more than \$62 million annual telecommunications investment. In addition, in commenting on a draft of this report, Interior stated that progress has been made in overcoming its long history of component agency autonomy as it relates to information systems, such as the successful consolidation of some of its information

<sup>5</sup>Telecommunications Management: More Effort Needed by Interior and the Forest Service to Achieve Savings (GAO/AIMD-97-67, May 8, 1997).

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and financial systems. We have not yet had an opportunity to fully review and assess the Department's progress in this area.

While the draft strategic plan sets information technology goals, it does not describe how the Department will overcome these problems and ensure the efficient and effective use of information resources across the Department. Furthermore, Interior, like many agencies, will face the emerging management challenges of implementing modern technology and resolving the need for computer systems to be changed to accommodate dates beyond 1999—the “year 2000” problem. Consequently, in developing its information technology strategy, Interior needs to be sure to explain how it plans to address the “year 2000 problem” as well as any significant information security weaknesses—two issues that we have identified as high risk areas across the government.<sup>6</sup>

In commenting on a draft of this report, Interior told us that because of the level of detail required, it did not address strategies for resolving the “year 2000” problem in its draft strategic plan. Similarly, Interior did not address information security because it regards this area as a management and operational responsibility that needs attention on a daily basis. We believe that it is appropriate for these items to be addressed in the plan to convey how the Department intends to deal with them and provide linkages to its operational and management plans. This disclosure would also help the Congress, departmental customers, and the general public to better understand the Department's goals, strategies, and measures.

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## Interior Needs to Continue Improving Its Financial Information to Accurately Measure Progress Toward Achieving Strategic and Performance Goals

To support the implementation of the Results Act, Interior's strategic plan states that a key ingredient will be the availability of timely and reliable financial and program information that will permit decisionmakers to track progress and evaluate the results of Interior's programs. To achieve this overall goal, Interior has identified specific goals of strengthening financial operations and information resource management.

Interior has made progress in addressing past problems with its management of financial information. For fiscal year 1996, the Department received unqualified audit opinions on all but one of its subagency financial statements. Nonetheless, work still needs to be done in this area. Our work and that of the Interior Inspector General has shown that Interior needs to continue to address certain accounting and financial management system and internal control weaknesses that could affect the

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<sup>6</sup>GAO High-Risk Series ([GAO/HR-97-20](#), Feb. 1997).

reliability of program level financial and performance information. For example, OIG audits completed in the past year have identified weaknesses in accounting for investments in fixed assets and project cost accounting and controls that, if uncorrected, could affect the effectiveness of Interior's Results Act's implementation.<sup>7</sup>

Furthermore, Interior's and its component agencies' draft strategic plans could be strengthened if they addressed how financial information will be used to support the measurement of progress toward strategic goals. Identifying performance measures and ensuring the development of reliable financial and program performance information will help to ensure the effective implementation of the Results Act for Interior and its subagencies.

Like other agencies, once Interior develops key performance measures it will need to consider appropriate system modifications to capture data needed for performance measurement. Key requirements of the CFO Act are the development of cost information to enable the systematic measurement of performance and the integration of systems—program, accounting, and budget systems.

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## Agency Comments and Our Evaluation

We provided Interior with copies of a draft of this report for review and comment. We met with Interior's Assistant Secretary for Policy, Management, and Budget and other officials. The Department raised a number of substantive concerns about the draft report including concerns about the portion of the report dealing with the Department's crosscutting activities. We have addressed many of those concerns in the body of the report. In addition to those comments already acknowledged and discussed in the report, the Department provided us with a number of additional comments.

With regard to our assessment of the key elements required by the Results Act, the Department agreed that the report was an accurate assessment of Interior's strategic plan as it was developed in June. While they agreed that some additional work is needed, they emphasized that the strategic planning process is an iterative process that is evolving and that more recent drafts of the plan are filling some of the gaps identified in our

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<sup>7</sup>Bureau of Land Management Combined Comparative Financial Statements for Fiscal Years 1995 and 1996, U.S. Department of the Interior, Office of the Inspector General (Report No. 97-I-319, Jan. 1997). Bureau of Indian Affairs Consolidated Financial Statements for Fiscal Years 1995 and 1996, U.S. Department of the Interior, Office of the Inspector General, (Report No. 97-I-834, May 1997).

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report. They indicated that the plan will meet all statutory requirements of the Results Act when it is completed in September 1997.

Interior raised serious concerns that the statements in the draft report about the reliability of its financial management systems and internal controls were too broad and were, therefore, misleading. It was not our intent to characterize the Department's systems and controls as deficient on the whole. Accordingly, we revised the appropriate sections of the report to reflect specific areas where improvements are needed in systems and controls to help ensure the reliability of information used in the Results Act's implementation and provided specific examples.

Furthermore, while acknowledging some deficiencies in its financial management, the Department does not view these as being "major management challenges" as characterized in the draft report. The Department provided us with additional information to support its comments. Because of the timing and scope of the review, we have not yet had an opportunity to fully review and assess the Department's progress in addressing past deficiencies. As a result, we modified the report to reflect these concerns. As part of our future work at Interior, we plan to review the effectiveness of the measures taken by the Department.

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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 report. At that time, we will send copies of this report to the Ranking Minority Member of your Committees, to the Chairman and Ranking Minority Member of the House Resources Committee, the Secretary of Interior, and the Director, Office of Management and Budget. We will send copies to others on request.

Please contact me at (202) 512-3841 if you or your staff have any questions concerning this report.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Victor S. Rezendes". The signature is fluid and cursive, with the first name "Victor" and last name "Rezendes" clearly distinguishable.

Victor S. Rezendes  
Director, Energy, Resources  
and Science Issues  
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