

WORKING CAPITAL FUND

LOCATION: The 17 Western States in Reclamation's Service Area.

DESCRIPTION/JUSTIFICATION: The Reclamation Working Capital Fund (WCF) is comprised of various activities designed to provide more efficient financing, accounting, cost recovery, management, and budgeting for support services, facilities, and equipment. The activities covered within the WCF are Information Technology (IT) investments, fleet vehicles, aircraft, drilling equipment, centralized finance services, water quality laboratories, underwater inspection team, construction support office, heavy and mobile equipment, photogrammetry and surveys, common services activities, engineering support services, and the employee leave account.

The WCF is available without fiscal year limitation for expenses necessary for furnishing materials, supplies, equipment, facilities, work, and services in support of Reclamation programs. It is credited with appropriations made for the purpose of providing or increasing capital. By design, the fund operates on a self-supporting basis through user charges deposited in the fund. Charges to users are based on rates approximately equal to the costs of furnishing the materials, supplies, equipment, facilities, and services, including labor and related costs.

AUTHORIZATION: P.L. 99-141, Appropriations for Energy and Water Development for the Fiscal Year Ending September 30, 1986, Title II: Department of the Interior, November 1, 1985.

SUMMARIZED FINANCIAL DATA

Program Financial Data

Activity	FY 2006	FY 2007
Revenue	\$364,493,000	\$376,971,000
Prior Year Funds	17,425,000	13,058,000
Reduction	0	0
Unobligated Balance, End of Year	(13,058,000)	(14,632,000)
Total Program	\$368,860,000	\$375,397,000

Information Technology

Funding for Reclamation's Information Technology program cross cuts all Reclamation appropriations. However, a significant portion of the program is funded by the Reclamation WCF, particularly E-Government, enterprise-wide, and region-wide programs. The 2007 budget includes a net program change of \$8.9 million for major IT investments \$6.8 million of which is control system upgrades funded by power users (see Exhibit 53 Summary Table).

Government wide E-Government Initiatives

Reclamation continues to participate in Government-wide initiatives; these help serve the public by providing one easy-to-access place to obtain information. Reclamation adds and maintains information and helps fund and improve procedures for uploading and accessing information. Some sites include:

- FirstGov.gov (<http://www.firstgov.gov>). This official U.S. gateway can search all Government information.

- Recreation.gov (<http://www.recreation.gov>). This site provides recreation information, including maps, facility descriptions, and activities offered at most Federal facilities.
- Volunteer.gov (<http://www.usafreedomcorps.gov/>). This site lists volunteer opportunities at Federal agencies.
- Geospatial One-Stop (<http://www.Geo-One-Stop.gov>). This site makes it easier, faster, and less expensive for all levels of government and the public to access geospatial information.

Reclamation will continue to support these activities and any additional or future E-Gov initiatives that overlap or support mission-related goals and objectives, as deemed appropriate.

Interior Enterprise Architecture

Reclamation continues to budget for the development and implementation of Interior's Enterprise Architecture and modernization blueprints, while maintaining limited supplemental bureau-level architecture information as required by the Clinger-Cohen Act. Reclamation continues to collaborate with Interior, participating in the Interior Business Architecture Team, Domain Architecture Teams, Interior Architecture Workgroup, Architecture Review Board, and other ad-hoc working groups, as requested. Funding will continue Reclamation's participation in the development, maintenance, and refinement of the Interior Enterprise Architecture, and enable Reclamation to play a leading role in the development and implementation of a department-wide water management modernization blueprint.

Interior Enterprise Services Network

Reclamation is participating in the development and implementation of Interior's Enterprise Service Network. The purpose of this effort is to consolidate IT infrastructure investments that can be shared across Interior, such as points of presence on the Internet and co-located or shared Internet services servers (web, ftp, email, authentication, etc.). Reclamation will continue to actively participate in the design and implementation phases of this initiative to ensure that mission, customer, and employee requirements are met.

IT Capital Planning and Portfolio Management

Reclamation plans to continue funding the development, documentation, implementation and certification of its IT Capital Planning and Investment Control (CPIC) process, in compliance with Interior and OMB directives. Efforts will continue to focus on incorporating CPIC processes into business practices to facilitate budgetary investment decisions and track IT system implementation and investment performance. Reclamation's Chief Information Office (CIO) also has developed a plan to incorporate GAO's IT Investment Management framework into existing processes, as discussed in the E-government Scorecard and Interior Strategic Plan. Funding needs for business case development and maintenance have been identified and increased funding will be needed to address recent OMB requirements for project management training and certification.

Reclamation has established an IT Portfolio which is used for capital planning, IT security tracking, architecture, and other IT management. Reclamation continues to refine the content of that portfolio each year as the IT environment and business requirements change. Reclamation is also improving the business processes used to manage the systems in the portfolio.

Information Technology Security

Reclamation plans to continue diligent evaluation and implementation of IT security requirements. Cyber security improvements include implementing audit recommendations related to IT security, contractor

support for security studies and assessments, physical security for IT, secure communications, background clearances for IT personnel, and IT security training. Funding includes participation in Interior's IT Security Awareness training, training for IT security professionals (including several Certified Information System Security Professionals), and security training for other IT professionals. Reclamation is in the process of completing enhancements to its IT security posture as a result of a variety of system-specific IT security assessments and audits. The results of these assessments and audits are being used to address cyber security issues and to refine priorities and better organize near-term security activities.

A number of baseline security policies, directives and standards, and guidance materials have been developed and implemented at both the Reclamation and Departmental levels. These documents, along with perimeter protection hardware and software products, have enabled Reclamation to substantially reduce its vulnerability to Internet-based and other internal and external threats. Activities are focused on the mitigation of weaknesses found during the Certification and Accreditation (C&A) process, most of which are funded by the IT security portion of the IT system budgets. Additional activities will address and minimize dial-in threats, establish extranets, improve awareness and management training programs, identify internal governance processes and remediation procedures, institute broad-scope testing methodologies, and complete the C&A of new systems and those requiring re-accreditation.

Spectrum Relocation

In December 2004, the Congress passed and the President signed the Commercial Spectrum Enhancement Act (CSEA, Title II of P.L. 108-494), creating the Spectrum Relocation Fund (SRF) to streamline the relocation of Federal systems from certain spectrum bands to accommodate commercial use by facilitating reimbursement to affected agencies of relocation costs. The Federal Communications Commission has allocated this spectrum for Advanced Wireless Services, and plans to auction it as early as June 2006. Funds will be made available to agencies following the crediting of auction receipts to the SRF, anticipated in fiscal year 2007. Following the transfer of funds from the SRF to agency accounts, system relocation efforts will commence. The amounts reported here (see Budget Authority located on page 8 of the "General Statement") are the agency's estimated relocation costs, as approved by the Office of Management and Budget, and as reported to the Congress by the Department of Commerce in December 2005. Funds are mandatory and will remain available until expended, and agencies will return to the SRF any amounts received in excess of actual relocation costs.

Exhibit 53 Summary Table of Bureau of Reclamation Information Technology Investments over \$200,000					
			(\$ millions)		
		2006	2007	Change	Rationale For
		Enacted	Request	From 2006	Significant Change
Bureau Major Investments					(>10%)
1/	Central Valley Automated Central System (CVACS)	1.819	1.713	-\$0.106	N/A
	Corporate Data Warehouse (CDW)	0.607	0.652	\$0.045	N/A
1/	Grand Coulee Power Office Supervisory Control and Data Acquisition (GCPO SCADA)	0.607	4.582	\$3.975	Increase due to system upgrade funded by Power Users
	Program and Budget System (PABS)	1.000	1.042	\$0.042	N/A
1/	Hoover Supervisory Control and Data Acquisition (HSCADA)	0.320	3.164	\$2.844	Increase due to system upgrade funded by Power Users
	Reclamation Electronic Document System (REDS)	1.800	0.5	-\$1.300	Decrease due to lower costs as system enters maintenance phase
1/ 2/	Colorado River Storage Project Supervisory Control and Data Acquisition (CRSP SCADA)	0.130	0.543	\$0.413	Increase due primarily to increased labor costs.
3/	Reclamation Mission Support System (RMSS)	35.725	38.757	\$3.032	System investment is 80% labor. Increase primarily due to increased labor costs.
Subtotal - Major Investments		\$42.008	\$50.953	\$8.945	
Other Investments - Total		\$57.893	\$48.374		
Bureau Total IT Investment Portfolio		\$99.771	\$99.327		
1/ Funding for these investments is from the Water and Related Resources Account.					
2/ CRSP SCADA was upgraded from a Non-Major Investment to a Major Investment because it has been identified as a National Critical Infrastructure Information System (NCIIS)					
3/ RMSS is a compilation of business information from the Denver Office, Pacific Northwest, Mid-Pacific, Lower Colorado, Upper Colorado and Great Plains regional general support systems.					