

# Financial Management

## and Executive Direction and Administration



The reclamation bond at this Kentucky mine site has been released and today this reclaimed mine is rapidly maturing into an excellent wildlife habitat. Native trees are becoming established and the sediment control ponds have been retained as permanent water sources that add diversity to the habitat. The thick vegetation and rock-lined waterways on this reclaimed mine site have eliminated erosion and sedimentation. This is a very dramatic difference from the picture in Appalachia before the Surface Mining Law.

Office of Surface Mining financial management consists of three program activities: fee compliance, grants management, and revenue management. Fee compliance covers the collection, accounting, audit, and investment of abandoned mine reclamation fees. Grants management includes accounting for and reporting on grants awarded to states and Tribes for Abandoned Mine Land and regulatory purposes. Revenue management involves the accounting and collection of revenue other than reclamation fees, such as civil penalties assessed under federal citations of mining violations and federal performance bonds forfeited by coal mine permittees. Executive Direction and Administration are the leadership, policy direction, and administrative functions required for day-to-day operations.

## Budget and Appropriations

The Department of the Interior and Related Agencies Appropriations Act of 1998 (Public Law 105-83) appropriated \$94,937,000 from the General Fund for the Office of Surface Mining's regulation and technology activities. In addition, \$177,624,000 was made available for obligation from the Abandoned Mine Reclamation Fund (\$539,000 more than 1997). Public Law 105-174 authorized the reprogramming of \$3,163,000 from the Regulation and Technology appropriation to the Abandoned Mine Land Reclamation Fund. This reprogramming was done to realign funding in conjunction with the new

business line structure which was approved by the Appropriations Committees during 1997.

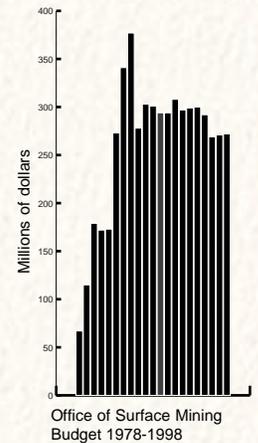
The 1998 Regulation and Technology appropriation included the following provisions:

- Where the Office of Surface Mining is the regulatory authority, proceeds of performance bonds forfeited under Section 509 of the Surface Mining Law can be used to reclaim lands where the mine operator did not meet all the requirements of the Law and the permit. In 1998, four performance bond forfeitures resulted in revenue collections of \$51,335. No obligations of prior- or current-year bond forfeitures occurred in 1998.

- Federal civil penalties and related interest collected under Section 518 of the Surface Mining Law can be used to reclaim coal mine lands abandoned after August 3, 1977. In 1998, a total of \$150,304 of Civil penalties was collected. The Office of Surface Mining is only authorized to use the base penalty and interest of these collections, so \$145,485 was deposited into the Civil Penalty Fund for reclamation purposes. During 1998, \$45,447 from this fund was obligated for post-Surface Mining Law reclamation projects.

- State regulatory program grants were funded at \$50,176,000, which was \$500,000 less than 1997. These grants are used to fund state regulatory program payroll and other operational costs.

The Abandoned Mine Land appropriation included the following provisions:



**TABLE 11  
APPROPRIATIONS\***

	1998	1997
<b>Regulation &amp; Technology</b>		
Environmental Restoration	\$ 144,000	\$90,000
Environmental Protection	69,159,000	72,653,000
<i>Regulatory Grants</i>	<i>[50,176,000]</i>	<i>[50,676,000]</i>
Technology Development and Transfer	11,211,000	9,634,000
Financial Management	501,000	876,000
Executive Direction & Administration	10,759,000	10,919,000
<i>Executive Direction</i>	<i>[2,215,000]</i>	<i>[2,246,000]</i>
<i>Admin. Support</i>	<i>[3,683,000]</i>	<i>[3,075,000]</i>
<i>General Services</i>	<i>[4,861,000]</i>	<i>[5,598,000]</i>
Subtotal:	91,774,000	94,172,000
<b>Abandoned Mine Reclamation Fund</b>		
Environmental Restoration	166,107,000	164,945,000
<i>Reclamation Grants</i>	<i>[142,352,000]</i>	<i>[142,000,000]</i>
Environmental Protection	0	0
Technology Development & Transfer	3,225,000	1,700,000
Financial Management	5,736,000	5,562,000
Executive Direction & Administration	5,719,000	4,878,000
<i>Executive Direction</i>	<i>[1,177,000]</i>	<i>[918,000]</i>
<i>Admin. Support</i>	<i>[1,959,000]</i>	<i>[1,475,000]</i>
<i>General Services</i>	<i>[2,583,000]</i>	<i>[2,485,000]</i>
Subtotal:	180,787,000	177,085,000
Transfer to United Mine Workers Fund	32,561,520	31,373,799
<b>Total</b>	<b>\$305,122,520</b>	<b>\$302,630,799</b>

\*The appropriation figures for both years include reprogramming and rescissions. Lines in italic show a breakdown of numbers in the line above.

- State reclamation grants were funded at \$142,352,000, which was \$352,000 more than 1997.
- Expenditures up to \$5,000,000 were authorized for supplemental grants to states for the reclamation of abandoned sites with acid mine drainage through the Appalachian Clean Streams Initiative.
- Up to \$18,000,000 was authorized for the emergency program associated with Section 410 of the Surface Mining Law of which no more than 25 percent shall be used for emergency reclamation projects in any one state.
- Federally-administered emergency reclamation project expenditures were limited to \$11,000,000 which was the same amount appropriated in 1997.
- Prior year unobligated funds appropriated for emergency reclamation programs were not subject to the 25 percent limitation per state and may be used without fiscal year limitation for emergency projects.
- Up to 20 percent of the funds recovered from delinquent debts were authorized for contracting the collection of other delinquent debts. In 1998, the Office of Surface Mining spent \$428,805 to collect \$5,927,076 in delinquent Abandoned Mine Land fees and audit bills and \$130,618 to collect \$108,142 in Civil Penalty debt



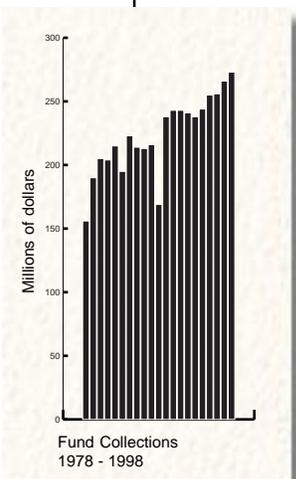
To minimize the off-site sedimentation impacts of mining, sedimentation ponds are constructed to slow sediment-laden water. Solids settle out before the clear water is allowed to flow from the mine site.

All appropriations provisions were met.

## Abandoned Mine Land Fund Management

Fees of 35 cents per ton of surface mined coal, 15 cents per ton of coal mined underground, and 10 cents per ton of lignite are collected from mining operations. The fees are deposited in the Abandoned Mine Reclamation Fund, which is used to pay the costs of abandoned mine land reclamation projects. The fund consists of fees, contributions, late payment interest, penalties, administrative charges, and interest earned on investment of the fund's principal. From January 30, 1978, when the first fees were paid, through September 30, 1998, the fund collections totaled \$5,096,777,642. For the same period Fund appropriations totaled \$3,745,212,648.

Expenditures from the Fund are made through the regular budgetary and appropriation process. The Surface Mining Law specifies that 50 percent of the reclamation fees collected in each state with an approved reclamation program, or within Indian lands where the tribe has an approved reclamation program, are to be allocated to that state or tribe. This 50 percent is designated as the state or tribal share of the fund. The remaining 50 percent (the federal share) is used by the Office of Surface Mining to complete high priority and emergency projects under its Federal Reclamation Program, to fund the Small Operator Assistance Program (SOAP), to fund additional projects directly through state reclamation programs, and to pay collection, audit, and administrative costs. In 1991, at the direction of Congress, a formula to



**TABLE 12  
ABANDONED MINE LAND FEE COLLECTIONS AND FUNDING  
1998**

State/Tribe	AML Collections	State Share Distribution <sup>1</sup>	Federal Share Distribution <sup>1</sup>	Emergency Distribution <sup>1</sup>	Total Distribution <sup>1</sup>
Alabama <sup>4</sup>	\$ 4,564,355	\$1,552,307	\$1,531,977	\$400,000	\$3,484,284
Alaska	533,592	155,848	1,344,152	25,000	1,525,000
Arkansas	9,366	0	1,500,000	13,000	1,513,000
Colorado	5,863,341	1,502,101	708,979	0	2,211,080
Illinois	7,122,353	2,828,579	5,675,433	611,223	9,115,235
Indiana	12,005,174	2,820,421	1,847,743	267,152	4,935,316
Iowa	0	6,819	1,515,790	0	1,522,609
Kansas	115,988	43,030	1,456,970	465,000	1,965,000
Kentucky	35,045,891	10,177,108	5,562,284	0	15,739,392
Louisiana	327,810	94,898	0	0	94,898
Maryland	738,995	203,760	1,314,406	0	1,518,166
Missouri <sup>3</sup>	96,483	134,360	1,387,770	20,000	1,542,130
Montana	12,388,544	3,468,631	0	125,000	3,593,631
New Mexico	5,494,672	1,388,317	172,362	0	1,560,679
North Dakota	2,963,855	885,556	614,444	50,000	1,550,000
Ohio	6,850,937	2,044,293	3,479,114	2,070,663	7,594,070
Oklahoma <sup>3</sup>	539,407	179,866	1,320,134	10,000	1,510,000
Pennsylvania	14,544,703	3,888,523	18,345,817	0	22,234,340
Tennessee	834,857	0	0	0	0
Texas	5,432,163	1,551,964	0	0	1,551,964
Utah	3,691,942	1,019,809	480,191	0	1,500,000
Virginia	6,670,328	2,179,385	1,707,239	1,000,000	4,886,624
Washington	1,747,629	0	0	0	0
West Virginia <sup>2</sup>	36,758,776	9,528,241	10,543,722	3,699,962	23,771,925
Wyoming	98,105,378	22,804,396	0	0	22,804,396
Crow Tribe	2,525,741	478,173	993,573	0	1,471,746
Hopi Tribe	1,231,738	410,010	0	0	410,010
Navajo Tribe	6,800,423	2,746,505	0	0	2,746,505
<b>Total</b>	<b>\$273,004,441</b>	<b>\$72,092,900</b>	<b>\$61,502,100</b>	<b>\$8,757,000</b>	<b>\$142,352,000</b>

1. The term "Distribution" is now used instead of "Allocation." Allocation refers to the "pooling" of monies collected for the AML Fund. State and federal share distribution amounts are based on formulas and parameters provided annually by the Assistant Director, Program Support. Emergency program distribution amounts are based on estimates provided by the states and approved by the Deputy Director.

2. The state of West Virginia received an additional \$2,137,613 from an account that was recovered from prior years and carried forward for future emergency needs. West Virginia's total emergency funding is \$5,837,575.

3. The states of Missouri and Oklahoma took over responsibility for their emergency programs in 1998. The Office of Surface Mining's Federal Reclamation Program provided Oklahoma with \$10,000 and Missouri with \$20,000 representing "start-up" funds. Oklahoma and Missouri received an additional \$30,000 and \$29,771 respectively from an account that was recovered from prior years and carried forward for future emergency needs. Oklahoma's total emergency funding is \$40,000 and Missouri's is \$49,771.

4. The state of Alabama received an additional \$100,000 from an account that was recovered from prior years and carried forward for future emergency needs. Alabama's total emergency funding is \$500,000.

distribute federal-share money to the state reclamation programs was established based on historic coal production. Table 12 shows collections and funding by states.

The Abandoned Mine Reclamation Act of 1990 (Public Law 101-508) extended fee collection authority through September 30, 1995; the Energy Policy Act of 1992 (Public Law 102-486) further extended fee collection authority until September 30, 2004.

In 1992, under authority of Public Law 101-508, the Office of Surface Mining began investing unappropriated abandoned mine land funds. To prevent the reduction of principal, the Office of Surface Mining has decided to only invest in treasury bills, the safest treasury securities offered.

Beginning in 1996, under a requirement of the Energy Policy Act of 1992 (Public Law 102-486) the Office of Surface Mining began an annual transfer to the United Mine Workers of America Combined Benefit Fund from the investment interest earned. This cash transfer is used to pay for anticipated health benefits of mine workers and their beneficiaries. If, after a typical two-year cycle, the amount of the transfer was greater or less than the actual health benefits, an adjustment is made to the next transfer. A June 1998, U.S. Supreme Court decision effectively increased the number of beneficiaries covered by the United Mine Workers of America Combined Benefit

Fund. As a result, an additional \$9.5 million will have to be advanced to cover the increase in the Combined Benefit Fund's estimated 1998 health benefit costs. Table 13 summarizes investments for the past two years.

**TABLE 13  
ABANDONED MINE LAND FUND STATUS  
Cash Basis**

	1998	1997
Balance, Start of the year	\$1,526,022,407	\$1,401,483,153
Transfer - P.L. 105-174	3,163,000	
Fees, debts, and interest collected	273,038,560	266,783,206
Interest earned on investment	67,031,208	81,006,258
Interest earned on investment	343,232,768	347,789,464
Disbursements	197,975,580	191,876,411
Transfers to United Mine Workers	32,561,520	31,373,799
Total Disbursements & Transfers	230,537,100	223,250,210
Balance, End of the year	\$1,638,718,075	1,526,022,407

The Surface Mining Law requires active coal mining companies to report coal tonnage and pay abandoned mine reclamation fees. The Office of Surface Mining ensures mine operators fully comply with the fee provisions by collecting Abandoned Mine Land fees from coal companies through voluntary reporting, audit, and debt collection. The primary goal for fee compliance is to achieve a high rate of compliance. In 1998 the overall compliance rate was 99 percent, which resulted in \$273 million in revenue for the Fund. To achieve this rate of success, it is necessary to:

- track all mines that have the potential of producing coal,
- provide coal mine operators with the information and assistance needed to comply, and
- conduct a comprehensive audit program.

Experience has shown that helping the industry achieve compliance reduces the need for additional regulatory resources. To assist in voluntary compliance, the Office of Surface Mining mails pre-printed forms to all active companies and provides guidance by phone and mail. Because of factors beyond the Office of Surface Mining's control, such as company financial difficulties and errors, some non-payment and non-reporting will probably always be present. When such instances of non-compliance are found, auditors and collection staff explain each issue and how similar occurrences can be avoided in the future. The high compliance rate can be attributed to this pro-active cooperative approach, and the overall efficiency of the collection and audit activities. To demonstrate the efficiency of the collection and audit activities, for every dollar spent to administer the program the Office of Surface Mining collects \$50.

When unpaid reclamation fees are identified, or civil penalties are assessed for mine site violations, the Office of Surface Mining takes appropriate collection actions. Delinquent debt information is retained in the Applicant Violator System. When necessary, and after all of the agency debt collection avenues have been exhausted, delinquent accounts are referred to

Two years after mining, this reclaimed site is a small Kentucky valley that holds all the attributes of the surrounding landscape. This is reclamation as envisioned by the architects of the Surface Mining Law.



the Department of Treasury for additional collection efforts, or to the Interior Department's Solicitor's Office for appropriate legal action or bankruptcy proceedings. The Office of Surface Mining has made substantial improvements over the management of civil penalty and Abandoned Mine Land fee delinquent debt by reducing the year-end debt balance by \$13.8 million over the amount reported last year. Of the \$30.9 million 1998 year-end balance, \$16 million (52 percent) is principal. The remainder represents interest, late payment penalties, and administrative charges on unpaid balances. The Office of Surface Mining has referred \$25.1 million of this amount to the Office of the Solicitor for legal action, \$8 million under bankruptcies, and \$17.1 million for litigation. Another \$0.6 million has been referred to the Department of Justice for legal action, and the remaining \$5.2 million is being pursued internally by the Office of Surface Mining. Table 14 shows 1998 collections and year-end debt balances. The Office of Inspector General reported last year that "the Office of Surface Mining's fee compliance program, including both the collection and audit functions, was operated in a highly efficient and effective manner." That conclusion reflects the Office of Surface Mining emphasis on the best possible execution of this vital program that provides the funding for state, Tribal, and federal abandoned mine land reclamation throughout the country.

**TABLE 14  
COLLECTIONS MANAGEMENT  
1998**

Category		Balanced Owed
AML Fees	\$273,207,402	\$19,319,138
Civil Penalties	150,304	11,299,581
Administrative	2,026,824	280,448
Total	\$275,384,530	\$30,899,167

## Financial Systems: Electronic Improvements

The Office of Surface Mining continues to use technology to improve its financial and administrative management systems. Added improvements and initiatives in 1998 include:

- Streamlined purchasing and cut red-tape, credit cards are increasingly being used to make small purchases. Total transactions by credit card increased 65 percent from 3,222 in 1997 to 5,310 in 1998. The dollar volume of transactions increased by 116 percent from \$805,332 to \$1,741,570. A credit card transaction processing system was implemented to automatically match card purchases with bills. This has streamlined the payment process and resulted in more timely payment of invoices. Partly as a result of the increased use of credit cards and the new system, the total number of late payments declined by 72 percent.
- Continued to make progress on meeting the Electronic Funds Transfer provisions of the Debt Collection Improvement Act of 1996. Electronic Funds Transfer payments to vendors increased from 54 percent at the end of last year to 83 percent in September 1998. Electronic Funds Transfer payments to travelers and states also continued to increase, from 89 percent last year to 98 percent in September 1998.

Site of the first permanent permit under the Surface Mining Law, the young trees growing on this reclaimed land blend into the unmined adjacent forest. It is difficult to identify mined and reclaimed areas from the surrounding Montana landscape.



■ Implemented new financial reporting tools to give managers better access to financial data. The Management Accounting and Performance System provides managers with on-line access to a wide variety of budgetary, labor and financial reports. The new reporting capability gives managers access to information whenever they need it, while minimizing the impact of new reporting needs.

■ The Department of the Treasury's standard general ledger, and the Interior Department's budget object classifications were also implemented in 1998. These two initiatives help standardize government-wide reporting and make it easier to consolidate and compare financial reports across agencies.

■ The Office of Surface Mining will implement an Electronic Data Interchange pilot project during 1999 to electronically obtain quarterly reclamation fee information from coal companies. The pilot project will reduce reliance on paper and utilize input from those paying the fee to design an Electronic Data Interchange process that will provide a feasible electronic alternative for coal companies reporting fee payments. Successful completion of the pilot project will result in this electronic option becoming available for all coal companies when paying their quarterly reclamation fee.

■ Debt referral to the Department of the Treasury required under the Debt Collection Improvement Act of 1996 will be performed electronically during 1999. This process will permit the initial referral for cross-servicing and the ability to update the records electronically for accruals and new debt.

## Audited Financial Statements

Since 1990, the Office of Surface Mining has prepared an Annual Financial Statement after the close of each fiscal year, as required by the Chief Financial Officers Act of 1990 (Public Law 101-576). The statements are audited by the Department of the Interior's Office of Inspector General to ensure that financial results are fairly stated and conform with generally accepted accounting principles for federal agencies. The Office of Surface Mining has received eight consecutive unqualified ("clean") audit opinions from the Inspector General. The 1998 opinion is on page 66 of this report.

## Information Technology

The Office of Surface Mining uses information technology on a large scale to more efficiently accomplish its mission and provide improved information access for states, Tribes, and the general public. A telecommunications network is maintained by the Office of Surface Mining to electronically transmit and receive information from other federal agencies, industry, and the public.

In 1998, the Wide Area Network was expanded to upgrade internal telecommunications to accommodate the increased volume of electronic permitting. Both public and private sources connecting to the Office of Surface Mining via the Internet also benefit from the increased speed of the expanded network. The Office of Surface Mining has been working with the Department and other bureaus in identifying and reporting Year 2000 activity. Starting two years ago, the Office of Surface Mining initiated the identification and reporting of automated systems. Since then, identification of system data problems and needed corrections has been an ongoing effort. To date, 81 percent of mission critical systems have been renovated, 50 percent validated, and 43 percent implemented. An inventory of embedded chip systems has been conducted and replacement and repair of affected systems has been initiated. Current estimates on chip replacement or repair cost are approximately \$18,000. The Office of Surface Mining's telecommunications systems are also being reviewed for Year 2000 date problems and estimates for corrections or replacement is expected to exceed \$146,000.



This reclaimed mine site is located on the Navajo and Hopi Indian reservations. The arid land is being mined, reclaimed, and planted with vegetation that restores culturally significant plants for the local residents. Working with medicine men, herbalists, and Black Mesa residents, the mining company employees identified specific plants that had cultural significance and the potential to grow on the reclaimed mine lands. Here an environmental scientist examines some of the recently established plants.

## Human Resources Management

This year much of the personnel focus has been on producing a highly diverse, well qualified, efficiently trained, motivated and informed workforce. In support of the diversity goals, the Office of Surface Mining entered into an agreement with the Bureau of Indian Affairs to share salary and associated costs of one position. The person in the position will be conducting nationwide recruiting at Historically Black Colleges and Universities, Hispanic Association of Colleges and Universities, American Indian Colleges, and majority schools that have high populations of minorities. In addition, the Office of Surface Mining entered into an agreement with the Interior Department's Assistant Secretary - Land and Minerals Management, to provide these same nationwide recruitment services to the Bureau of Land Management and the Minerals Management Service. Through these national recruitment efforts, filling positions at entry levels, use of the Presidential Management Intern Program, and the Outstanding Scholar Program, 73 percent of new hires through the first six months of this year were minorities and women.

In 1998, the agreement with the Bureau of Indian Affairs to provide overall personnel policy guidance and operational service for the Washington Headquarters area continued. Under this agreement, the Office of Surface Mining is responsible for overseeing Bureau-wide testing and implementation of the Department's Federal Personnel Payroll System. Last year the Office of Surface Mining successfully implemented this System, and this success is expected to continue with the Bureau of Indian Affairs conversion.

This year the electronic Official Personnel Folder System was successfully implemented. This system provides direct access to Official Personnel Folders through the Wide Area Network. In a continuation of the imaging of individual personnel information, a process to digitize all Office of Surface Mining vital records was begun. This will improve accessibility and security of the records.

The Office of Surface Mining has begun the first phase of a succession planning program. A study of the Office of Surface Mining workforce indicates that over the next five years 23 percent of the employees will be eligible to retire and that within the next 10 years 55 percent of our employees will be eligible to retire (federal government retirement trends indicate that most employees retire at 61 years of age and with 31 years of service). The initial Office of Surface Mining study shows that a majority of those employees eligible to retire will begin to do so in year 2003 and this trend will continue through 2010.

## Monitoring Potential Conflicts of Interests

Sections 201(f) and 517(g) of the Surface Mining Law prohibits any federal or state employee "performing any function or duty under this Act" from having "direct or indirect financial interests in underground or surface coal mining operations." The Office of Surface Mining monitors compliance to prevent financial conflicts. In 1997, 624 Office of Surface Mining, 1,127 other federal, and 3,297 state employees filed financial disclosure statements. Three violations were identified and resolved.

Seed was collected near the mines, then germinated and grown in special nurseries. With the establishment of the culturally significant plants, this reclaimed land will provide long-term benefits to the many Navajo and Hopi people who retain traditional values.



## Labor-Management Partnership

The Office of Surface Mining maintains two labor-management partnerships, created in response to Executive Order 12871. The first was established in 1994 at Washington, D.C., headquarters with the National Federation of Federal Employees, Local 1993. Since June 1995, Local 2148 of the National Federation of Federal Employees and the Albuquerque Field Office have also maintained a partnership.

There are three other exclusive recognitions in the Office of Surface Mining, although partnerships have not yet been established. They are located at the Casper Field Office (Casper, Wyoming); Lexington Field Office (Lexington, Kentucky); and Division of Compliance Management-Region II (Lexington, Kentucky).

The Office of Surface Mining, under a Memorandum of Agreement with the Bureau of Indian Affairs, continues to provide labor relations support throughout the Bureau of Indian Affairs.

## Equal Opportunity

During 1998, the Office of Surface Mining continued to implement its Target Recruitment Plan and newly-approved Strategic Plan For Improving Diversity. The Diversity plan contains seven objectives to address the recruitment of women, minorities, persons with disabilities, reasonable accommodation, employee development, retention, zero tolerance of discrimination, quality of work life, management training, and accountability. As a result of these plans, significant improvement has been made in under-representation areas.

Throughout the year, personnel and equal opportunity specialists met with management staff and assisted them with recruitment. For example, when a vacancy occurred, a meeting was held with the manager and a plan of action was developed for those positions that came under the Office of Surface Mining's Targeted Recruitment Plan. These are the positions in the most under-represented employment series. Because of these initiatives, progress has been achieved in each of the occupations covered by the Plan. Since October 1, 1997, the Office of Surface Mining hired 44 employees and 29 (65.9 percent) were filled with women and minorities. Also, women and minorities received 48 of 66 (72.7 percent) promotions.

The Office of Surface Mining's outreach initiatives included hiring five summer interns, one fall intern, four Student Career Experience students, six Student Temporary Employment Program students, and two Presidential Management Interns. All of these programs produced excellent diversity. In its outreach efforts with Minority Higher Education Institutions, the Office of Surface Mining provided resources for Howard University's Geographic Information System Conference and sponsored students to attend the Hispanic Association of Colleges and Universities Job Conference. Also, the Office of Surface Mining co-sponsored Xavier University's Youth Motivational Task Force, the Society of Hispanic Engineers Job Fair, and the National Hispanic Sustainable Energy and Environmental Job Conference. In addition, the Office of Surface Mining participated in the Rio Grande High

Permanent impoundments are frequently constructed on reclamation sites. They often enhance wildlife habitats by providing excellent cover and a water environment that increases the potential for wildlife to quickly become established on the sites. At this reclaimed Indiana mine site the impoundment provides the landowner with water for livestock.



Technology Career Fair for Minorities and Women. These endeavors were in line with the Office of Surface Mining's Diversity Plan and its commitment to develop closer relationships with organizations and educational institutions that are training and encouraging students to pursue an education in the fields which the Office of Surface Mining recruits.

During 1998, the Office of Surface Mining had 15 discrimination complaints filed. This was a decrease of three complaints (18 in 1997) over the previous year. It is interesting to note that the 15 complaints were the lowest number filed in the last 7 years. At the end of the year, there were 27 complaints being processed, which includes 15 complaints pending hearings by the Equal Employment Opportunity Commission and/or Final Agency Decisions by the Office of Equal Opportunity.

In addition, the Office of Surface Mining began conducting onsite Accessibility for Persons with Disabilities reviews for compliance with Section 504 of the Rehabilitation Act of 1993. Results of these reviews will be released during 1999. Also, a new Intranet web site was created to provide employees with Equal Opportunity Program information.

## Government Performance and Results Act Report

**Goal 4. Better Operations:** *Improve the Office of Surface Mining's operations through a more effective and efficient management of human and fiscal resources to facilitate reclamation of abandoned mine lands and in order to protect the environment, people and property, during and after mining.*

Performance Measure	1997 Actual	1998 Plan	1998 Actual
Number of material weaknesses regarding fee compliance, revenue, and grants financial services.....	0	0	0
Abandoned Mine Land fee compliance rate as measured by the percent of permits reporting.....	98.5 percent	98 percent	99.4 percent
High Customer service rating for accuracy, timeliness, and overall satisfaction of grants management.....	(None)	90 percent	94.7 percent

The Office of Surface Mining's financial statements were free of any material weaknesses regarding fee compliance, revenue and grants management services. The financial statements were audited by the Office of Inspector General. The independent auditors gave the financial statements an unqualified opinion. This means the data that the Office of Surface Mining reports is accurate in all material aspects, and that the Office of Surface Mining has safeguarded taxpayers' money appropriately. This is important in view of the \$305 million in appropriations entrusted to the Office of Surface Mining and the \$1.6 billion in the Abandoned Mine Land Fund that is managed by the Office of Surface Mining. It is the Abandoned Mine Land Fund, financed by the coal industry and not from taxpayers, that provides the funds to reclaim mined lands left abandoned prior to 1977 and to eliminate emergency situations that arise from past mining. In 1998, a major portion of these funds provided for the reclamation of over 7,200 hazardous acres of abandoned mine land, thus preventing or avoiding injury to people and minimizing property damage.

Over the years the coal industry has continually improved its compliance with the Office of Surface Mining's quarterly reporting requirements. For 1998, over 99 percent of coal companies required to report coal tonnage sales under the Surface Mining Law fully complied with all reporting requirements. This demonstrates the Office of Surface Mining and the coal industry's joint commitment to the Surface Mining Law. The Office of Surface Mining will continue to work closely with the coal industry in the future to assure that this high level of performance is maintained and that coal companies have a complete understanding of all Abandoned Mine Land fee reclamation reporting requirements.

Based on a customer survey, the Office of Surface Mining provides excellent customer service to its state and tribal grant recipients. Grantees use funds to pay for costs incurred in both reclaiming abandoned mine sites and operating regulatory programs. More than 94 percent of 18 grant recipients who responded in 1998 were satisfied with the Office of Surface Mining payment and reporting systems and support services they received. In response to individual questions, the average satisfaction rate was 90 percent. Grant recipients most commonly felt that the Office of Surface Mining could re-work entry screens to improve the satisfaction rate.