



DEPARTMENTAL OFFICES

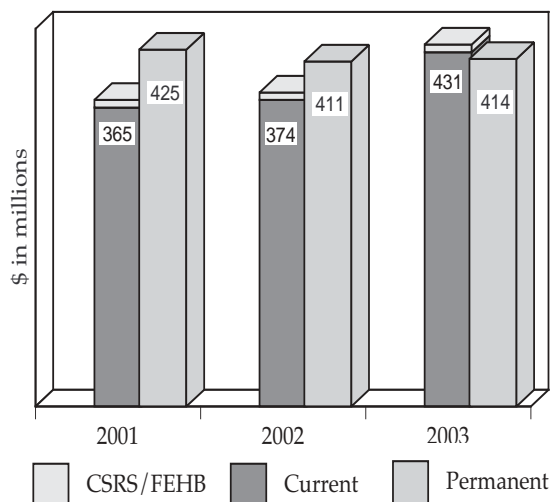
Overview - The Department of the Interior's mission is to protect and provide access to the Nation's natural and cultural heritage and honor the trust responsibilities to Indian Tribes. Interior manages the Nation's public lands and minerals, parks, and wildlife refuges. It promotes responsible use of western water resources.

The Department has responsibility for such wide-ranging programs as fulfilling Indian trust responsibilities; migratory wildlife conservation; historic preservation; endangered species protection; restoration of surface-mined lands; non-defense mapping; and leasing Federal minerals. Its bureaus provide the on-the-ground effort needed to accomplish the Department's mission.

The Departmental Offices principally provide leadership, management, and coordination activities for these responsibilities. They also provide support services used by the bureaus to accomplish their work. These include legal services through the Solicitor's Office and the audits and investigations of the Inspector General. The Office of the Secretary provides executive direction for the Department and guides and coordinates all of the Department's administrative activities such as finance, information resources, procurement and acquisition, human resources, and budgeting. The Office of Hearings and Appeals conducts administrative hearings and appeals. The National Business Center provides administrative and systems services to Interior's bureaus and offices in a consolidated, cost-effective manner.

Within the Departmental Offices are several other significant programs. These include: the Office of Insular Affairs, which provides assistance to insular areas; the Office of the Special Trustee for American Indians, which manages and discharges the Secretary's responsibilities for about \$3.1 billion in trust assets of American Indians; the Natural Resources Damage Assessment and Restoration program, which coordinates the Department's natural resources damage assessment and restoration efforts; and the National Indian Gaming Commission, which regulates certain Indian gaming activities.

Departmental Offices Funding



Office of the Secretary

Mission - The Departmental Management appropriation funds the Office of the Secretary which provides the executive level leadership, policy, guidance, and coordination needed to manage the diverse, complex, and nationally significant programs that are the Department of the Interior's responsibilities.

Program Overview - The Department is comprised of eight bureaus, each with a unique mission. The Department's 2003 budget includes a request of \$10.6 billion to accomplish its mission, and projects the collection of \$6.0 billion in receipts. Its employees are geographically dispersed across the entire United States and include physical and social scientists, historians, architects, engineers, attorneys, trust officers, rangers, law enforcement officers, teachers, and construction and maintenance workers. The Department will issue thousands of leases for oil and gas or geothermal exploration and development; deliver water to 31 million people; maintain and operate over a thousand parks, wildlife

refuges, and recreational areas, hosting millions of visitors; and educate over 48,000 Indian children. The Department owns over 57,000 buildings and facilities and serves as steward for approximately half a billion acres of land. Successfully leading such a dynamic organization, while a sizable task, is accomplished with approximately seven tenths of one percent of the Interior's total budget.

The majority of activities associated with the Office of the Secretary are funded from the Departmental Management appropriation and are located in Washington, D.C. Field offices, located across the country, are used for work associated with environmental protection; Indian probate, hearings, and appeals; and aircraft services.

The National Business Center provides major administrative systems and services to Interior bureaus and offices, and other Federal agencies on a fully reimbursable basis. The NBC's major business lines include financial management, payroll and personnel, aircraft services, procurement and electronic commerce, web development, quarters management, drug testing, career development and on-line training, information technology and telecommunications, and facilities and property. The centralization and standardization of administrative systems eliminates redundancies, streamlines the implementation of technological improvements and programmatic or regulatory changes, and achieves savings through economies of scale. The NBC often partners with contractors to adapt their systems to the Federal sector.

Budget Overview - The 2003 budget request for Departmental Management is \$82.2 million, including \$3.6 million for a government-wide legislative proposal to shift to agencies the full cost of the CSRS pension system and the Federal employee health benefits program for current employees. Without the legislative proposal, the request is \$78.6 million, a net increase of \$10.9 million above the amount provided in the 2002 Interior and Related Agencies Appropriation Act. The 2003 budget provides \$2.3 million for increased uncontrollable costs; \$655,000 of these costs are being absorbed.

Major increases include \$5.3 million for enhanced law enforcement and security, \$150,000 for increased staff costs involved with strategic planning and implementing major Department-wide management improvements, and \$3.3 million to fund payments to the Department of Labor for the cost of administering the Federal Employee's Compensation Act program. This latter change is in accordance with Administration's policy that full program costs are to be billed to the benefiting agency.

The proposed 2003 law enforcement funding includes \$1.7 million to continue enhanced guard services for the

main Interior building provided in the emergency supplemental appropriation contained in the 2002 Defense Appropriation Act. It also includes \$2.0 million to offer blast protection from shattering windows at the main Interior complex and \$900,000 to upgrade emergency communications and security access within the complex. Finally, the 2003 proposal seeks \$684,000 to improve coordination of the Department's law enforcement programs, which are conducted by seven separate organizational units within five bureaus.

Management Excellence - Departmental Management offices are coordinating and leading implementation of the Secretary's management strategy including the President's five government-wide initiatives for strategic management of human capital, competitive sourcing, improved financial performance, expanded electronic government, and budget and performance integration. Departmental Management will take the lead in initiatives such as: developing comprehensive workforce plans to guide staffing, training, and succession management; reviewing the potential to restructure process oriented aspects of human resources operations, information technology support, and acquisition management; ensuring that the Department meets the requirements of the Federal Activities Inventory Reform Act; and developing a new strategic plan for 2003 that will be released in the spring of 2002.

Priority Land Acquisitions - The 2003 budget includes \$3.0 million to implement a habitat and water rights acquisition program authorized in the Shivwits Band of Paiute Indians Land and Water Settlement Act. This funding is to be derived from the Land and Water Conservation Fund. The funds requested in this account and under BIA Land and Water Settlements will complete the Federal commitment for the Shivwits settlement.

Office of Insular Affairs

Mission - The Office of Insular Affairs' mission is to assist the islands in developing more efficient and effective government by providing financial and technical assistance and to help manage Federal-island relations by promoting appropriate Federal policies.

Budget Overview - The 2003 OIA budget request is \$91.2 million in current appropriations, including \$209,000 for a government-wide legislative proposal to shift to agencies the full cost of a CSRS pension system and the Federal employee health benefits program for current employees. Without the legislative proposal, the current request is \$91.0 million, a net decrease of \$11.2 million below the 2002 enacted level. The request includes \$51.2 million in discretionary appropriations and \$39.7 million in manda-

tory appropriations. The 2003 OIA budget totals \$343.5 million, including \$252.4 million in permanent and indefinite appropriations.

The discretionary request includes an increase of \$750,000 to support additional staffing for oversight of Compact of Free Association financial assistance. Renewed financial assistance for two of the three Freely Associated States is currently being negotiated. Improved oversight and accountability are key goals for this second round of financial assistance. The requested increase will create, staff, and equip a new office for Compact oversight.

The budget request includes a number of decreases associated with one-time 2002 congressional increases, including \$2.0 million to forgive a Federal Emergency Management Agency loan to the Virgin Islands and \$200,000 to fund a Virgin Islands utility study. The discretionary budget request also eliminates funding for increases provided in 2002 for impact of Compact assistance to Guam (-\$1.8 million), the Commonwealth of the Northern Mariana Islands (-\$1.5 million), and the State of Hawaii (-\$4.0 million). The budget proposes to continue allocating \$4.6 million of mandatory Covenant grant funds to Guam for impact of Compact; the statutory earmark requiring this allocation expired in 2001. The 2003 budget will continue to provide some impact relief to the CNMI by raising its allocation of Covenant grant funds for impact of Compact assistance from \$500,000 to \$840,000. This \$340,000 increase will be offset by reducing mandatory funding for the CNMI immigration, labor, and law enforcement initiative. This second step-down in funding for the CNMI initiative is made possible by the other Federal agencies, such as the Immigration and Naturalization Service, Department of Labor, and Department of Justice, assuming a greater share of the cost of maintaining a presence and performing their functions in the CNMI. The discretionary request also reflects a \$50,000 decrease for administrative savings that OIA will achieve, in part, through reduced travel.

The \$2.5 million decrease in current mandatory funding request reflects a one-time increase of \$2.5 million in 2002 for a grant to the Marshall Islands for extension of the Military Use and Operating Rights Agreement under the Compact of Free Association.

Office of the Solicitor

Mission - The Office of the Solicitor's mission is to provide high quality legal services to the Secretary and the Department's offices and bureaus.

Program Overview - The Office's attorneys provide legal advice and counsel to all areas of the Department in order

to assure that the Department's programs and initiatives are carried out in a manner consistent with applicable law and regulations. They prepare formal legal opinions; review draft legislation, regulations, contracts, and other documents; and provide informal legal advice in a wide variety of circumstances. In addition, the Office's attorneys represent the Department in administrative litigation and assist the Department of Justice with judicial litigation involving the Department. The Office's headquarters is located in Washington, D.C.; 18 regional and field offices are located throughout the United States.

Budget Overview - The 2003 budget request is \$49.6 million including an increase of \$1.8 million for a government-wide legislative proposal to shift to agencies the full cost of the CSRS pension system and the Federal employee health benefits program for current employees. Without the legislative proposal, the request is \$47.8 million, an increase of \$2.8 million over the 2002 enacted level. This amount includes an increase of \$1.3 million to cover uncontrollable costs. The remaining \$1.5 million is requested for the Office's information technology requirements and cost to convert three client-funded attorney positions to the Office's direct appropriation.

Office of Inspector General

Mission - The Office of Inspector General promotes excellence in the programs, operations, and management of the Department of the Interior.

Program Overview - The OIG is the Department's focal point for independent and objective reviews of the integrity of departmental programs and operations. It is responsible for objectively and independently assessing major issues that directly impact, or could impact, the Department's ability to accomplish its mission and for keeping the Secretary and the Congress fully and currently informed about problems and deficiencies relating to the administration of the Department's programs. The OIG accomplishes its mission by providing policy direction for and conducting, supervising, and coordinating audits and investigations of Departmental programs and operations and negotiating indirect cost rates for State, local, tribal, and insular area governments. The OIG headquarters is located in Washington, D.C., with field offices and/or staff locations in 15 sites across the United States, Guam, and the U.S. Virgin Islands.

Budget Overview - The 2003 budget request for the OIG is \$38.2 million, including \$1.6 million for a government-wide legislative proposal to shift to agencies the full cost of the CSRS pension system and the Federal employee health benefits program for current employees. Without the legislative proposal, the request is \$36.7 million, an

increase of \$2.4 million over the 2002 enacted level. This figure includes \$1.3 million to cover uncontrollable costs, and \$1.1 million for audit-related activities including: one-time relocation costs to move auditors to locations where work demands are the greatest; a new automated audit work papers system; a new investigations electronic knowledge management and performance tracking system; and critical information infrastructure and security enhancements.

Office of the Special Trustee for American Indians

Mission - The Office of the Special Trustee for American Indians oversees and coordinates Indian trust asset reform efforts Department-wide to ensure the oversight and establishment of policies, procedures, systems, and practices that allow the Department to effectively discharge its trust responsibilities. OST has operating responsibility for financial trust fund management, including investment, collection, and disbursement of Indian trust funds. Additional trust functions of the Department are carried out by BLM, MMS, BIA, the Office of Hearings and Appeals, and the Office of Historical Trust Accounting in the Office of the Secretary.

Program Overview - The Office of the Special Trustee manages \$3.1 billion of funds held in 1,400 trust accounts for roughly 290 Indian Tribes and about 250,000 open accounts for individual Indians. The balances of funds that have accumulated in the Indian trust accounts are derived from various sources, including payments for land cessions by treaty; proceeds from sales of land under confiscatory acts of Congress; proceeds from sales and leases of tribal lands and natural resources uses such as mining, timber, and grazing; judgment awards made by the Indian Claims Commission and the U. S. Claims Court; monies appropriated to fund legislative settlements; and interest on trust fund investments.

Following the currently on-going consultation with Tribes and individual Indians, the programs and activities of OST that are not related to oversight of trust programs and reform initiatives may be transferred to a new trust organization. Input from the consultations will be used to design a new trust organization to facilitate trust reform initiatives and to strengthen ongoing trust asset management activities.

Budget Overview - The 2003 request for OST is \$160.6 million, including \$1.6 million for a government-wide shift to agencies of the full cost of the CSRS pension system and the Federal employee health benefits program for current employees. Without the legislative proposal, the request is \$159.0 million, a net increase of \$48.8 million above the enacted level. The 2003 request,

along with planned carryover from prior years, will provide the resources necessary to continue to make progress on trust reform efforts in 2003. The total request for OST in 2003 includes \$80.0 million for trust improvement projects. Within the total, breaches projects are funded at \$3.7 million and the newly created Office of Historical Trust Accounting is funded at \$16.5 million.

The 2003 requests reflects full operational status of the trust funds accounting system by moving funding for this activity from the trust reform initiatives to the Office of Trust Funds Management. In 2003, the request for OTFM is \$39.5 million, an increase of \$7.2 million over the 2002 level. The requested program increase provides \$4.7 million to improve financial services to account holders and \$2.5 million for TFAS operations. In addition, OST requests new authority and funds to correct administrative errors in account transactions.

Since 1998, trust reform efforts under the trust management improvement project have been planned and executed according to guidelines laid out in the High Level Implementation Plan. In 2001, Electronic Data Systems was retained to independently evaluate the HLIP sub-projects, with special emphasis on the trust asset and accounting management system and related data clean-up subprojects. The 8th Status Report to the Court on trust reform, released on January 16, 2002, reported on EDS's findings. The 8th Report explained that Interior is reassessing trust reform efforts to date and considering adopting a more goal-oriented, integrated strategic plan and management structure to guide future progress.

While some projects will continue with moderate revisions, other projects will be subject to major re-evaluation and rigorous planning and design specification before further implementation. While no final decision has been made, the EDS report recommends that deployment of the title module of TAAMS, which as of October, 2001 was the system of record in four BIA regions, be accelerated to all regions as soon as possible, and that TAAMS deployment be coordinated with data cleanup efforts being performed by the current contractor.

The 2003 request provides \$20.0 million for trust asset management accounting systems, an increase of \$6.0 million over 2002, and \$8.0 million for BIA's data cleanup program, an increase of \$5.0 million over 2002. The request for OST's data cleanup project is \$3.5 million, an increase of \$2.5 million. The request includes an increase of \$6.0 million for risk management for a total of \$10.7 million and increases of \$4.0 million each for the records management reform project (for a total of \$10.4 million) and policies and procedures projects (for a total of \$5.0 million). To strengthen oversight, the request includes an

increase of \$5.1 million for trust improvement coordination activities for a total of \$6.0 million. These increases are offset by a decrease of \$2.2 million for OST's training activity, for a 2003 total of \$4.3 million, made possible by anticipated successful completion of general trust training. As the Department completes the consultation process on reorganization and its review of the EDS report, revisions to aspects of this request may be proposed.

The 2003 request includes \$3.7 million to respond to orders from district and appellate courts in the *Cobell* case to continue to correct three breaches of statutory trust duties: information collection to collect missing information from outside sources; computer systems architecture to establish computer and business systems platforms and rules; and workforce planning to determine the appropriate staffing for trust management functions.

The 2003 request also includes \$16.5 million for the historical accounting project, an increase of \$9.0 million over the 2002 enacted level. The Office of Historical Trust Accounting was created by Secretarial order on July 10, 2001 and charged with planning, organizing, directing, and executing a historical accounting of individual Indian money accounts. OHTA has developed a blueprint for developing a comprehensive plan for the historical accounting. The comprehensive plan will be presented to Congress in 2002. In 2003, OHTA will outsource with contractors or other Departmental bureaus and offices to begin implementing the comprehensive plan.

The Indian Land Consolidation program, which acquires small ownership shares in allotted lands, is a key component in trust reform and management. The 2003 request includes \$8.0 million for the fifth year of the program, a decrease of \$3.0 million. With expected carryover funds from prior years, it is anticipated that approximately \$15.0 million will be available for the land consolidation program to continue land acquisition. In 2003, BIA will continue to redetermine and redistribute fractional interests in allotted Indian lands that were found in the *Youpee* case to have unconstitutionally escheated to Tribes under the 1983 Indian Land Consolidation Act, as amended. The *Youpee* program involves reopening approximately 13,000 estates containing approximately 178,000 fractional interests in allotted lands. In 2003, BIA expects to fully implement the Indian Land Consolidation Amendments of 2000, including estate planning training and amending the existing uniform probate standards for processing descent and distribution of interests in allotted lands. As with other aspects of Trust reform, the final amount of the budget request may be revised.

Natural Resource Damage Assessment and Restoration Program

Mission - Appropriations and recoveries to the Restoration Program enable the Department to identify, evaluate, and conduct damage assessments of natural resource injuries resulting from oil spills and hazardous substance releases. Damage assessment activities identify and quantify the injuries, and form the basis for legal action against the responsible parties, usually resulting in negotiated legal settlements. Restoration activities are then either carried out or funded by the responsible parties as compensation for the injury. These may include the replacement and protection of affected resources, acquisition of equivalent resources and services, and long-term environmental monitoring. These actions are taken on behalf of the public and in partnership with other natural resource trustees, including States, Tribes, and other Federal agencies. Responsible parties are also given an opportunity to participate in the assessment and restoration process by way of cooperative agreements.

Program Overview - The Restoration Program is a Departmental program drawing upon the interdisciplinary strengths of its various bureaus and offices. The Program has three principal components: restoration, natural resource damage assessment, and program management. Restoration of damaged lands and resources is the primary focus of the Restoration Program. Damage assessments are used to ascertain injuries to natural resources, and restoration settlements provide the means to implement appropriate restoration and protection of those resources for present and future generations. Program management provides coordination, management, and direction, and oversees actions, projects, or policies to ensure that priority damage assessments are completed in a manner consistent with approved guidelines, and that site restoration occurs as expeditiously as possible.

Budget Overview - The 2003 request for the Restoration Program totals \$50.4 million and includes \$44.5 million in permanent appropriations. For current appropriations, \$5.9 million is requested, including \$337,000 for the government-wide legislative proposal to shift to agencies the full cost of the CSRS pension system and the Federal employee health benefits program for current employees. Without the legislative proposal, the request is \$5.6 million, an increase of \$41,000 over the 2002 enacted level. The \$5.6 million includes \$3.9 million for damage assessment projects, \$1.4 million for program management activities, and \$250,000 for restoration support. The \$41,000 increase is to fund uncontrollable cost increases.

The \$44.5 million for permanent appropriations represents the anticipated amount of settlement receipts to be recovered in settled damage assessment cases. These receipts are used exclusively for restoring damaged lands and resources or to reimburse Interior for past assessment costs, which are in turn used to fund additional high priority damage assessment activities at other sites.

National Indian Gaming Commission

Mission - The National Indian Gaming Commission regulates gaming activities on Indian lands for the purpose of shielding Indian tribes from organized crime and other corrupting influences. It also ensures that Indian tribes are the primary beneficiaries of gaming revenues and that gaming is conducted fairly and honestly by both operators and players.

Program Overview – The Commission conducts investigations, undertakes enforcement actions, and conducts background investigations, audits, and reviews of gam-

ing operations. The NIGC issues regulations necessary to meet its responsibilities under the Indian Gaming Regulatory Act and provides oversight to over 300 tribally owned, operated, or licensed gaming establishments operating in 28 states.

Budget Overview – The 2003 request for the NIGC is \$2.0 million in appropriated funds, in addition to its anticipated fee revenue of \$7.9 million, to assure effective oversight of Indian gaming. The Indian Gaming Regulatory Act authorizes an appropriation of up to \$2.0 million for the operational expenses of the Commission. In recent years, Commission operations have been funded entirely from fees assessed on tribal gaming revenues, within the legislative fee cap of \$8.0 million. However, with the recent dramatic growth in Indian gaming, additional funds are needed to provide effective oversight. To fund this increased need over the long term, legislation will be proposed to change the current statutory limitation on annual assessments and thus provide funding commensurate with the increased workload.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2003 Request with 2002 Enacted (without the CSRS/FEHB legislative proposal):

	2002 Enacted		2003 Request		Change from 2002	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Departmental Management ^{1/}	416	67,741	423	78,596	+7	+10,855
Priority Federal Land Acquis. and Exch.	0	0	0	3,000	0	+3,000
Assistance to Territories	34	78,950	38	70,217	+4	-8,733
Compact of Free Association	0	23,245	0	20,745	0	-2,500
Office of the Solicitor	335	45,000	335	47,773	0	+2,773
Office of Inspector General	252	34,302	252	36,659	0	+2,357
Office of Special Trustee for American Indians ...	412	99,224	470	151,027	+58	+51,803
Indian Land Consolidation	0	10,980	0	7,980	0	-3,000
Natural Resource Damage Assessment	4	5,497	4	5,538	0	+41
National Indian Gaming Commission	0	0	11	2,000	+11	+2,000
Subtotal, Appropriations	1,453	364,939	1,533	423,535	+80	+58,596
Permanents and Other						
Working Capital Fund	993	0	993	0	0	0
Reimbursements - Interior Franchise Fund	0	0	0	0	0	0
Payments to U.S. Territories, Fiscal Assistance ...	0	106,000	0	106,000	0	0
Compact of Free Association	0	144,616	0	146,357	0	+1,741
Everglades Restoration	1	0	1	0	0	0
Payment for Trust Accounting Deficiencies	0	0	0	6,700	0	+6,700
OST - Tribal Special Funds	0	73,685	0	76,918	0	+3,233
OST - Tribal Trust Fund	0	32,155	0	33,628	0	+1,473
Natural Resource Damage Assessment	0	54,091	0	44,526	0	-9,565
National Indian Gaming Commission	73	7,900	74	7,900	+1	0
Allocation Account	56	0	56	0	0	0
Reimbursements - Departmental Management ...	95	0	88	0	-7	0
Reimbursements - Office of the Solicitor	49	0	49	0	0	0
Reimbursements - Office of Inspector General	3	0	3	0	0	0
Subtotal, Other Accounts	1,270	418,447	1,264	422,029	-6	+3,582
TOTAL, DEPARTMENTAL OFFICES	2,723	783,386	2,797	845,564	+74	+62,178

Comparison of 2003 Request with 2002 Enacted (with the CSRS/FEHB legislative proposal):

	2002 Enacted		2003 Request		Change from 2002	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Departmental Management ^{1/}	416	71,318	423	82,228	+7	+10,910
Assistance to Territories	34	79,155	38	70,426	+4	-8,729
Office of the Solicitor	335	46,788	335	49,616	0	+2,828
Office of Inspector General	252	35,854	252	38,225	0	+2,371
Office of Special Trustee for American Indians ...	412	100,732	470	152,590	+58	+51,858
Natural Resource Damage Assessment	4	5,823	4	5,875	0	+52
All other appropriations	0	34,225	11	33,725	+11	-500
Subtotal, Appropriations	1,453	373,895	1,533	432,685	+80	+58,790
Permanents and Other	1,270	418,447	1,264	422,029	-6	+3,582
TOTAL, DEPARTMENTAL OFFICES	2,723	792,342	2,797	854,714	+74	+62,372

^{1/} The 2002 enacted column excludes the \$2,205 provided for counter-terrorism activities in Departmental Management in the 2002 Defense Appropriations Act, P.L. 107-117

HIGHLIGHTS OF BUDGET CHANGES
By Appropriation Activity/Subactivity

APPROPRIATION: Departmental Management

	<u>2001 Actual</u>	<u>2002 Enacted</u> ^{1/}	<u>2003 Request</u>	<u>Change from 2002 Enacted</u>
Departmental Direction	12,240	12,964	13,405	+441
Management and Coordination	23,798	25,425	26,455	+1,030
Hearings and Appeals	8,288	8,039	8,198	+159
Central Services	18,963	20,429	26,429	+6,000
USBM Workers Compensation Costs	888	884	4,109	+3,225
TOTAL (without CSRS/FEHB)	64,177	67,741	78,596	10,855
CSRS/FEHB legislative proposal	3,473	3,577	3,632	+55
TOTAL (with CSRS/FEHB)	67,650	71,318	82,228	+10,910

^{1/} The 2002 enacted column excludes the \$2,205 provided for counter-terrorism activities in Departmental Management in the 2002 Defense Appropriations Act, P.L. 107-117.

Highlights of Budget Changes

	<u>Amount</u>
Uncontrollable Costs	[+2,931]
Departmental Direction	+441
<p>As a result of the terrorist attacks on September 11, 2001 and the Inspector General's assessment of law enforcement in the Department, changes are needed to strengthen law enforcement and security in order to provide central and consistent direction, oversight, and coordination Department-wide. To lead this effort, a Deputy Assistant Secretary for Law Enforcement and Security will be established in the Office of the Assistant Secretary for Policy, Management, and Budget (+248). Uncontrollable costs total \$368 of which \$227 are budgeted and \$141 are absorbed. The budget includes a reduction of \$34 for travel and transportation.</p>	
Management and Coordination	+1,030
<p>In order to successfully comply with the provisions of the Government Performance and Results Act regarding strategic plans, performance plans, and the performance reports plus coordinate the Department's management reform initiatives, additional resources are required by the Office of Planning and Performance Management. (+150)</p> <p>After the events of September 11, an Office of Law Enforcement and Security was established from the Law Enforcement and Security Team, which was formerly part of the Office of Managing Risk and Public Safety. In order to provide Department-wide leadership, additional resources are required to establish a watch office and increase counter terrorism, intelligence, and national coordination activities. (+436)</p> <p>Uncontrollable costs total \$837 of which \$496 are budgeted and \$341 are absorbed. The budget includes a reduction of \$52 for travel and transportation.</p>	
Hearings and Appeals	+159
<p>Uncontrollable costs total \$292 of which \$173 are budgeted and \$119 are absorbed. The budget includes a reduction of \$14 for travel and transportation.</p>	
Central Services	+6,000
<p>The contract for security at the Main and South Interior buildings will be expanded to include additional guards, some of whom will be armed. This is in keeping with the heightened security levels at the complex. (+1,700)</p>	

An analysis of the events immediately following the incidents of September 11, indicated that some physical security enhancements were needed in the Main and South Interior buildings. A public address system will be installed to provide an acceptable system to simultaneously communicate evacuation information to all occupants of these buildings in the event of an emergency (+650).

A new employee security access control system will be installed that will upgrade the present access system to meet building evacuation and emergency requirements. The new system will include: integration of both security and safety requirements; adoption of smart card technology; and duplication of data bases at off-site locations in the event of a building evacuation (+250). Finally, to protect those inside the buildings in the event of an explosive blast from outside the building, Mylar will be installed over windows to reduce vulnerability to hazardous window failure. (+2,000)

A one-time reduction to the summer intern program will be used to fund the Office of the Secretary's share of the cost to develop an Enterprise IT Architecture. (-23) Uncontrollable costs total \$1,477 of which \$1,423 are budgeted and \$54 are absorbed.

USBM & DOL Workers Compensation Costs +3,225

Beginning in 2003, the Department will reimburse the Department of Labor for the program administration costs that it incurs in support of the Worker's Compensation Program. The Department elected to fund this expense from the Departmental Management appropriation rather than split the cost between the bureaus and offices of the Department (+3,268). Budgeted uncontrollable costs total -\$43.

APPROPRIATION: Federal Priority Land Acquisitions and Exchanges

	<u>2001 Actual</u>	<u>2002 Enacted</u>	<u>2003 Request</u>	<u>Change from 2002 Enacted</u>
TOTAL APPROPRIATION	0	0	3,000	+3,000

Highlights of Budget Changes

	<u>Amount</u>
Priority Federal Land Acquisitions and Exchanges	+3,000
The budget includes funds for the settlement of the water claims of the Shivwits Band Of the Paiute Indian Tribe of Utah. Public Law 106-263 specifies the use of the Land and Water Conservation Fund for implementation of the water rights and habitat acquisition program. (+3,000).	

APPROPRIATION: Assistance to Territories

	<u>2001 Actual</u>	<u>2002 Enacted</u>	<u>2003 Request</u>	<u>Change from 2002 Enacted</u>
American Samoa				
Operations Grants	23,003	23,100	23,100	0
Northern Marianas				
Covenant Grants (Mandatory)	27,720	27,720	27,720	0
Territorial Assistance				
Office of Insular Affairs	4,385	4,528	5,295	+767
Technical Assistance	13,631	16,961	7,461	-9,500
Maintenance Assistance Fund	2,295	2,300	2,300	0
Disaster Assistance	0	0	0	0
Brown Tree Snake	2,345	2,350	2,350	0
Insular Management Controls	1,488	1,491	1,491	0
Coral Reef Initiative	499	500	500	0

	<u>2001 Actual</u>	<u>2002 Enacted</u>	<u>2003 Request</u>	<u>Change from 2002 Enacted</u>
American Samoa Loan Subsidy	3,097	0	0	0
Subtotal, Territorial Assistance	27,740	28,130	19,397	-8,733
TOTAL (without CSRS/FEHB)	78,463	78,950	70,217	-8,733
CSRS/FEHB legislative proposal	218	205	209	+4
TOTAL (with CSRS/FEHB)	78,681	79,155	70,426	-8,729

Highlights of Budget Changes

	<u>Amount</u>
Uncontrollable Costs	[+120]
Northern Marianas Covenant Grants (Mandatory)	+0
<p>The request consists of a \$340 decrease in the CNMI Initiative and a corresponding \$340 increase for impact of Compact assistance to the CNMI. The reduction will be achieved by decreasing the initiative funds available to other Federal agencies. The CNMI needs this impact aid, which is authorized by Section 104(e) (6) of P.L. 99-239, to deal with recent increases in immigration from the freely associated states. The requested funds will be used for new construction in projects related to social services, and will partially offset the impact of immigrants on those services.</p>	
General Technical Assistance	-9,500
<p>The net decrease is based on elimination of the following previously funded items: a \$7.3 million congressional increase in 2002 for impact of compact aid to the governments of Hawaii, Guam and the CNMI; a \$2 million one-time increase provided by Congress in 2002 for FEMA loan forgiveness for the Virgin Islands; and an unrequested congressional increase of \$200 for a grant to the Virgin Islands Water and Power Authority to conduct a privatization study.</p>	
Office of Insular Affairs	+767
<p>The net increase is based on a decrease of \$50 for management streamlining and a program increase of \$750 for 4 FTEs to monitor and oversee renegotiated assistance to the Freely Associated States. Uncontrollable costs total \$120, of which \$67 are budgeted and \$53 are absorbed.</p>	

APPROPRIATION: Compact of Free Association

	<u>2001 Actual</u>	<u>2002 Enacted</u>	<u>2003 Request</u>	<u>Change from 2002 Enacted</u>
Compact of Free Association	7,338	7,354	7,354	0
Mandatory Payments	12,000	14,500	12,000	-2,500
Enewetak Support	1,388	1,391	1,391	0
TOTAL APPROPRIATION	20,726	23,245	20,745	-2,500

Highlights of Budget Changes

	<u>Amount</u>
Program Grant Assistance (Mandatory)	-2,500
<p>Decrease based on the elimination of the one-time payment in 2002 of \$2.5 million to the Republic of the Marshall Islands as required by Section 3(a) of Article X of the "Agreement Regarding the Military Use and Operating Rights of the Government of the United States in the Marshall Islands concluded pursuant to Sections 321 and 323 of the Compact of Free Association."</p>	

APPROPRIATION: Office of the Solicitor

	<u>2001 Actual</u>	<u>2002 Enacted</u>	<u>2003 Request</u>	<u>Change from 2002 Enacted</u>
Legal Services	33,556	37,276	38,432	+1,156
General Administration	6,552	7,724	9,341	+1,617
TOTAL (without CSRS/FEHB)	40,108	45,000	47,773	+2,773
CSRS/FEHB legislative proposal	1,786	1,788	1,843	+55
TOTAL (with CSRS/FEHB)	41,894	46,788	49,616	+2,828

Highlights of Budget Changes

	<u>Amount</u>
Uncontrollable Costs	[+1,854]
Legal Services	+1,156
An increase is requested to convert three client-funded attorney positions to the Office's direct appropriation. (+300) Uncontrollable costs total \$1,366 of which \$856 are budgeted and \$510 are absorbed.	
General Administration	+1,617
An increase is requested for the Office's information technology requirements. (+1,175) Uncontrollable costs total \$488 of which \$442 are budgeted and \$46 are absorbed.	

APPROPRIATION: Office of Inspector General

	<u>2001 Actual</u>	<u>2002 Enacted</u>	<u>2003 Request</u>	<u>Change from 2002 Enacted</u>
Audit	13,445	18,680	19,782	+1,102
Investigations	6,486	6,763	7,266	+503
Program Integrity	1,397	1,457	1,496	+39
Policy & Management	6,457	7,402	8,115	+713
TOTAL (without CSRS/FEHB)	27,785	34,302	36,659	+2,357
CSRS/FEHB legislative proposal	1,342	1,552	1,566	+14
TOTAL (with CSRS/FEHB)	29,127	35,854	38,225	+2,371

Highlights of Budget Changes

	<u>Amount</u>
Uncontrollable Costs	[+1,281]
Office of Inspector General	+2,357
The 2003 budget funds \$1,076 for audit-related activities including: one-time relocation costs to move auditors to locations where work demands are the greatest; a new automated audit work papers system; a new investigations electronic knowledge management and performance tracking system; and critical information infrastructure and security enhancements. Uncontrollable costs are fully funded at \$1,281.	

APPROPRIATION: Office of the Special Trustee for American Indians

	<u>2001 Actual</u>	<u>2002 Enacted</u>	<u>2003 Request</u>	<u>Change from 2002 Enacted</u>
Federal Trust Programs				
Executive Direction	2,187	2,496	2,781	+285
Program Ops, Support, & Improve's	107,798	96,728	148,246	+51,518
TOTAL (without CSRS/FEHB)	109,985	99,224	151,027	+51,803
CSRS/FEHB legislative proposal	1,456	1,508	1,563	+55
TOTAL (with CSRS/FEHB)	111,441	100,732	152,590	+51,858

Highlights of Budget Changes

	<u>Amount</u>
Uncontrollable Costs	[+\$1,253]
Executive Direction	+285
<p>Increased funding will allow the Office of the Special Trustee to contract for specialized technical fiduciary and trust expertise assistance for day-to-day oversight of trust operations and Department-wide reform efforts of Tribal and individual Indian trust funds (+\$151). Tribal input from will be facilitated by increased funding to support the InterTribal Monitoring Association (+\$100). Uncontrollable costs are fully funded at \$34.</p>	
Program Operations, Support, and Improvements	+51,518
<p>Net increases in funding for trust management improvements includes trust reform efforts in data clean up, asset and accounting systems development, records management and storage, and enhanced trust fund audits and risk management functions (+\$30,350) and will continue to address identified breaches of trust (+\$1,975). Additional funds are provided for historical accounting activities according to the comprehensive plan (+\$9,000). Increased funding for operational trust fund management activities will improve customer service while accommodating increased workload and contractor costs (+\$7,248). Increased demand for access to trust records will be met by an increase for the operational trust records program (+\$500). Increased funds for program support services will provide additional space, physical security, acquisition management, and other administrative support functions (+\$1,226). Uncontrollable costs are fully funded at \$1,219.</p>	

APPROPRIATION: Indian Land Consolidation Program

	<u>2001 Actual</u>	<u>2002 Enacted</u>	<u>2003 Request</u>	<u>Change from 2002 Enacted</u>
TOTAL APPROPRIATION	8,980	10,980	7,980	-3,000

Highlights of Budget Changes

	<u>Amount</u>
Uncontrollable Costs	[\$0]
Indian Land Consolidation	-\$3,000
<p>A decrease in appropriated funds in 2003 for land consolidation activities is made possible by the projected availability of carryover balances from 2002 (-\$3,000).</p>	

APPROPRIATION: Natural Resource Damage Assessment and Restoration

	<u>2001 Actual</u>	<u>2002 Enacted</u>	<u>2003 Request</u>	<u>Change from 2002 Enacted</u>
Damage Assessments	4,116	4,165	3,927	-238
Program Management	1,275	1,332	1,361	+29
Restoration Support	0	0	250	+250
TOTAL (without CSRS/FEHB)	5,391	5,497	5,538	+41
CSRS/FEHB legislative proposal	304	326	337	+11
TOTAL (with CSRS/FEHB)	5,695	5,823	5,875	+52

Highlights of Budget Changes

	<u>Amount</u>
Uncontrollable Costs	[+\$86]
Natural Resource Damage Assessment and Restoration	+41
<p>The 2003 request establishes a new subactivity entitled Restoration Support to be funded via a \$250 internal transfer from the Damage Assessment subactivity. The new subactivity will focus on increasing participation and oversight of restoration actions, as well as funding dedicated expert personnel in the field to provide much needed technical and administrative assistance in implementing restoration actions. Uncontrollable costs total \$105 of which \$41 are budgeted and \$64 are absorbed.</p>	

APPROPRIATION: National Indian Gaming Commission

	<u>2001 Actual</u>	<u>2002 Enacted</u>	<u>2003 Request</u>	<u>Change from 2002 Enacted</u>
TOTAL APPROPRIATION	0	0	2,000	+2,000

Highlights of Budget Changes

	<u>Amount</u>
Uncontrollable Costs	[\$0]
National Indian Gaming Commission	+2,000
<p>In recent years, Commission operations have been funded entirely from fees assessed on tribal gaming revenues, within the legislative fee cap of \$8 million. However, with the recent dramatic growth in Indian gaming, additional funds are needed to provide effective oversight. To fund this increased need over the long term, legislation will be proposed to change the current statutory limitation on annual assessments and thus provide funding commensurate with the increased workload (+2,000).</p>	