

Status Report to the Court Number Eleven

For the Period
July 1, 2002 through September 30, 2002



November 1, 2002

TABLE OF CONTENTS

I.	INTRODUCTION	3
II.	SECRETARY GALE NORTON’S OBSERVATIONS.....	5
III.	DEPARTMENT OF THE INTERIOR.....	7
A.	INFORMATION TECHNOLOGY	7
B.	CADASTRAL SURVEY.....	19
C.	MINERALS MANAGEMENT SERVICE.....	23
D.	WORKFORCE PLANNING.....	25
IV.	OFFICE OF INDIAN TRUST TRANSITION.....	29
A.	TRUST BUSINESS PROCESS MODELING	34
B.	INDIAN TRUST BUSINESS PLAN.....	37
C.	PROBATE	39
D.	INDIAN TRUST SYSTEMS	44
E.	TRUST DATA QUALITY ANALYSIS.....	47
F.	OFFICE OF HISTORICAL TRUST ACCOUNTING	50
V.	OFFICE OF THE SPECIAL TRUSTEE.....	62
A.	CURRENT ACCOUNTING ACTIVITIES.....	64
B.	RECORDS MANAGEMENT	70
C.	TRAINING AND TRUST MANAGEMENT STAFFING.....	74
D.	RISK MANAGEMENT AND INTERNAL CONTROLS	77
E.	APPRAISAL	81
VI.	BUREAU OF INDIAN AFFAIRS	85
A.	FRACTIONATION	85
B.	OFFICE OF TRUST POLICIES AND PROCEDURES	91

VII. ACRONYMS..... 96

I. INTRODUCTION

This 11th Report to the Court (Report) represents the period from July 1, 2002, through September 30, 2002, updating the Court on Indian trust reform and trust management activities. The Report is similar in structure to previous Reports.

Several significant events happened during this reporting period. An Acting Special Trustee for American Indians was appointed to fill the vacancy in the Office of the Special Trustee. The Acting Special Trustee is extremely well qualified to guide the work of the Office of Special Trustee (OST). Her lead on reform of the management and accounting of Indian trust funds has been one of the most successful trust reform activities underway. She has also been working closely with the Office of Indian Trust Transition (OITT) on several projects, which have shown great promise, including trust data quality, probate reform and trust systems. This work continued with staff assigned to OITT, and was monitored by the Acting Special Trustee. In addition, the Acting Special Trustee was actively involved in the “As-Is” and “To-Be” business process modeling, which is being used to create an effective trust business operating organization.

Another significant event during this reporting period was the agreement on a proposed reorganization plan with the Tribal Task Force. The Tribal Task Force proposed adding an office of Undersecretary for Indian Affairs to the Department of the Interior. The purpose of the Undersecretary’s office was to create a high level, single executive authority within the Department of the Interior that would be accountable for oversight and management of trust activities. The Tribal Task Force indicated its desire to have most of the OST functions migrate to the new Undersecretary during a one or two year transition period. These suggestions were accepted by DOI Task Force members and drafting work on the appropriate legislation to accomplish this task was undertaken. At a later meeting held in Alexandria, VA, the Tribal Task Force declined to support the legislation, and advised DOI that the tribes would be submitting their own legislative proposal. The proposal by the tribes contained language that was unacceptable to DOI.

During the consultation process, however, valuable information and ideas were developed on many subjects. This information will be the basis for continuing discussions with the tribes as DOI seeks to implement the organizational changes to accomplish trust reform and management of trust business.

A major development also occurred in the Office of Historical Trust Accounting (OHTA). OHTA completed a portion of the first phase of its accounting of Individual Indian Money (IIM) accounts. A Historical Statement of Account for judgment fund accounts for a group of account holders was completed during this reporting period. Additional account statements should be completed during the next reporting period, and a plan for the historical accounting of all funds is under development. Issuance of these historical account statements is a major step toward meeting the Court ordered account reconciliation for all account holders.

Eleventh Report to the Court
November 1, 2002

Significant progress to address trust management deficiencies was accomplished during this reporting period. The acting training coordinator, under the direction of OITT, has developed a relationship with the Cannon Financial Institute to create a trust training program for all DOI managers. This course is intended to provide managers with specific knowledge of the duties of a trustee in the performance of their fiduciary trust activities. The Cannon Financial Institute is often used by commercial trust organizations to provide similar training. The training coordinator position will be established in the Office of the Special Trustee during the next reporting period and will be responsible for the development and coordination of all trust training activities.

A vacancy announcement for the Director of the Trust Policy, Procedures and Regulatory Affairs Office was prepared and will be advertised during the next reporting period. This position will report to the Office of the Special Trustee. This person will be responsible for assembling a staff of people to complete the arduous task of bringing all trust policies and procedures into compliance.

A new section in this Report will give details about the development efforts of the Indian Trust Business Plan (Plan). This planning effort has been directed by OITT since early in calendar year 2002. It will be the first comprehensive operational plan for DOI trust operations and replaces the limited, High Level Implementation Plan reported on previously. The Mission Statement, Goals and Objectives of the Plan have been approved by the managers of affected DOI agencies and by the Tribal Task Force Plan Subcommittee. The Plan will be more fully developed during the next reporting period and is considered to be a business plan that should guide DOI's trust management efforts well into the future. The Goals and Objectives in the Plan are the foundation for the development of an operational plan for future use by DOI. The Objectives of the Plan will be accomplished through the implementation of the "To-Be" business process model during the next two-to-three years. This planning effort is not to be confused with the Court ordered plan due January 6, 2003, although some elements will be visible in both plans.

There continue to be many challenges to trust reform and the development of a trust operating business. However, there are hundreds of employees in DOI who are committing their time and talent to improving the way trust operations are performed. With the help of these people and support contractors from outside DOI, trust management improvements continue to be evident throughout DOI.

II. SECRETARY GALE NORTON'S OBSERVATIONS

This Eleventh Report to the Court describes the Department of the Interior's accomplishments, pending projects and obstacles related to trust reform and historical accounting. The report captures the magnitude, the complexity and the technological challenges that accompany these issues. It is the responsibility of the Department of the Interior to manage thousands of employees and hundreds of contractors in all regions of the country who, in turn, are responsible for millions of acres of land and accounting for millions of dollars held in trust for individual Indians and tribes.

This Department is committed to improving services for individual Indian and tribal trust beneficiaries. In the past 20 months, Interior received an independent evaluation of past trust reform efforts, created an office to plan, organize and direct the historical accounting, provided Congress with a comprehensive report on historical accounting, consulted extensively with tribal officials and proposed trust reform budgets with significant increases for trust management.

This quarter saw continuing progress toward reform. For the first time, we prepared Historical Statements of Account for individual Indians reflecting the complete history of certain judgment accounts. Numerous actions were taken to improve computer security. Senior managers worked on the trust reform and historical accounting plans for delivery to the court on January 6, 2003. Some key staff positions were filled, and new ones created.

A significant development during the past quarter was the appointment of Donna Erwin to be Acting Special Trustee for American Indians. Donna has 33 years of experience in all facets of private and public trust management. She was the Director of the Office of Trust Funds Management for seven years and Deputy Special Trustee for Systems and Projects since 2001. During Ms. Erwin's management of OTFM, the office successfully converted over 250,000 trust accounts to a well-established, commercial automated trust system. She also established standardized requirements and documentation for trust accounting transactions and quality assurance measures to mitigate risk. As Deputy Special Trustee, she restructured three major reform projects – Probate Backlog, Indian Trust Systems and Data Quality Analysis. She also established and directed the "As-Is" business process modeling effort. A member of the Muscogee-Creek Nation of Oklahoma, Ms. Erwin has 23 years of private sector banking and trust management experience. Her management skills are already making a difference in holding managers accountable for getting work done, and she is working to reorganize the Office of Special Trustee to make it more effective.

The Department's senior management spent a large amount of time this quarter consulting with tribes. Obtaining the views of Native Americans we serve is important in making decisions that affect both tribal and individual Indian beneficiaries. Consultation is, however, a long and slow process. We have discussed the options for reorganizing

Eleventh Report to the Court
November 1, 2002

DOI Indian trust functions during the past nine months. These discussions will be helpful in making final decisions.

A problem a century in the making will not be solved quickly. Serious challenges remain. For example, the unfortunate division of land ownership into tiny fractions continues at an exponential pace. This report notes, for example, that the Rosebud Sioux Reservation has in excess of 3500 fractional land interests valued at less than one dollar each. Also found in this report are instances of additional challenges such as inadequate resources, inadequate training, insufficient policy guidance and inaccessibility to the Internet.

Reform first requires understanding. The lack of an integrated comprehensive business model has hampered previous trust reform efforts. Understanding how current trust services are provided by thousands of employees in hundreds of locations is essential. We have undertaken the meticulous, painstaking work of developing an "As-Is" trust business model that describes what documents are prepared by whom, what decisions must be made when, and what information is needed for each decision. This modeling is being applied to each of the core trust processes: beneficiary services, probate, title, appraisals, cadastral surveys, surface and subsurface asset management and accounting management. Ultimately, the "As-Is" trust business model will provide important information for the development of the "To-Be" trust services business model.

The overall impact of this ongoing litigation on the Department's Indian trust management has been even more pronounced this quarter than in previous time periods. It has entered into our relations with the legislative branch, as various members of Congress issued statements commenting on the Court's recent rulings. This litigation entered into the consultation process as well. I have heard reports that plaintiffs' counsel inserted unrelated issues into that process, which proved divisive. Perhaps more importantly, departmental employees have seen highly regarded, hard-working career colleagues who have devoted their lives to public service vilified by plaintiffs' attorneys in court filings, on the Internet and in the media. I believe that this vilification has caused many of the Department's most experienced, conscientious employees to try to avoid involvement in trust matters.

Is trust reform complete? No. Is historical accounting complete? No. Will mistakes be made in the future? Yes. But the effort to accomplish trust reform and historical accounting is headed in the right direction.

Interior's senior managers and many career employees are working hard to study, investigate, and to find solutions to difficult issues. The complexity of a decentralized bureaucracy deeply tied to Indian culture, with implications for politics within Indian Country and Congress is staggering. There are few clear answers. Every employee, every tribe and every decision maker has a slightly different view of the current problems and future solutions. The following report presents our current understanding of a constantly evolving process.

III. DEPARTMENT OF THE INTERIOR

A. INFORMATION TECHNOLOGY

Introduction

The Bureau of Indian Affairs (BIA), the Office of the Special Trustee (OST) and, to a lesser extent, other agencies of DOI rely upon Information Technology (IT) systems to fulfill the trust duties to Native Americans pursuant to the American Indian Trust Fund Management Reform Act of 1994 (P.L. No. 103-412), along with other applicable statutes, regulations and Court orders. These IT systems store important information (e.g., land ownership records, interests in monetary accounts, lease payment information, records of cash disbursements) or provide various computing capabilities, including functions critical to the proper administration of the trust.

This section incorporates the related efforts taken by DOI in IT Security (including BIA Office of Information Resource Management Security) and Computer and Business Systems Architecture.

On December 5, 2001, the effect of accumulated IT security weaknesses resulted in a Temporary Restraining Order (TRO) that required DOI to “immediately disconnect from the Internet all information technology systems that house or provide access to Individual Indian Trust Data (IITD)” and to “immediately disconnect from the Internet all computers within the custody and control of the Department of the Interior, its employees and contractors that have access to IITD.”

Subsequently, on December 17, 2001, the Court entered a “Consent Order Regarding Information Technology Security” (Consent Order). Among other things, the Consent Order provides the terms and conditions upon which DOI may seek the concurrence of the Special Master to restore connections to the Internet. A key component of the process involves providing documentation to the Special Master that identifies which IT systems house or provide access to IITD.

For the purposes of this report and consistent with the definition included in the Consent Order, the term “information technology system” refers to “[a]ny equipment or interconnected system or subsystem of equipment, that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information, including computers, ancillary equipment, software, firmware, and similar procedures, services (including support services) and related sources.”

For the purposes of this section of the report and consistent with the definition included in the Consent Order, the term “IITD” refers to all “data stored in an information technology system upon which the Government must rely to fulfill its trust duties to

Eleventh Report to the Court
November 1, 2002

Native Americans pursuant to the Trust Fund Management Reform Act of 1994 (P.L. No. 103-412), other applicable statutes and orders of this Court reflecting, for example:

- The existence of individual Indian trust assets (e.g., as derived from ownership data, trust patents, plot descriptions, surveys jacket files, statement of accounts);
- The collection of income from individual Indian trust assets (e.g., as derived from deposit tickets, journal vouchers, schedule of collections);
- Use or management of individual Indian trust assets (e.g., as derived from leases, sales, rights-of-way, investment reports, production reports, sales contracts); or
- The disbursement of individual Indian trust assets (e.g., as derived from transaction ledgers, check registers, transaction registers, or lists of canceled or undelivered checks).”

IITD resides on IT systems located within several DOI Bureaus and Offices. These systems exist on a variety of communications networks and hardware and software platforms and are of varying states of functionality.

For DOI overall, relatively few IT systems contained IITD. Results from a broad systems certification process conducted in January - February 2002 indicated that approximately ninety-four percent (94%) of DOI’s IT systems did not house IITD. In some Bureaus or Offices, a few systems were identified that contained IITD, and efforts were made to isolate or reconfigure those systems to ensure that security considerations were addressed. Generally, proposals to reconnect to the Internet or resume operations (where systems were turned off as a result of the TRO) have been presented to and received the concurrence (final or preliminary) of the Special Master.

The remaining six percent (6%) of the IT systems identified as having IITD are, in large part, not connected to the Internet. These systems include a majority of the systems supporting BIA, OST (which is operating within BIA’s network), Office of Hearings and Appeals (OHA), and the Office of the Solicitor (SOL).

Accomplishments and Completions

During the reporting period (July 1, 2002 through September 30, 2002), DOI continued to work closely with the Special Master on matters related to IT systems security. DOI has cooperated in the investigations conducted by the Special Master's experts, and DOI has taken action to improve computer system security when potential weaknesses have been identified. The DOI Chief Information Officer (CIO) has issued guidelines for preparing evaluations, assessments, and plans in accordance with OMB Circular A-130 (A-130), Appendix III requirements and National Institute of Standards and Technology (NIST) guidance. The relative security and integrity of DOI’s computer systems is gradually improving. Some of the more noteworthy matters relating to IT systems security include:

DOI IT Security

DOI's IT security program is based on tenets of public law such as the Computer Security Act of 1987 and Government Information Security Reform Act (GISRA), Executive Branch directives such as A-130 and PDD – 63, and guidelines developed by NIST. These general principles were augmented by DOI-specific requirements and were used to develop a recently enacted DOI IT Security Policy, an IT Security Plan, and an IT Security Handbook. Achieving compliance with all aspects of the security program continues to be a challenge. In addition to policies and procedures, DOI has identified the following major areas for strategic focus:

Management Support and Performance Measures:

- On August 26, 2002, the Deputy Secretary issued a memorandum, "*Information Technology Investment Management*," to facilitate compliance with the IT Security Program and effective management of IT investments.
- A new performance measurement tool for assessing IT security programs at the bureau level based on the NIST Special Publication 800-26, "*The Security Self-Assessment Guide for Information Technology Systems*," was developed. This new IT security program-level assessment guide incorporates the critical elements of the NIST SP 800-26 and includes questions to identify management and DOI-specific performance measures.
- DOI developed a draft Strategic Plan to Reach A-130, Appendix III compliance based on NIST methodology. This plan details a structured, consistent approach to achieve A-130, Appendix III Certification and Accreditation.
- DOI's CIO Security Officer has issued guidelines for preparing asset valuations, risk assessments, system security plans, and contingency plans in accordance with A-130, Appendix III requirements and NIST guidance. These IT security policies and guidelines include additional guidance in the form of technical memoranda.
- DOI's Expert Assistance – Security Contractor, Science Applications International Corporation (SAIC), is engaged in supporting both Department and Bureau security requirements. The contract provides the Department, Bureaus and Offices with security consulting, security assessment and engineering, security validation, security analysis, and security program support.
- DOI identified requirements to develop a web portal for managing security efforts, posting policies and other security resource documents, as well as running automated monitoring, remediation tracking, and scanning tools. DOI will scan for System Administration, Networking and Security (SANS) Institute Top 20 most critical Internet security vulnerabilities. This portal will assist DOI in managing the A-130, Appendix III accreditation process.
- On July 29, 2002, and on August 1, 2002, two security incidents were reported to the Associate Deputy Secretary, and subsequently to the Special Master, for unauthorized connection of DOI computer equipment to the Internet at OST and BIA respectively. Both incidents were reported through DOI's incident handling process and are under investigation by the Inspector General. Personnel actions are pending.

Eleventh Report to the Court

November 1, 2002

IT Security Initiatives:

- On July 16, 2002, DOI CIO approved and distributed the guidelines, “*Hardening of Information Technology Systems*,” which includes specific technical solutions for “hardening” the IT infrastructure. Focusing on hardware, software and procedures, this hardening effort begins with strengthening the outer network perimeter and then works inward to servers and then to the desktops.
- DOI IT security personnel are building the information security portion of the Interior Enterprise Architecture (IEA) and have completed the Technical Reference Model (TRM) phase. The TRM defines thirteen principles that provide guidance for the design and selection of security technology components. The TRM within the Information Security domain of the IEA will be defined on an ongoing basis and includes components and standards developed during the IT infrastructure hardening effort noted above. During September 23-24, 2002, members of the IT Security Domain Working Group Team met to review the current version of the IT security TRM and examine standards for emerging technologies such as wireless communication and instant messaging.
- WorldCom completed the technical design of DOI’s secure trust network (TrustNet). This design includes an enhanced security capability at the connection point between the network and the Internet (the Internet point of presence or DMZ). WorldCom is finalizing a contractual document to initiate the testing and delivery of TrustNet to BIA once the base FY 2003 budget is approved and DOI can obtain reprogrammed funds to pay for this effort.
- On August 8, 2002, DOI briefed the Special Master on the ZANTAZ, Inc. proposal, and on September 20, 2002, DOI provided additional information as requested by the Special Master. Following the Special Master’s concurrence with DOI’s proposal, DOI awarded a contract to ZANTAZ on September 27, 2002, to outsource automatic email capture, archival and retrieval. This action will, when implemented, enable DOI to capture email related, among other things, to Trust Management and Individual Indian Money Accounts.

IT Security and Capital Asset Planning:

- The budget justifications (Exhibit 300’s) for IT systems were reviewed from an IT security perspective for the first time this quarter in connection with the FY 2004 budget. The review focused on IT security components relevant to the stage of the system lifecycle (planning, design, development, testing, implementation, steady state, or expiration). This year, for the first time, DOI’s new capital planning executive review boards met to assess major investments for IT systems. All aspects of system functionality and requirements analysis along with IT security were reviewed to assure proper controls and funding were being addressed.

Training and Awareness:

- In August 2002, DOI’s CIO’s Security Office developed and distributed an Interior IT Security Awareness Brochure. In some cases, customized IT Security Awareness

Eleventh Report to the Court
November 1, 2002

Brochures were developed for specific bureaus. To date, over 32,000 brochures have been printed and are being distributed.

- DOI CIO continued its General End User IT Security Training Program highlighting key security procedures and requirements outlined in the revised DM 375, Chapter 19. At least 53,586 employees (about 68%) have completed this training during this reporting period. The training is accessed from the employees' web browser and completed on-line. DOI employees who are currently disconnected from the Internet accessed the training via internal networks.
- Specialized training in IT security is being encouraged for IT professionals. To date, over twenty DOI IT security personnel received Certified Information Security System Professional (CISSP) training and certification.

System Inventory and Prioritization:

- The IT Security Team members, under the auspices of the IT Management Council, are inventorying and prioritizing DOI IT systems. An acknowledged systems inventory is the starting point for determining where to apply resources for managing and securing information and IT systems.
- The Interior Asset Valuation Guide was reviewed and expanded into an Interior IT asset definition process. The draft IT asset definition process will be used at DOI to measure information sensitivity and asset value to determine criticality of IT systems. Based on a numerical value assigned during the draft IT asset definition process, DOI plans to rank IT systems to facilitate objective resource allocations and work priority.

Bureau of Indian Affairs – Security Efforts

- On July 15, 2002, the Office of the Assistant Secretary – Indian Affairs (AS-IA) CIO developed a report titled “Optimizing the Indian Affairs Information Technology Infrastructure” to mitigate risks, reduce costs, and improve efficiency.
- In August 2002, AS-IA CIO presented a corrective action approach to DOI and the DOI Bureau CIOs. The presentation centered on an Enterprise Information Management approach to managing and operating IT within BIA.
- The AS-IA CIO met with each BIA Regional Director to identify specific IT requirements and toured the Reston, VA BIA primary data center, the Albuquerque, NM backup data center, the Denver, CO NBC data center, and the Denver, CO BLM test lab.
- On August 29, 2002, the Secretary re-assigned management responsibility for the BIA Office of Information Resources Management (OIRM) to the AS-IA CIO. This change in IT management is the first step in establishing the necessary management control over IT planning and operations within BIA.
- On September 10, 2002, the AS-IA awarded a contract to IBM to automate the inventory process of all network-attached devices. The automated inventory will enable BIA to validate the Security Technical Implementation Guide (STIG) hardening and baseline for Windows 2000 upgrade requirements.

Eleventh Report to the Court
November 1, 2002

- On September 10, 2002, the AS-IA awarded a task order on DOI's Expert Assistance - Security Contract with SAIC to conduct NIST 800-26 Review and Mitigation. In the sites covered under the four phases of this stage, SAIC will implement STIGs and provide guidance for network devices; run Nessus (security scanning software) evaluations on all servers, and train BIA staff to run the Nessus tool continuously in the future; complete NIST 800-26 Evaluations for A-130 compliance; develop a work-off plan addressing how to fix vulnerabilities discovered in above NIST 800-26 review and vulnerabilities identified in the Findings and Recommendations database; and work with BIA staff to correct deficiencies and vulnerabilities.
- On September 11, 2002, the AS-IA awarded a contract to SeNet International to provide security analysis, security planning, and security operations support.
- On September 23, 2002, the AS-IA developed a document outlining the security requirements for reconnecting to the Internet. Secure E-Mail and Web Proxies and system hardening efforts are planned to provide sufficient security for establishing the reconnection of BIA to the Internet.
- On September 26, 2002, the AS-IA partnered with DOI to establish an enterprise license for Microsoft products. This initiative will establish Windows 2000 as the baseline secure workstation operating system.
- On September 30, 2002, the AS-IA awarded a contract to BearingPoint, Inc., formerly KPMG Consulting, Inc., to conduct a systems boundary assessment. This assessment will identify the paths and connection points on which data can flow in and out of a system.

Office of the Special Trustee – Security Improvements

During the previous reporting period, OST added a task order to DOI's Expert Assistance – Security Contract with SAIC to conduct NIST 800-26 Review and Mitigation. This effort was completed by September 30, 2002. A synopsis of the security work performed is provided below.

- Assessed OST security program and network configuration to develop the Security Remediation Work-off Plan
- Purchased IT security hardware and software
- Reviewed and updated OST procedures
- Completed firewall installation
- Performed security hardening efforts
- Upgraded all workstations to a secure operating system (Windows 2000) and ran Windows 2000 secure hardening tools
- Completed Security Remediation Work-off Plan
- Performed security scanning to identify and remediate vulnerabilities
- Completed an independent security assessment and validation of security work completed in preparation for proposing Internet reconnection.

Office of Hearings and Appeals – Security Improvements

OHA's firewall security improvements have been completed. OHA procured new IT security hardware and software and utilized the SAIC contract to secure the configuration, perform network scanning and validate the performance of the new configuration.

UTILIZING THE AUDIT “FINDINGS AND RECOMMENDATIONS” DATABASE

Extensive weaknesses in the security measures associated with the IT systems housing or providing access to IITD have been identified by various audits and studies. These weaknesses and associated recommendations have been compiled into a “Findings and Recommendations” Database. DOI has enhanced the functionality of the Findings and Recommendations database to provide additional support to Bureau CIOs and security contractors performing security reviews:

- Completed development of a user interface to allow for data entry of new security weaknesses from a variety of sources (audit reports, studies, DOI Management Control Reviews, Special Master site visits, and automated scanning tools)
- Completed interface access to developed reports (e.g.; by Bureau, thematic groups, finding status), charts and graphs.
- Completed catalog characterizing weaknesses within the database as Operational, Management or Technical and grouping those weaknesses into NIST SP 800-26 thematic categories.

DOI is evaluating the possible use of two other tools for managing security programs: An electronic data entry form to capture responses for the NIST SP 800-26, "*Security Self-Assessment Guide for Information Technology Systems*" (implemented), and an online service that provides current remediation actions for known security vulnerabilities. DOI is also considering the use of internal scanning to test Department and Bureau networks against the SANS Institute list of the Top 20 most critical Internet security vulnerabilities and an automated tool to track systems reaching and maintaining A-130, Appendix III compliance.

These tools could enable Bureau Security Officers to evaluate current security weaknesses, search through the “Findings and Recommendations” Database for weaknesses that have been previously identified, note if they are outstanding or recurring, and utilize the online service to find up-to-date instructions on correcting technical security weaknesses.

PURSuing CONCURRENCE TO OPERATE SYSTEMS OR RECONNECT TO THE INTERNET

During this quarter, DOI worked with the Special Master and his experts as they tested DOI systems, identified security vulnerabilities, and validated security vulnerability

Eleventh Report to the Court
November 1, 2002

remediation work completed by the Bureaus and DOI's security experts. Some delay occurred due to the need to procure and configure new equipment for security detection, monitoring, and/or enforcement. The percentage of systems reconnected to the Internet or resuming operations remained at approximately ninety-four percent (94%).

The following systems received concurrence from the Special Master during this quarter:

Minerals Management Service (MMS) Denver – Concurrence to Reconnect
BIA Division of Energy and Mineral Resources (DEMR) – Concurrence to Operate
BIA Anadarko (7 sites) - Concurrence to Operate
OST Interior Department's Electronic Acquisition system (IDEAS) - Concurrence to Connect to the Internet

The following proposals are under review by the Special Master:

BIA "Dark" Systems (Land Title Mapper (LTM), Key File Document Imaging System (KeyFile), Native Allotment Data Collection and Access Project (NADCAP))
BIA Administrative PCs
MMS State and Tribal Royalty Audit Committee (STRAC) sites
MMS Herndon

The following proposals are under review by the Associate Deputy Secretary:

Bureau of Reclamation (BOR) trust Systems (awaiting a rewrite from BOR)
Fish and Wildlife Service trust Systems
SOL request for temporary reconnection for testing
OHA request for temporary reconnection for testing

PURSUING COMPLIANCE WITH OMB CIRCULAR A-130, APPENDIX III

During this quarter, DOI identified a Departmental certification and accreditation process based upon the new NIST SP 800-37. The major goal of DOI's IT security program is to achieve certification and accreditation for IT systems in compliance with A-130, Appendix III. Efforts this quarter include:

- Work on a draft Strategic Plan to Reach A-130, Appendix III Compliance
- Adopt a standard, NIST 800-37 based approach to reach A-130, Appendix III Certification and Accreditation for high risk systems, which includes fiduciary trust systems
- Identify security contracts and funding for OHA, OSM and MMS to perform Initial Assessments (first phase of A-130, Appendix III Accreditation).

COMPUTER AND BUSINESS SYSTEMS ARCHITECTURE

As discussed in the last quarterly report, progress on DOI's Architecture Program and the Trust Architecture Program will be addressed in this section.

Departmental Enterprise Architecture Program

- DOI's Chief Architect provides quarterly briefings to OMB on the Plan and Schedule for the Interior Enterprise Architecture (IEA) program. To date, OMB has satisfactorily accepted DOI's IEA approach, progress and products.
- Two Department-level trust architects were selected and hired. These architects will focus on trust architecture across all trust bureaus, with significant focus on the development and implementation of the BIA trust architectural program.
- In September 2002 DOI negotiated and signed an agency-wide three year enterprise desktop and service license agreement with the Microsoft Corporation. This agreement will enable DOI to address security weaknesses associated with older versions of the Windows operating system.
- In September 2002 DOI completed and signed a contract with ZANTAZ for implementation of real-time e-mail capture.

Trust Architecture Program

- On July 11-12, 2002, the Trust Architecture Working Group recommended establishing a trust governance structure, including an architecture advisory board, change control board, executive steering committee, and project teams for specific trust components.
- The Trust Architecture Working Group completed a Trust Architecture Work Plan on August 6, 2002. This plan describes work to be undertaken and products to be produced by the Trust Architecture Working Group (or successor group).
- On August 20, 2002, DOI, BIA, OST, and OITT presented their draft architecture plans to the Associate Deputy Secretary for the purpose of developing a common trust architecture. The trust architecture will be nested within the Interior Enterprise Architecture, which will in turn comply with the Federal Architecture.
- In September 2002 DOI awarded a one-year contract for two commercial architectural professionals to support the Trust Architecture Program.

TRUST INFORMATION TECHNOLOGY BUDGET

- Throughout July and August 2002 DOI prepared a unified BIA, OST and OITT FY 2004 budget request. The FY 2004 Budget request is pending within OMB.
- BIA identified approximately \$15 million in prior year funding that was reapplied to Indian Affairs IT initiatives.
- BIA established OMB A-11 Exhibit 300s for Enterprise Information Management, TrustNet, LRIS and IRMS.

DELAYS/OBSTACLES

Many challenges must be addressed regarding the security and integrity of IT systems. The shortcomings and failures of the overall system are well documented. A host of prior reports from government institutions, private contractors, and, most recently, the Special Master, SRA and NIST have pointed out in great detail the security weaknesses (e.g., lack of firewalls, intrusion detection, active log monitoring, etc.) of the systems housing IITD. These documents have been provided to the Court before and during this reporting period.

There are obstacles or impediments to achieving acceptable IT systems improvements. For example:

Acceptable standards for IT systems security need to be articulated and the standards need to be realistic. As indicated in this section of the 11th report to the court, DOI has made progress in the development of standards for hardening IT system security and achieving compliance with A-130, Appendix III. A standard process for assessing the security levels of our critical systems (Initial Assessment) has been developed. In the short term, for systems containing IITD, expectations need to be clarified regarding acceptable security measures that will permit DOI to undertake its critical work. In the long term, the negotiated systems security standard must balance the relative risks of providing access to the system against the need to conduct trust business processes.

Past views within DOI (and the Federal government, in general) have not led to the development of a robust IT systems security infrastructure. Current security measures were designed to support traditional government programs, where openness with the public was accepted. Substantial efforts will be required to establish a solid, stable, dynamic and secure infrastructure designed to meet a new, robust set of requirements for trust reform and trust assets management. DOI, in conjunction with the Special Master, has been reviewing the relative security of trust-related IT systems and making improvements where needed.

Employee fears about personal involvement in the *Cobell* litigation are undermining creativity and decision making. As previously noted to the Court, the NIST CSEAT team reported that, "The current litigation is having a negative impact on employee performance. The employees who were interviewed by CSEAT appear to be trying to do the best job they can, but many stated that they are afraid to do anything for fear of being named in the lawsuit. A lack of action appears to go unnoticed, whereas well-intentioned actions appear to be penalized. This has resulted in behaviors that are unproductive and sometimes counter productive." These concerns continued during this reporting period.

Generally, the quantity and quality of information system technical leadership and support staff are insufficient. DOI and AS-IA are seeking to add technical leadership and support staff. DOI has selected Hord Tipton as the Chief Information Officer for the Department. AS-IA has hired Brian Burns (formerly Deputy CIO, Department of Health & Human Services) as its new CIO. DOI is seeking other qualified individuals to assist in improving the operations of DOI's trust-related IT systems. The lack of sufficient staffing will likely adversely impact the pace and quality of improvement efforts.

The government (e.g. DOI, OMB, Congress, etc.) needs to evaluate current funding requirements. Making material improvements in the current status of IT system security will likely require additional funding. DOI sought and received approval from Congress to reprogram approximately \$12 million in funds to improve IT security. BIA also identified a significant amount of prior-year funding, which was made available for IT improvements. DOI is working with Congress to address its funding requirements for FY 2003. IT initiatives are being delayed due to the funding limitations caused by Congress's Continuing Resolution. Once a FY 2003 budget is passed, DOI plans to work with OMB and Congress to obtain reprogrammed funds to support other IT security initiatives. In addition, DOI is working with OMB regarding funding requests for FY 2004.

Trust-related systems are not integrated within DOI. The variety of systems identified within DOI are operated on various communications networks, on different hardware/software platforms and with different database configurations and varied security approaches. DOI has undertaken a general evaluation of these systems and is taking the initial steps to develop a Department-wide trust systems architecture.

Inadequate resources and training to implement a comprehensive security program for trust-related systems. In some cases, needed policies and procedures have not been developed or adopted by the Department, Bureaus and Offices. In others, the policies and procedures have been adopted, but insufficiently implemented. DOI is evaluating its commitment to improve IT security measures and plans to prioritize needed improvements in providing staff direction, training, and funding requests.

Computer systems specifications need to be reconciled against the multiple requirements contained in applicable statutes, regulations, Court orders, treaties, investigations, and Congressional budget directives.

OMB has directed DOI to adopt an "enterprise architecture" plan. Funding for trust system security improvements may be subordinate to receiving OMB approval of the architecture plan. Therefore, the schedule to implement trust-related initiatives is subject to OMB concurrence, which may impact schedules and resource availability.

The reliability, quality and structure of the relevant application systems and the data contained are not fully known at this time. Accomplishment of business process standardization to the greatest extent possible is important. The degree to which trust-related IT systems can be consolidated or integrated will influence the design of security measures and the overall effectiveness of these security measures.

In the short term, DOI's employees and its associated security experts are taking steps to address these issues as a part of the efforts being undertaken to improve the security of individual Indian trust systems. In the longer term, DOI will be addressing these issues in more detail as a part of its efforts to achieve compliance with A-130.

Assurance Statement

I concur with the content of the information contained in the Information Technology section of the 11th Report to the Court. The information provided in this section is accurate to the best of my knowledge.

Date: November 1, 2002

Name: *Signature on File*
James Cason
Associate Deputy Secretary

B. CADASTRAL SURVEY

Introduction

A cadastral survey is a land survey of sufficient scale to show the extent and measurement of property boundaries. A cadastral survey as performed by the Bureau of Land Management (BLM) is used to accurately identify land boundaries and to maintain the related survey records for all public and tribal lands. These surveys require detailed investigations of the history of land use and occupancy, legal document research, and correlating on-the-ground, physical surveys with legal documents. A cadastral survey plat shows and records property boundaries, subdivisional lines, official acreage, building, and related details. The requirement for the BLM to direct and control the survey of Indian lands is codified in 25 U.S.C. § 176.

Most Indian lands have been surveyed. Many of these surveys are more than 100 years old and the original sticks and stones which marked the property corners are increasingly difficult to recover. Many of the individual allotments were surveyed by Bureau of Indian Affairs (BIA) Indian Service surveyors, but few records of these surveys were located. A request for assistance in locating these missing records has been sent to the Office of Historical Trust Accounting (OHTA) for archival research of these records. This request will be copied to the BIA.

The BLM and BIA conducted general inventories of cadastral survey needs on Indian lands in 2001. These inventories identified \$60 million in unmet, short-term needs for these surveys, and another \$51 million in projected needs. These identified needs focused interest on the performance of these surveys and related topics, such as the survey measurement-based Cadastral Geographic Information System (CGIS) like the "Yakama Model." This model fully integrates land and survey records into a functional geographic information system.

Accomplishments and Completions

Training Course, "Land Tenure in Indian Country:" The purpose of this course is to improve efficiencies in addressing survey and land tenure issues through better understanding of the appropriate use of surveys and surveyor services. The pilot for this course was held September 16-19, 2002, at the Tamastlikt Cultural Institute, Umatilla Indian Reservation, Pendleton, Oregon. This new training course was based on a similar course developed by BLM and U.S. Forest Service (USFS) for realty specialists, cadastral surveyors, appraisers and other land tenure specialists to help in broadening the understanding of cross-cutting issues facing these specialists and agencies. The cross-section of BIA, Tribal, Solicitor's Office, Office of Trust Risk Management (OTRM), and BLM employees attending gave the course high marks in providing an awareness of alternatives to surveys and other problem solving techniques. As a result of this course, it is expected that the demand for surveys from BLM will decrease, and real estate transactions will be expedited through more efficient processing by these trained land

managers. This course will next be offered during 2003 at a yet-to-be determined time and location. It is critical to the success of this educational effort to have tribal members attend, and funding has been assured for tribal attendees.

Inventory of Survey Needs/Automated Cadastral Survey Request and Database:

The BIA/BLM general inventory of 2001 lacked specific parcel information and the information necessary to prioritize the identified work or allow for programmatic execution of the surveys. An automated request system and database are being developed to refine the inventory and gather the necessary prioritization information. The first delivery for the system, the automated request module, has undergone testing and use in the Northwest Region in conjunction with the preliminary inventory in Oregon and Washington States. This preliminary inventory captured in-depth information regarding survey needs for the next two to five years from approximately one-half of the agencies in those states. An analysis of that data will be performed to compare results with the 2001 general inventory. The entire inventory for those states will be completed by January 2003.

The inventory of survey needs on a nationwide basis was stalled because the necessary survey drivers or priorities, which will help determine which surveys are of the highest need, have not been agreed upon. Efforts to reach consensus on priority criteria during the next reporting period will continue. It is unlikely the nationwide inventory will be completed by May 2003, as previously anticipated. Some BIA regional offices have developed inventories that will become part of the national inventory.

Cadastral Indian Project Manager Position: The Indian Project Manager position has been advertised and a selection is anticipated during the next quarter. This position will oversee the ongoing and future survey needs for Indian trust and Tribal lands. This position will also coordinate between key Tribal, BIA and BLM groups and develop a long-term strategic plan to meet critical survey needs.

Office of Historical Trust Accounting (OHTA) Pilot: The OHTA Cadastral Survey Pilot on acreage errors and location errors has been completed. Current technology allows greater precision for surveys. As a result of comparing original surveys to resurveys of 37 selected allotments, it was determined that gross acreages in the legal descriptions of those allotments varied from 0.7% (0.56 acres) to 20.7% (9.54 acres). In some instances, this could impact the income value of the land if actual acreage is a factor in determining value. If the land records have been updated to reflect the resurvey information, the acreage differences between original surveys and resurveys should be of no consequence. Further study is necessary to determine the correlation, if any, between the reliability of the coordinate values of the Public Land Survey System corners and resultant erroneous acreage value of allotments. On-the-ground resurveys of three other allotments, however, indicated the allotments' actual attributes of size, shape, and location were consistent with their assumed attributes. However, it is extremely difficult to quantify the resulting inaccuracy in an IIM account until what is known about a tract through the realty (title) records is integrated with what is known about a tract through

**Eleventh Report to the Court
November 1, 2002**

modern survey and remote sensing technology, such as those represented by the Yakama Model. These same conditions currently exist in the private sector.

Reports on the findings of this study will be sent to OHTA.

Current Status

Update on Issues: Report to the Court Number Ten, August 1, 2002

Expansion of Cadastral GIS Model, “Yakama Model:” The Cadastral Geographic Information System Model (CGIS) weds ground-truthed location information for cadastral surveys with current land status and resource data to create a usable spatial representation of ownership, use, and resource information. This model was developed by BLM’s Cadastral Survey Program and the Yakama Tribe in a unique partnership. The BLM supplied the expertise of a land surveyor and the Tribe supplied a specialist to develop the system. The project combines the cadastral (land) information from the state, county, BIA, and Tribe into a parcel (allotment) level database. This CGIS Model is a fully functional, parcel-based system, which brings many economic benefits to the Yakama Tribe. Seed funding from BLM has been supplied for a needs evaluation on the Umatilla Indian Reservation, and an agreement was made between the Umatilla Tribe and BLM to improve the accuracy of the CGIS. The Ute Mountain Ute, Southern Ute, and Coeur d’Alene Tribes are establishing systems which fully integrate land and survey records. South Dakota State University and the BLM are in discussion to expand this model on the Tribal lands in North and South Dakota through a grant with the National Science Foundation’s Geospatial Academic Inter-Tribal Initiative for Digital Government.

Workforce Issues: The plans for replacing BLM’s depleted workforce of land surveyors have been presented to BLM management. BLM has made this a high priority and a model for other occupational series. This is necessary since approximately 50% of the current land surveyors are eligible for retirement by 2008. BLM has implemented a policy for “Recruitment and Relocation Bonuses and Retention Allowances” to help alleviate this issue. Other alternatives, including contracting from the private sector, will be explored as well.

Department of the Interior Indian Trust Lands Boundary Standards (Standards): After an internal review, the draft Standards are being revised. These Standards will increase efficiencies in land transactions and help resolve boundary issues by establishing processes, procedures and requirements for cadastral services. These Standards are scheduled for departmental review in December 2002. After compilation of internal comments and revisions, a public review period will run until September 2003.

Pilot Study of Risk Assessment for Cadastral/Services: The Office of Trust Risk Management (OTRM) pilot study of trust cadastral services performed in a BLM State Office has been delayed pending development of OTRM’s criteria for assessing risk. The

Eleventh Report to the Court
November 1, 2002

pilot study will focus on risks associated with funding, process and priority setting. BLM has provided subject matter experts to help the OTRM contractor develop the work process flow charts, management control review questions, risk management plan database and OTRM program review requirements. Further development of these requirements is necessary before the pilot study can be initiated. It is anticipated that additional meetings will be held during the next reporting period to resolve these issues.

Delays/Obstacles

The nationwide BLM/BIA inventory of survey needs has been delayed. Guidance to regional offices for requesting surveys should be based on prioritization of need. This will ensure that highest priority surveys, those with the greatest need, can be done first. As a result, it is highly unlikely this inventory will be completed by May 2003 for the FY 2005 budgetary strategies. This will also impact the FY 2003 and FY 2004 identification of high priority survey projects: Without agreement on a prioritization system, surveys will continue to be done based on ad hoc requests from Regional BIA offices. Meetings between BLM and BIA will continue during the next reporting period in an effort to reach consensus on a prioritization system for ordering surveys. This issue is expected to be resolved before calendar year 2003.

Assurance Statement

I concur with the content of the information contained in the Cadastral Survey section of the 11th Report to the Court. The information provided in this section is accurate to the best of my knowledge.

Date: November 1, 2002

Name: *Signature on File*
Donald A. Buhler
Chief Cadastral Surveyor
Bureau of Land Management

C. MINERALS MANAGEMENT SERVICE

Introduction

The Minerals Management Service (MMS), Minerals Revenue Management (MRM) is responsible for collecting, accounting for, and distributing mineral revenues from both Federal and Indian mineral leases and for evaluating industry compliance with laws, regulations, and lease terms. The MRM conducts its business processes, maintains reported information, and distributes revenues at the lease level. The Bureau of Indian Affairs (BIA) uses its ownership records to allocate revenues to individual Indians. The MMS does not maintain information on individual Indian mineral beneficiaries.

Accomplishments and Completions

The MRM completed implementation of the major elements of the reengineered system on November 1, 2001, and continues to phase in the less time-critical modules. During the system shutdown, MMS was unable to process mineral revenue reports related to Indian or Federal leases. After the systems were reactivated in March 2002, MMS placed its priority on processing individual Indian mineral lease revenue reports so that it could produce distribution files to BIA. MRM's Indian mineral revenue backlogs arising from the system shutdown have now been eliminated and MRM is processing current revenues on a routine cycle.

Current Status

In the previous report, MMS estimated that the final module – Exception Processing – would be completed by September 30, 2002. The estimated completion date for that module has been extended until March 31, 2003 due to the continued recovery efforts associated with the system shutdown of December 2001.

Three additional recommendations were added to this activity as a result of the Electronic Data Systems (EDS) Report on Trust Reform. These recommendations will help provide appropriate documentation of procedures and agreements. But none represent problems that are adversely affecting the fulfillment of DOI's Indian Trust responsibilities.

1. Establish Ongoing Application Change Control Procedures. To document how software enhancements and modifications are approved and implemented in the steady state environment - (March 31, 2002).
2. Resolve Information Exchange Issues between MMS and all (DOI) Systems. These procedures will document information exchange procedures and contain executed service level agreements among MMS, BLM, OTFM, and BIA - (Date to be determined).

Eleventh Report to the Court
November 1, 2002

3. Establish Procedures Regarding Royalties Disbursement. This will document royalty disbursement procedures and contain executed service level agreements between MMS and BIA – (Date to be determined).

Delays/Obstacles

Because of the recovery efforts associated with the system shutdown, the implementation of the Exception Processing Module will be delayed from September 30, 2002, as reported in the previous quarterly report, to March 31, 2003.

Assurance Statement

I concur with the content of the information contained in this project manager report, set forth above. The information in those sections is accurate to the best of my knowledge.

Date: November 1, 2002

Name: *Signature on File*

Phil Sykora
Manager, Financial Management
Mineral Revenue Management
Minerals Management Service.

D. WORKFORCE PLANNING

Introduction

Workforce planning (WFP) is a comprehensive process that provides managers with a framework for making staffing decisions based on an organization's mission, strategic plan, budgetary resources, and the associated skills needed to accomplish mission tasks now and in the future. Indian trust management WFP is underway in the DOI and involves a comprehensive process of assessing current workload, current program efficiencies and gaps, future work and skill gaps together with options for addressing future workforce needs. This planning process is a large undertaking that requires significant top-down leadership and focus on field-level personnel who actually know about the work being performed. Trust organizations are being asked to combine budget, program performance, and workforce priorities into a cohesive strategy that is useful for human resources planning as well as for budget justifications.

Accomplishments and Completions

- **The 12 BIA Deputy Regional Directors attended the DOI One-Day Overview Course on Workforce Planning.** The course provided the Deputy Regional Directors an outline of the DOI WFP model and discussion of the latest tools and methods for workforce planning. In formal evaluations of the training session, participants commented favorably on the strengths of the concept definitions and examples, contributions of class members and the workbook. At this training event, the regional leaders addressed the membership, time and place for the follow-on DOI Three-Day Workforce Planning Workshop for management staff and human resources (HR) practitioners throughout the regions. These workshops will continue to be delivered throughout FY 2003.
- **The management team of the Southwest Region BIA (Albuquerque) attended the DOI Three-Day Workforce Planning workshop.** During the workshop, the participants expressed that they had learned how to apply the DOI model for workforce planning and how to use workforce planning tools. In evaluating the effectiveness of this training session, it was noted that the team left the session with the basic components to include in a first workforce plan.
- **The Indian Trust Human Resources Advisor completed a field visit to the Southern Plains Region staff in Anadarko, OK.** The purpose of this visit was to observe and assess trust management operations as managed in the Bureau of Indian Affairs and to advise on the agency's WFP efforts. Regional staff members and the Anadarko Agency Superintendent provided briefings related to their analysis and planning for current trust management workload, staff and vacancies. The efforts are well-organized and support the effective allocation of resources. Lack of Internet access continues to be a significant barrier to recruitment.

- **The Indian Trust HR Advisor participated in and provided a workforce planning briefing and related policy and process material at a week-long business process reengineering session.** The primary goal of the week was to generate ideal “To-Be” probate processes. The on-going comprehensive study of both “As-Is” and “To-Be” trust management processes will focus and define the scope of workforce analysis involved in the trust workforce planning process. The trust management workforce planning process is driven by Departmental policy and guidance on WFP. This process is designed to influence the important cross-cutting structure of the plans for roll up into bureau and department-level plans. The Indian Trust HR Advisor is arranging further workforce planning training for the trust process sponsors, and will participate in future reengineering meetings.
- **A standardized individual development plan (IDP) format and process was developed and distributed.** IDPs are designed to generate improved integration of performance management and development of trust management employees to improve performance.

Current Status

- **DOI Offices/Bureaus plan to develop workforce plans by September 30, 2003, for FY 2004-2008 and update annually.** To assist trust managers in developing their workforce plans, the WFP training is now available. Appropriate trust management staffs are being trained or scheduled to attend training sessions throughout FY 2003. Potential reorganization efforts and the business process reengineering under the DOI Indian Trust Business Plan could affect the WFP skills analysis and planning decisions. As the business process reengineering progresses, new job requirements will be established that will require different training and skill levels. It will also alter the timelines for completing reengineering and other WFP actions. The Indian Trust HR Advisor will stay informed on the status of business process reengineering and thereby assist in the coordination of WFP activities.
- **Offices/Bureaus are continuing development of FY 2003 staffing plans.** Offices/Bureaus provide information on current staff and vacancies to the HR Advisor. The staffing data includes retirement forecasts and attrition. The vacancy data includes costs and impediments associated with recruitment. Both of these data sets are designed to provide a picture of the current workforce for program planning purposes. We anticipate that staffing planning will provide valuable information for trust management workforce planning after the trust management business model is complete.
- **Offices/Bureaus are developing an Individual Development Plan (IDP) for each employee with trust process responsibility.** As trust management employees are identified, standardized IDPs will be developed. The IDPs will associate future and mandatory training and development with assigned duties and tasks. Therefore, the business process reengineering effort may alter the final content of IDPs, delaying the

December 31, 2002, timeline for their completion. The Indian Trust HR Advisor will stay informed on the status of business process reengineering and thereby assist in the coordination of IDP development.

- **Workload analysis and workforce planning software options are being considered.** The Indian Trust HR Advisor, Office of Personnel Policy staff, and trust managers are researching software tools and contractors' ability to accomplish automated comprehensive workload analysis and assist in developing long-term workforce plans. The goal is to identify a provider and a viable methodology for use during business process reengineering, as appropriate, and after processes are reengineered to collect and assess required competencies, staffing and training in the WFP process.

Delays/Obstacles

- Bureau and Office managers need a clear definition of Indian trust activities for budgetary purposes and organization development. The definition would assist in identifying trust management work in the WFP process. WFP will follow the direction given by the Solicitor's office and senior DOI management in this regard.
- The continuing restriction on the use of the Internet in many trust organizations affects electronic collection of staffing data across all DOI Bureau lines. Lack of Internet access also continues to complicate Internet recruiting.
- Reorganization decisions need to be made to prepare and focus on workload analysis and WFP.

Eleventh Report to the Court
November 1, 2002

Assurance Statement

I concur with the content of the information contained in the 11th Report to the Court in reference to Workforce Planning. The information provided in this section is accurate to the best of my knowledge.

Date: October 31, 2002

Name: *Signature on File*
Kathryn A. Bown
Indian Trust HR Advisor

Acknowledgement Statement:

I have reviewed the report submitted by manager, Kathryn A. Bown, and to the best of my knowledge believe the findings submitted in the report to reflect a fair representation of items covered in this manager's report.

Date: October 25, 2002

Name: *Signature on File*
P. Lynn Scarlett
Assistant Secretary-Policy, Management and Budget

IV. OFFICE OF INDIAN TRUST TRANSITION

Introduction

The Office of Indian Trust Transition (OITT) was organized in November 2001 to implement the transition of trust-related functions within the Department of the Interior (DOI) to a separate trust organization housed within DOI. The goal of DOI management was to create a trust structure within DOI that had independence of judgment at the field level and that would be responsive to high-level leadership in DOI. In addition, OITT has been charged with assisting in the development of an Indian Trust Business Plan for the future operations of DOI's trust activities, and oversight of several trust improvement projects.

During this reporting period, the Director of OITT continued to attend and report at Tribal Task Force (Task Force) consultation sessions chaired by Tribal leadership and DOI senior officials. Reports have been provided to the Task Force on the work of the Office of Historical Trust Accounting, the Indian Trust Business Plan development and the "As-Is" and "To-Be" business process-reengineering project being done with the support of Electronic Data Systems (EDS).

11th Report to the Court

This Report marks the fourth report to the Court prepared under the supervision of OITT. The manner in which the Report is developed and presented is similar to the previous three Reports. Each of the managers responsible for trust projects or related trust activity within DOI was asked to submit his or her report of activity during the past three months. Once the written drafts were received, they were reviewed for completeness and understanding. Interviews were then held with each of the managers to ensure accuracy of statements made and verify to the best of their ability that the reports were representative of the work performed during the time period reported.

The Indian Trust Business Plan, under the direction of OITT, has been the subject of much discussion at the Task Force meetings, and senior managers within DOI involved in the delivery of trust services have had weekly meetings for several months to confirm that the Goals and Objectives would, if executed, accomplish DOI's trust responsibilities. It is important to note also that the court has ordered DOI to present its plans for historical accounting and trust operations by January 6, 2003. Although the planning effort described in this Report precedes the Court order for a "Plan," it is expected that some elements will be the same in both plans.

Reorganization

DOI officials continued meeting with the Task Force during this reporting period. Three meetings were held in various locations to accommodate tribal requests. The Task Force recommended that a new position of Undersecretary for Indian Affairs be created in order

Eleventh Report to the Court
November 1, 2002

to provide within DOI a high-level executive who would have direct line authority over all agencies that are engaged in delivering trust services or managing trust operations. DOI agreed with this request and, as reported in the last Report to the Court, this information was provided to Congress at a hearing in June 2002.

Indian Trust Business Plan (Plan)

As further described in this Report, a major trust business planning initiative has been underway for several months. Work on the Plan continues. The Task Force, the Special Trustee for American Indians and other trust-related managers within DOI approved the Goals and Objectives of the Plan. The tasks for completing each Objective are being developed and will be incorporated into the final Plan. Each task will be defined by the “As-Is” business process review now underway or will be a new “To-Be” task as determined by the reengineering of an “As-Is” task. Performance standards and metrics that determine successful achievement will be developed for each task. Employees assigned the responsibility for completing the task will receive appropriate training and supervisory support. Many of these tasks will, of necessity, not be defined until the “To-Be” business processes have been determined, and the policy, procedures and regulations, as required, have been written and implemented. A separate plan that addresses the requirements set forth in the Court Orders of September 17, 2002, will also be developed during the next reporting period.

OITT Initiatives This Reporting Period

One of the major concerns of the Tribal Task Force has been whether DOI has the appropriate manpower and money to meet the requirements of DOI’s trust duties. OITT has worked closely with DOI’s workforce planning coordinator assigned to the trust project to be certain that field personnel are aware of workforce planning tools available through DOI and are knowledgeable of how to use these tools. In many instances, people have been hired for one job, yet are doing another. In some areas, certain functions are understaffed, whereas in other areas there might appear to be too many people assigned for the same function. It is important to look at the entire trust management universe rather than region by region to ensure that staff is available as required to meet the workload. The “As-Is” study is guiding the effort to locate these imbalances and also is helping to determine where efficiencies might be gained through restructuring or reengineering of the business processes. Simply having the workforce planning tools and being able to use these tools effectively should help in the proper allocation of workload among the various regional and agency offices. These tools are being developed and will be used during the next several years as the “To-Be” business processes are implemented.

Training

A training coordinator’s position has been identified and is being filled. Training of new personnel as well as existing personnel is important to effective trust reform and on-going trust business management. Such training must include individuals from the highest to

the lowest grade level of the organization. Efforts are underway to consolidate training for trust workers within the Department. As previously reported, training in the past has been on an ad-hoc basis, often at great cost and time away from the job. Performance of this activity is intended to consolidate the trust training efforts within DOI. The training will include job-specific training as well as certifying and credentialing of trust managers.

During this reporting period, the acting training coordinator was asked to proceed with development of a trust manager's training program for DOI managers. It is anticipated that such training will be conducted by a certified trust training organization such as the Cannon Financial Institute, American Bankers Association or similar institution. Although implementation of the trust business plan proposes that trust officers are to be placed at agency level offices with trained trust personnel, it is important that agency superintendents understand the role of these trust officers and are made aware of their responsibilities. The curriculum is being developed and training is expected to begin in calendar year 2003.

Office of Policies and Procedures

In order to manage trust activities effectively, it is critical that there be written policies and procedures at all levels of the trust organization. As the "To-Be" business model is developed for the performance of trust business processes, new procedures, handbooks, desk manuals and other directives will help ensure a high level of performance.

The position for Director of Trust Policies, Procedures and Regulatory Affairs was approved to be advertised and should be filled during the next reporting period. A Director for this office is critical to fulfill the requirements of the 1994 Trust Reform Act. Further staffing of the office will occur once a director of the office is in position.

Fractionation

Meaningful trust reform will continue to be a major challenge to DOI until the underlying problems, one of which is fractionation of land ownership, are resolved. For various reasons, ownership of Indian trust land has passed from the original allottee through several generations of that allottee's descendents. Undivided ownership interests in original allotments may number in the thousands for relatively small tracts of land.

Work on resolving fractionation of Indian lands continued during this reporting period. OITT hosted a large group of regional, agency, central office, tribal and individual representatives to discuss the issue and develop options for managing or eliminating the problem. As a result of fractionation, DOI is required to manage thousands of accounts that contain as little as one cent and many thousands more that contain less than one dollar. The money expended on managing these accounts takes away resources needed to manage more productive properties, and results in less income being generated from the fractionated interests. No private trustee would engage in such a practice as most private trusts are fee-generating businesses and there is not sufficient income from small-dollar

Eleventh Report to the Court
November 1, 2002

accounts to pay a fee. The Indian Land Consolidation Act Amendments of 2000 (ILCA) are a step in the right direction. The impact of this Act has been reported previously. It is important that DOI continue to pursue land consolidation as a remedy on a nationwide basis.

One outgrowth of the group meeting on fractionation was the development of three distinct projects. The first was the advancement of an unclaimed property act. DOI, not unlike states and other federal agencies, has account owners with unknown addresses. Many of these people have been on the DOI “whereabouts unknown” list for years. Attempts to locate missing individuals have been exhaustive with little success. Yet accounts are still maintained, some with very little money and some with substantial sums in their accounts. The cost of maintaining these accounts is significant. In addition, the underlying asset such as land, timber or oil and gas, continues to generate income to these accounts. Many of these accounts result from the fractionated ownership of the land. In the pilot work performed at the Great Lakes Agency to implement ILCA, many owners of fractionated interests were not aware of their ownership until they received a notice or word from a relative that BIA was offering to purchase their land. These same people may have accounts but have not responded to requests for information and have become “whereabouts unknown” account holders. Most states have adopted the Uniform Unclaimed Property Act. A similar proposal might be helpful to resolve the whereabouts unknown accounts. This idea will continue to be studied for the next congressional session beginning in 2003.

The second proposal was the concept of a “self-managed trust.” In a self-managed trust, the land would remain in trust or restricted status with the federal government, but the landowner would exercise full control over the property except for the right to sell. The sale of the property would continue to require Secretarial approval. Many Indian owners prefer to manage their own assets but have no choice as long as their land remains in trust with the United States Government. Currently, if they were to take their land out of trust in order to manage it themselves, the income would be taxed and the property interests would be subject to state and local taxation. Such “self-managed” trust land may have great appeal to many Indian owners and will continue to be discussed as a possible legislative initiative.

The third proposal that came from the working group was the concept of partitioning. In the private sector, surface fractionation is kept to a minimum, in part, through the use of partitioning whereby any owner of an interest in land can partition out the other owners either by dividing the land in kind or requiring the property to be sold at auction. The working group agreed to continue to pursue the partitioning idea as well.

Purchase of fractionated interests of land will continue to be a priority of DOI using the appropriations and authority available under the Indian Land Consolidation Act. The pilot project of the Great Lakes Agency provides DOI with one opportunity to determine how best to implement a national program. DOI will continue to study the lessons from

the pilot project and develop a policy for continuing work to eliminate as much fractionation as possible.

As-Is/To-Be Business Process Modeling

The “As-Is” part of the business process study being done by DOI with the help of Electronic Data Systems (EDS) is scheduled to be completed by the end of calendar year 2002. All regions will have had an opportunity to complete an assessment of how trust business processes are done currently and will later have the opportunity to express ideas on how these processes can be improved. A special business process review for self-governance tribes is expected to be scheduled during the next reporting period, at which time the tribal trust business “As-Is” processes will be examined.

During the next reporting period, EDS is expected to have a first draft of its benchmarking study. This study will compare the trust business “As-Is” processes of DOI with those of the private sector. This should be very helpful as the “To-Be” business model is put together.

OITT will continue to work with the other managers of DOI to develop an appropriate trust management organization and to transition existing trust functions into the organization. Planners and managers of the Indian Trust Business Plan expect to ensure that the organization and managers responsible for trust reform and trust management will have the proper guidance for going forward.

Assurance statement

I concur with the content of the information contained in this section of the 11th Report to the Court. The information provided in this section is accurate to the best of my knowledge.

Date: October 29, 2002

Name: *Signature on File*
Ross O. Swimmer
Director, Office of Indian Trust Transition

A. TRUST BUSINESS PROCESS MODELING

Introduction

A three-stage approach is being developed to standardize trust business processes. This approach will: (i) identify existing business processes (“As-Is”); (ii) determine which of those processes should remain or be reengineered, thereby establishing a draft business model “To-Be;” and (iii) develop the universal support functions cross-cutting the baseline business model. The Department of the Interior (DOI) expects that this approach, in conjunction with the Indian Trust Business Plan (Plan), will achieve trust reform and meet the needs of the trust beneficiaries. See attached flow chart.

The first step in developing standard trust business processes is to identify and document existing trust business processes and how users, beneficiaries, and systems interact with existing processes.

The core “As-Is” trust business processes are:

- Beneficiary Services
- Probate
- Title
- Appraisal
- Cadastral Survey
- Surface Asset Management
- Subsurface Asset Management
- Accounting Management (IIM, Tribal and Investments)

Accomplishments and Completions

The Trust Business Process Modeling Team (Team) continued to hold workshop discussions to document the trust business processes at ten sites which include all twelve Regions. These discussions included DOI and tribal staff that perform trust functions. Six site visits were held during this reporting period, bringing the total to eight. This leaves two more scheduled site visits. The site visit locations and dates were:

Alaska Region	July 15-19, 2002
Northwestern Region	July 22-26, 2002
Eastern Oklahoma & Southern Plains Region	August 12-16, 2002
Rocky Mountain Region	August 19-23, 2002
Navajo Region	September 9-13, 2002
Southwestern Region	September 16-20, 2002

In the workshop discussions, the “As-Is” baseline for each core trust business process is closely analyzed by the appropriate trust personnel. All variances from the “As-Is”

Eleventh Report to the Court
November 1, 2002

baseline are discussed and documented, and any resulting enhancements are added to the baseline.

Following all site visits, the Team consolidates their work and creates a compact disk (CD), which contains the variances and enhancements to the baseline for that region for distribution to the participants of the workshop. The CD is mailed back to the Regional Director for confirmation that all variances were captured and documented correctly.

During the July Tribal Task Force meeting in Portland, Oregon, an update was given and questions were answered at the general meeting of the Tribal Task Force. The Tribal Task Force also participated in the EDS project's Oversight Committee made up of tribal representatives and DOI staff. The Oversight Committee is responsible for monitoring the progress of the business process modeling project and giving advice on issues related to the project. Five oversight meetings were held during this reporting period. During these meetings, updates were given and questions and comments were received regarding the status of the project.

Business process sponsors are individuals who are required to gain a thorough understanding and knowledge of each business process. These business process sponsors were recruited from various offices and agencies within DOI. In addition to gaining a thorough knowledge of each business process, they must be capable of overseeing the implementation of a "To-Be" trust business model. During the last reporting period, eight process sponsors were detailed to the Office of Indian Trust Transition (OITT) to begin documenting the "As-Is" trust business processes. During this reporting period, eight permanent process sponsor positions were created and advertised within the Office of the Special Trustee. Six individuals have been selected for permanent positions. The other process sponsors are expected to be selected during the next reporting period.

On September 3-6, 2002, OITT held a meeting in Albuquerque to start addressing the "To-Be" reengineering of the probate process. This meeting was attended by approximately fifty individuals from DOI and Tribal representatives who are subject matter experts in delivering probate services to beneficiaries. Subject matter experts are the employees assigned to perform the probate work day-to-day. The purpose of the meeting was to get individuals started on the "To-Be" reengineering process and to determine the timelines, budget and resources required for the reengineering and universal support functions for the trust business processes.

Current Status

OITT is currently scheduling the remaining two site visits to complete the currently scheduled "As-Is" studies, as well as determining the need for any further visits to other Bureaus or Agencies. The Office of Trust Funds Management, Minerals Management Service, and BIA centralized offices will be scheduled for visits during the next reporting period. Plans are being formalized to hold a session for the self-governance tribes

Eleventh Report to the Court
November 1, 2002

(compacting/contracting tribes) to gather best practices as well as document any variances. These meetings are expected to be completed during the next reporting period.

The lack of a methodical approach to establishing a business model has been a detriment to past reform efforts. The “To-Be” reengineering of the eight core trust processes will be the next step after the completion of the “As-Is” task. The “To-Be” project will be a multiyear task to ensure that the trust processes will be reengineered to provide consistent management of trust functions. The reengineering will require that all processes move in tandem to ensure the creation of a new trust business model that is integrated and fulfills the Department’s fiduciary obligations.

The reengineering of the business processes will be a multi-year effort. This effort will require implementation of consistent, efficient business processes across all agencies, offices and bureaus in DOI that perform trust or trust support activities. It will also require, among other things, comprehensive policies, procedures, handbooks, new and amended regulations, personnel, training and systems development and implementation.

Delays/Obstacles

The major obstacle that affects this project is the lack of Internet access. This impedes the ability to communicate quickly and efficiently with trust staff throughout the country. This has increased both the time and cost of this project.

Another obstacle is the sheer complexity of documenting hundreds of business process activities and scheduling time with employees to limit their work interruption as much as possible.

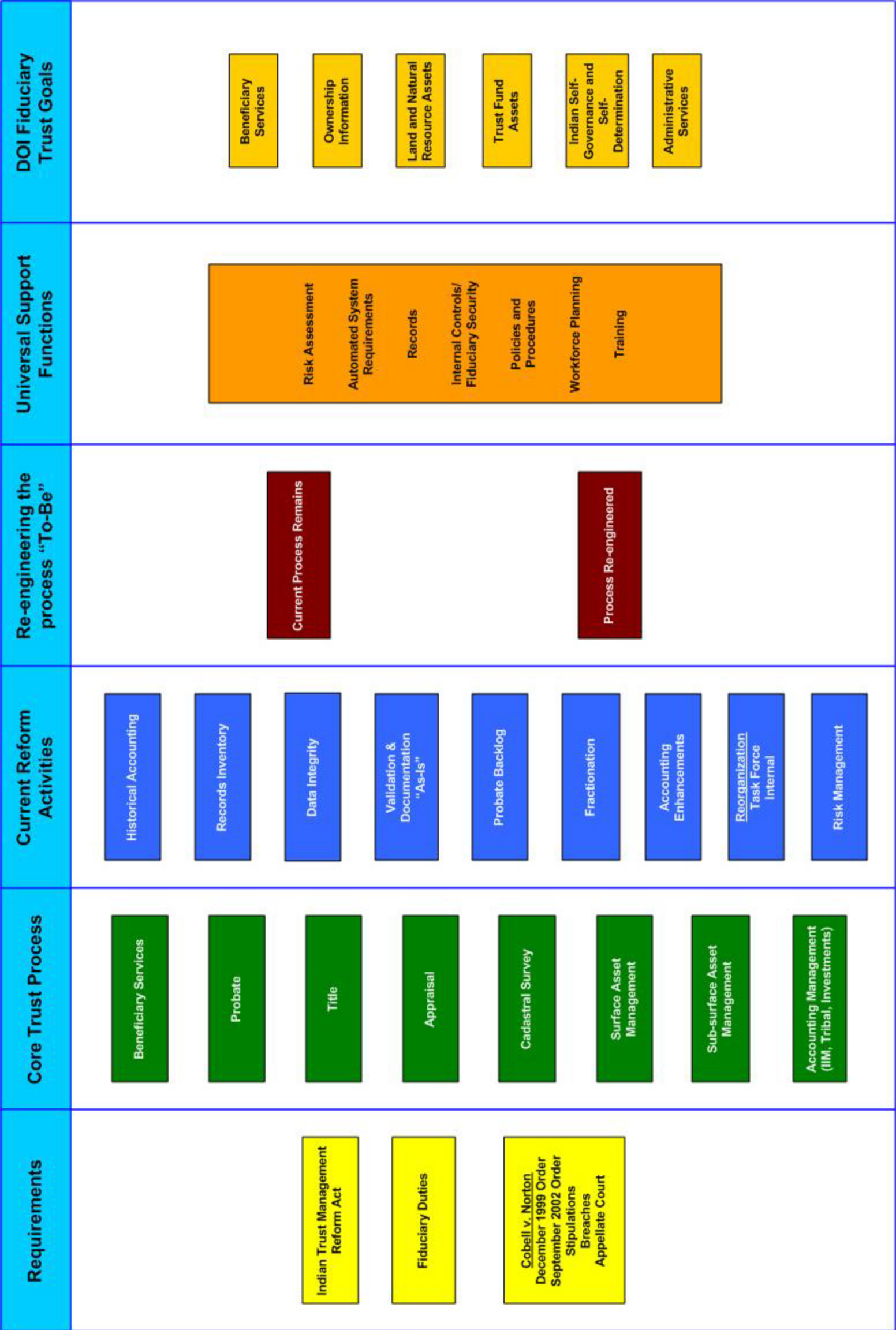
The “To-Be” model will also be very challenging to put into place because of the business culture that exists today. Change is not readily welcomed, and in this instance of trust reform, change may be required of several thousand people and the way in which they do business.

Assurance Statement

I concur with the content of the information contained in the Trust Business Process Modeling section of the 11th Report to the Court. The information provided in this section is accurate to the best of my knowledge.

Date: November 1, 2002

Name: *Signature on File*
Jeff Lords
Trust Reform Officer



B. INDIAN TRUST BUSINESS PLAN

Introduction

A Departmental Indian Trust planning team under the guidance of the Office of Indian Trust Transition (OITT) has been developing the framework for a comprehensive Indian Trust Business Plan (Plan). The Plan team consists of representatives from the Bureau of Land Management, Minerals Management Service, Bureau of Indian Affairs, Office of the Special Trustee for American Indians (OST) and Office of Indian Trust Transition (OITT). Each member of the team was responsible for getting input from their respective agency managers and staff. The Plan currently contains Goals and Objectives that outline the high-level goals that the Department of the Interior (DOI) must achieve in performing its trust responsibilities. The Plan, when completed, will articulate DOI's strategy for managing and reforming its trust responsibilities and guide DOI's implementation of this strategy.

Plan

The Plan begins with six major Goals. These are: 1) Beneficiary Services, 2) Ownership Information, 3) Land and Natural Resource Assets, 4) Trust Fund Assets, 5) Indian Self-Governance and Self-Determination, and 6) Administrative Services. The Goals and Objectives of the Plan are based on statutes, regulations, and the guiding principles contained in the Department Manual. The Director of OITT met and reviewed with the Tribal Task Force, OST, BIA and other affected DOI agencies to gain input and agreement on the Goals and Objectives. The Tribal Task Force Planning Subcommittee agreed that the Goals and Objectives were consistent with its views of trust. All other participants in the planning process have concurred, as well, in the Goals and Objectives.

The Plan will describe DOI's strategy for managing and reforming its trust responsibilities, will act as a roadmap to guide implementation of trust business processes and will be regularly evaluated to ensure its responsiveness to the on-going needs of Interior's trust operations. The Plan may be updated and revised as required by the development of reengineered business processes and organizational requirements. As the Plan is executed, it should include steps to monitor performance of employees in meeting the Plan Goals. Performance measurements are also expected to include continuing feedback from beneficiaries. This information will be used to refine business processes and to refine the Plan, when appropriate. Therefore, the Indian Trust Business Plan will be a dynamic plan that can and will be adapted to changing environments and to changing needs and strategies.

In order to obtain input and feedback from individual Indian account holders, the Plan team initiated the development of a survey to be sent to a sample of individual account holders. The survey, which is tentatively scheduled for release during the first quarter of calendar year 2003, will ensure that viewpoints from the Indian community are considered regarding the Goals and Objectives. Input from tribal representatives and

Eleventh Report to the Court
November 1, 2002

individual Indian account holders throughout the process will provide an important feedback mechanism to ensure that the Plan addresses the needs and concerns of the beneficiaries.

During the next reporting period, various agencies within DOI will identify officials responsible for each objective by working with a team consisting of business process sponsors as described in the Section on “Trust Business Process Modeling” of this Report, agency lead persons and managers. These officials, together with their teams, will be directed to develop a set of specific tasks that outline a comprehensive step-by-step methodology for achieving each objective. The responsible officials will also coordinate with OITT to define related performance measures and create schedules for completing the tasks. The specific tasks, related measures and schedules are subject to review and approval by the Plan team.

An integral part of the Plan is the development of standardized trust business processes. DOI is reviewing current business processes to determine those that need to be reengineered and/or integrated with other processes. The results, when integrated into the Plan, will help achieve meaningful trust reform and improve the overall management of the trust program. Building on the work of its consultant, Electronic Data Systems, an “As-Is” business process model is being developed. The work is expected to be completed during the last quarter of this calendar year.

The next step is to construct a “To-Be” model, which will begin to be developed in calendar years 2003-2004. This model will take into consideration private trust business practices as well as the earlier EDS Roadmap recommendations and lessons learned during the “As-Is” studies.

Assurance Statement

I concur with the content of the information contained in Indian Trust Business Plan section of the 11th Report to the Court. The information provided in this section is accurate to the best of my knowledge.

Date: October 29, 2002

Name: *Signature on File*
Ross O. Swimmer
Director, Office of Indian Trust Transition

C. PROBATE

Introduction

Probate is one of the three trust improvement projects consolidated in the Office of Indian Trust Transition (OITT) on November 21, 2001. Conducting and completing the probate of individual Indian trust assets requires the cooperative efforts of the Bureau of Indian Affairs (BIA), the Office of Hearings and Appeals (OHA) and the Office of Trust Funds Management (OTFM). In addition to bringing the probate caseload current so that the overall management of trust assets is based on correct ownership information, the focus of the probate project is on creating a prompt, efficient, beneficiary-oriented and seamless process.

Accomplishments and Completions

Probate Handbook. In this reporting period, DOI engaged the services of a contractor to revise and expand the existing draft probate handbook to detail the responsibilities and procedures in all phases of the probate process. The contractor is uniquely qualified to describe the probate process because it has already conducted risk management analyses of the probate process. A complete draft of the revised Probate Handbook “As-Is” is due for distribution, review and comment by the end of December 2002. During the first calendar quarter of 2003, the Handbook is scheduled to be put into final form and proposed revisions resulting from the reengineering process are scheduled to be delivered. The proposed revisions will be in the form of replacement pages that may be disseminated based on an event occurring, e.g., a change in policy.

Certified Death Certificates. The Department has a need for prompt and accurate verification of death for Indian trust property owners in order to conduct a probate of their trust assets. Given previous methods and resources, it is sometimes not possible for a local agency to obtain a certified death certificate. Partial reports from BIA agencies identified more than 1600 backlogged probate cases being prepared that cannot be submitted because they lack certified death certificates. On September 30, 2002, the Department engaged and began using the services of VitalChek Network, Inc., a company that specializes in obtaining certified vital records for third parties and that has contractual relations with all states except Louisiana, to obtain death certificates.

Case Preparation. Case preparation is the gathering of information and documents to enable the submission of a probate package to a deciding official. Through agency-level Site Assessments, agencies that have the highest numbers of probate cases involving interests in trust land were identified in each region. Based on those assessments, the contractor was directed to focus its efforts on case preparation in the gathering of documents to enable the submission of a probate package to a hearing official, beginning with the agencies that have the highest caseloads.

Eleventh Report to the Court
November 1, 2002

Probate Process Reengineering. Building on the experience and information developed and documented by the trust business process modeling commenced by OITT in April of this year, reengineering of the probate trust process business model began in September. A trust business process “To-Be” modeling workshop was held September 3-6, 2002, in Albuquerque, NM, to develop a prompt, efficient, beneficiary-oriented and seamless process. A contractor facilitated the workshop using mobile workstations and collaboration software to foster an open dialog and record the workshop proceedings. Participants included subject matter experts from all phases and levels of the probate process, including Tribal probate service providers, and from the universal support functions, including risk management, records management, policies and procedures, workforce planning, training, automated systems, and technical assistance, together with representatives from the Tribal Task Force.

There was active participation in the workshop. More than one thousand comments were entered into the collaboration software, which is considered to be quite high considering the amount of time spent in breakout groups. Nevertheless, the contractor reported that most of the process improvement comments were incremental and mirrored comments already collected in the field workshops facilitated by another contractor that are being conducted to document regional variances from the “As-Is” trust business process baseline. These comments may validate the information gathered at the field workshop meetings but do not provide the solid basis for reengineering the probate process that was hoped for.

Consistent with the contractor’s recommendations, the focus of this effort to revise the probate process will be narrowed and made more explicit to obtain a greater number of specific visions of an overall revised probate process, which will be reviewed and evaluated by a small group of subject matter experts to develop a “straw man” of the “To-Be” trust business model. This “straw man,” and perhaps one or two alternatives, will be presented to the larger group for development into an initial “To-Be” trust business model. It is anticipated that the “To-Be” trust business model will be completed in the first calendar quarter of 2003. The time required to apply the universal support functions which are Risk Assessment, Automated Systems Requirements, Records, Internal Controls/Fiduciary Security, Policies and Procedures, Workforce Planning, Training, and System User Technical Assistance Center Requirements to the “To-Be” trust business model will also be determined.

Regional meetings are expected to be held in the future to discuss the initial “To-Be” trust business model and solicit comments in order to refine the model.

Probate Project Manager. A new manager to oversee the probate project was appointed effective July 14, 2002.

Current Status

Case Location and Status (CLS) Database. In response to the need for accurate information about probate caseloads, an interim tracking system not requiring internet access is being developed to collect accurate on-site case counts and information across all probate processes so that appropriate resources can be provided to meet localized backlogs. In June, work was nearing completion on incorporating robust security measures and correcting the operating flaws that were disclosed by the CLS Beta test conducted at the end of May.

After further revision, the CLS database, which was developed by a contractor, was then subjected to rigorous functional testing and volume testing from July 15, 2002, to July 31, 2002. The August 1, 2002, test results noted that numerous additional defects were disclosed and fixed, but at least 10 known major defects remained at the end of the testing. A determination was made that it would require less time and effort and provide a quicker, more responsive program to rebuild the database program rather than to troubleshoot the existing design. The preliminary training of contractors conducted in May concerning what data to gather is not affected by the redesign.

After rebuilding the program, additional input from representatives of each phase of the probate process was obtained through a meeting in Albuquerque on August 22, 2002. Numerous suggestions were made, and the balance of the reporting period has been devoted to incorporating those suggestions and preparing the program for final approval and deployment, which is expected to take place during the next reporting period.

Social Security Administration's (SSA) e-Vitals Project. The SSA e-Vitals project sponsored by the National Association for Public Health Statistics and Information Systems (NAPHSIS) is now in its pilot phase. Based on discussions with NAPHSIS, it appears that this project is designed only to give a "match or no-match" response to data supplied by SSA in an attempt to confirm a death. Consideration is being given to whether DOI could benefit from the project if certain probate regulations were changed.

In many states, NAPHSIS is also sponsoring an effort to provide reports of death electronically to state vital records offices. Contacts were made with the President and Executive Director of NAPHSIS and discussions were begun to clarify the Department's needs and to explore whether the Department might also be notified when the death of a Native American or Alaska Native is reported. A representative of OST plans to attend the next regional meeting of NAPHSIS to continue these discussions.

Number of Cases Processed and Decided – July through September 2002. During this reporting period, BIA and OHA deciding officials received 728 cases and issued decisions in 941 cases. The Office of Trust Funds Management (OTFM) distributed and closed 992 estate accounts representing 961 estates. The Trust Funds Accounting System (TFAS), as of the end of September 2002, contains 25,404 open estate accounts. Of these, 13,481 are classified as official deaths, where OTFM has confirmed the death but

Eleventh Report to the Court
November 1, 2002

the case has not been recorded as sent to probate. Another 7,617 of these accounts are classified as unofficial deaths, where OTFM has received some indication of death which has not yet been confirmed. The remainder of these accounts are in the probate process or have been decided but the assets have not yet been distributed. These numbers are the best information available and are subject to verification. An accurate statement of the probate workload cannot be made until a reconciliation is made with the CLS Database noted above. There could be significant changes in the figures based on the on-site hand count verification entered into the CLS database.

Case Preparation – Probate File Processing (involving land interests). The contractor's pilot project to complete tasks related to the preparation of probate cases involving interests in trust land continued in the BIA's Western Region. A total of forty-one (41) backlogged land cases were approved by the BIA during the quarter. Another thirty-two (32) backlogged land cases are pending BIA approval.

Case Preparation – Probate Summary File Processing (money only). Contractor efforts to complete case preparation – summary distribution tasks, i.e., no land ownership, continued in the BIA's Western, Great Plains, Midwest, Northwest, and Rocky Mountain Regions. A total of fifty-four (54) backlogged Summary Distribution cases were approved by the BIA during the quarter. Another forty-three (43) backlogged Summary Distribution cases are pending BIA approval.

Case Preparation – Priorities. In addition to focusing on the agencies with the highest caseloads, the top 501 open estate accounts, based on the amount of money in the account, were identified. These accounts represent only 3.4% of the estate accounts, but total \$31 million or 65% of the funds. The BIA and OHA are giving priority to probating these estates. OHA reported this quarter that it identified 152 of these cases as having been on its inventory of cases. As of August 9, 2002, 116 of these had been decided, leaving a balance of 36 cases pending in OHA. Some of those cases decided may be administratively appealed and reappear on OHA's docket.

Posting and Recording. Posting and Recording Tasks continued during the quarter at the BIA regional and agency locations including the Great Plains Region Land Titles and Records Office (LTRO) in Aberdeen, the Northwest Region LTRO in Portland, the Pacific Region LTRO in Sacramento, and the Southern Plains Region LTRO in Anadarko. No cases were completed by the contractor because, as noted below, the contractor did not have access to the Land Records Information System (LRIS) and the Cognicase (TAAMS) current title module. Posting and recording activities included ID Verification, microfiche research, Standard Operating Procedures (SOP) development, modification order drafting, the posting of land tracts to records maintained manually, and the conducting of agency-level Site Assessments.

Complete processing of Probate actions and title recordation were prevented by the unavailability of both the Land Records Information System (LRIS) and the Cognicase current title module since December 2001. The systems became available recently and,

**Eleventh Report to the Court
November 1, 2002**

as staff has become re-certified for access to the systems, accumulated backlogs have been addressed. For example, the Rocky Mountain Region LTRO reported that it had no probate decisions pending recording as of December 1, 2001. By June 30, 2002, the Rocky Mountain Region LTRO had a backlog of 585 probate decisions awaiting recordation. As of September 30, 2002, its backlog of probate decisions awaiting recordation was reduced to 164. Meanwhile, the number of requests for probate inventories (BIAINVs) pending at the Rocky Mountain Region LTRO has increased to 1194. Probate inventories are needed to complete the preparation of a probate case. Requests for inventories were allowed to accumulate while resources were devoted to recording probate decisions because current data is essential to an accurate inventory and probate decisions frequently affect the contents of future probate inventories.

Babbitt v. Youpee. Youpee tasks at the LTRO level were limited to ID Verification activities and the electronic entry of all Great Plains Youpee escheat cases by reservation and agency. Agency level ID verification was completed for the Standing Rock, Winnebago, Fort Berthold, Cheyenne River, Lower Brule, Crow Creek, Fort Totten, Leech Lake and Fond du Lac reservations. Databases were initiated to track Youpee ID verifications in the Midwest Region.

Delays/Obstacles

The lack of access to the internet, legacy BIA systems, and electronic mail systems necessitated by the December 5, 2001, court order and subsequent “Disconnect Order” issued by the Assistant Secretary-Indian Affairs, continued to significantly affect the ability to process and complete probate backlogs across all probate processes. As the automated Probate Tracking System (PTS) is an Internet-based system and therefore not currently available, critical documents and processes such as the OHA-7 forms, the assignment of probate docket numbers, case counting and reporting are now being done manually.

Assurance Statement

I concur with the content of the information contained in this section of the 11th Report to the Court. The information provided in this section is accurate to the best of my knowledge.

Date: November 1, 2002

Name: *Signature on File*
Marinus Heymering Jr.
Supervisory Trust Reform Specialist

D. INDIAN TRUST SYSTEMS

Introduction

System design is no longer centered on one all-encompassing asset management system. What is required is a series of software applications focusing on each aspect of the trust business. These software applications do not need to come from a single company; in fact, it is preferable to get the applications from companies which specialize in the field which the software is to be used. The goal of Indian Trust Systems is to integrate the separate applications into compressive software architecture which share necessary information across all applications to accomplish trust reform. Reform is focused on defining trust business processes to meet beneficiary needs and fiduciary requirements. This design focuses on developing fundamental trust business processes and then developing system requirements and architecture for these business processes. These requirements and architectures will determine whether existing systems and technology should be used, integrated, or replaced.

Accomplishments and Completions

Trust Systems is examining each of the functional process modules required to execute the trust business. The aim is to incorporate these processes into an integrated Trust Systems framework architecture which will fully comply with all requirements and standards enumerated in the Department of the Interior (DOI) draft Enterprise Architecture (EA) released May 15, 2002.

In researching software systems which can be integrated, input from companies using trust-related commercial software applications is being sought. As requirements for each of the functional process modules becomes known, an evaluation of the software available from commercial companies will be made in order to determine applications that are congruent with the trust reform requirements. This will minimize the need for costly custom built applications. To replace TAAMS, a Request for Information (RFI) was published in "Federal Business Opportunities," (FEDBIZOPS) in July 2002 to solicit information on commercial software applications that could possibly meet the functional business requirements of the Indian trust business processes. Copies of the RFI were provided to trust-related companies that usually do not solicit business with the government and may not be users of the FEDBIZOPS. Seventeen responses were received to the RFI. Examination and review of the RFI responses have been prioritized based on the trust business process reengineering schedule, with probate and title functions being evaluated first. Additionally, title systems were reviewed outside the RFI process, i.e., Stewart Title, First American Title and three county title systems.

The Cognicase Current Land Title module was restored to operational status in August 2002. A nine-month Interim Authorization To Operate was approved. Updates to the System Security Plan, Security Legal Requirements Analysis, Risk Management Plan, and Security Plan of Action were initiated.

Title subject matter experts from the Bureau of Indian Affairs (BIA) met with Trust Systems and Projects staff and Information Services Corporation (ISC) personnel at the ISC facility in Regina, Saskatchewan, Canada from September 23, 2002, through September 25, 2002, to review the ISC-developed Land Titles Automated Network Delivery (LAND) system. The LAND system provides quick, reliable, and secure land titles services over the Internet to Provincial Government offices, business and industry, and individual landholders in Saskatchewan province. The system was identified as a potential Trust title system through the RFI process. The Saskatchewan government has taken a centralized approach to the maintenance of land title and relies heavily upon the Internet to ensure success of that centralization. Additionally, through legislation, the Saskatchewan government was able to resolve many of the issues related to recording life estates and using metes and bounds to describe property. Several processes within its system could be adopted to improve current procedures used to maintain the BIA Indian land title system. The filing system, which incorporates indexed record containers and computer bar-coding, appears much more efficient than any methods used in county court houses or BIA Land Title Record Offices. In addition, use of scanned documents and geographic information mapping was exceptional. The fundamental approach the Saskatchewan government employs in the maintenance of land title, the Torrens title system, is very different from the “registration” or “recording of evidence” methods that have been employed by the United States and therefore is not directly applicable to the BIA land title system requirements.

An additional tracking system that could possibly support the Probate process was also identified from the RFI responses. This product will be examined during the next reporting period.

Current Status

Development of a “As-To” business model based on review and documentation of current business processes continues. The identification of the Critical Data Elements (CDE) continues. CDEs are defined as those trust data elements which are needed to provide: (1) timely and accurate payments to beneficiaries; (2) timely and accurate transactions listings and asset inventories to beneficiaries; and (3) effective management of the assets. Examples of CDEs are name, account number, and tract number. A draft concept of operations for the Data Quality initiative for collecting, validating, and maintaining the CDE is being reviewed. Data cleanup will be prioritized by agency in accordance with the amount of recurring IIM income. A contractor will review the hard-copy land title documentation and correct the automated data files to reflect the information contained on the hard-copy documentation. After a quality check verifies the accuracy of the automated file update, the validated data will be transferred to a controlled repository for safe guarding and protection from corruption. Updates to validated information will follow a similar quality control review change process.

Eleventh Report to the Court
November 1, 2002

The computer hardware and software to build a data warehouse to store validated CDE have been ordered. Data warehousing allows for the collection of data elements extracted from dissimilar data sources and placed in a common repository. The collection of CDE is vital to the process of producing accurate and timely trust real property asset statements to the beneficiaries.

Development of a database to capture the probate case workload at BIA agencies and regional offices and OHA offices is proceeding. The database will capture the case number, location and current status of each outstanding probate.

Delays/Obstacles

Research into new information system solutions and components was hampered by lack of Internet connectivity.

Assurance Statement

I concur with the content of the information contained in The Indian Trust System section of the 11th Report to the Court. The information provided in this section is accurate to the best of my knowledge.

Date: October 29, 2002

Name: *Signature on File*
William L. Becker
Supervisory IT Specialist

E. TRUST DATA QUALITY ANALYSIS

Introduction

The success of trust reform depends foremost on the accuracy of data upon which trust land is maintained, trust land ownership is determined, trust income is distributed and trust accounts managed. This trust reform task is to standardize trust data elements and implement quality controls, which will ensure trust data is accurate, current and secure.

Accomplishments and Completions

The Trust Systems and Projects (TS&P) office provided the Acting Deputy Commissioner of Indian Affairs (DCIA) a draft list of Critical Data Elements (CDEs) for review and comment. CDEs are defined as those trust data elements which are needed to provide: (1) timely and accurate payments to beneficiaries; (2) timely and accurate transaction listings and asset inventories to beneficiaries; and (3) effective management of the assets. Examples of CDE's are name, account number, and tract number. The draft list of CDEs, provided to the DCIA, was identified by a contractor after its extensive review of available Bureau of Indian Affairs (BIA), Office of Trust Funds Management (OTFM) and Minerals Management Service (MMS) documentation, meetings with Department of the Interior (DOI) leadership and interviews with personnel from selected BIA Regions.

After the BIA comments regarding CDE inclusion or exclusion are reviewed and considered, the CDE list will be provided to those DOI bureaus and offices with trust asset management responsibilities for their review and comment. Once all comments have been considered, the CDE list will be finalized and the TS&P office will begin implementation of the Data Quality and Integrity (DQ&I) Model Agency Project.

DQ&I Model Agency Project

The DQ&I Model Agency Project will identify, verify for accuracy, correct, if necessary, and safeguard CDEs, in order to ensure the accurate status and reporting of trust real property assets to the trust beneficiaries. Upon their verification of accuracy and/or correction, CDEs will be stored, in a standard data format, in a secure electronic data repository environment where stringent quality controls would be implemented to ensure accuracy to CDE updates.

The Concho, Anadarko, and Eastern Navajo Agencies were selected as DQ&I Model Agency Project sites. These BIA agencies were selected because they are three of the top four agencies, for having the highest recurring amounts of trust income being deposited into Individual Indian Monies (IIM) accounts. The amount of revenue from these three agencies is approximately 23% of the \$119 million deposited annually into all IIM accounts.

Eleventh Report to the Court
November 1, 2002

The top ten BIA Agencies have approximately 59% of the total recurring trust income deposited into IIM accounts. Upon full implementation at Concho, Anadarko, and Eastern Navajo Agencies, the DQ&I Model Agency Project is scheduled to be implemented at the remaining top ten agencies, prior to conducting a nation-wide deployment.

A site visit to the Eastern Navajo Agency is scheduled to be conducted October 8-9, 2002. Site visits to the Concho and Anadarko Agencies are scheduled to be conducted October 22-25, 2002.

Data Warehousing

Data warehousing allows for the collection of data elements extracted from dissimilar data sources. In the context of the DQ&I Model Agency Project, a data warehouse is scheduled to be developed and used to extract periodically CDEs originating from the systems used by the various DOI bureaus and offices (primarily the BIA, OTFM, and MMS). Once extracted, common relationships among CDEs will be identified and CDE queries and CDE ad hoc reporting may be conducted. These capabilities are vital to the process of verifying for accuracy and/or correcting CDEs, so that accurate and timely trust transaction and asset statements can be provided to the beneficiaries.

Contractor Efforts

Pre-deployment data cleanup tasks consist of researching and correcting critical key fields, reducing BIA backlogs, acquiring documents and encoding directly into the Cognicase current land title product and/or the Land Records Information System (LRIS).

Data cleanup activity has been impeded by the Federal Court Temporary Restraining Order (TRO), which went into effect on December 5, 2001, and the subsequent Consent Order of December 17, 2001. However, access to the majority of the legacy systems has been restored. The contractor's encoding for the Alaska Region was not available due to a telecommunication problem resulting from the contractor's move to a new facility. The contractor's data cleanup efforts and accomplishments were in the following areas:

- Title Examination (Chain Sheet Preparation);
- Chain Sheet Review;
- Reviewing and Acquiring Legal Land Documents;
- Preparing Documents for Encoding into the LRIS;
- Multiple Owner Identification (MOID) Tasks
- Document (land title/encumbrance to land title) Processing Tasks;
- Non-Enrolled Identification Number Tasks;
- Current Document Type Modifier Tasks;
- Document Chaining Tasks at the Flathead Agency;
- Realty/Title Land Tract Match Tasks;
- Tract M990 Title Ownership Chaining Task at the Fort Peck Agency;

Eleventh Report to the Court
November 1, 2002

- REM/Land Ownership ID/TFAS Account Comparison Match Task;
- Document Recording and Microfilm Task at the Eastern Region;
- As assigned by BIA, Drafting and Encoding Administrative Probate Modification Tasks;
- LRIS Death Notifications Encoding Task at the Southwest Region.

The contractor has also assisted the BIA in processing the backlog caused from the systems shutdown, resulting from the Federal Court Orders.

Data Cleanup Delays/Obstacles

During the 11th reporting period, the following impacted the contractor's data cleanup efforts:

- Systems and/or network unavailability;
- Unavailability of BIA personnel to review and approve task cases, prepared by the contractor;
- Unavailability of BIA agency personnel to perform Enrollment Identification verifications;
- Navajo Enrollment Office access limited to one day per week;
- Being limited to ten LRIS automated reports per day at the Rocky Mountain Regional Office due to time required to recover from the automated systems shutdown;
- Remaining without access to the Cognicase current land title product for the Alaska Region, due to a telecommunication problem resulting from the contractor's move to a new facility.

Assurance Statement

I concur with the content of the information contained in the Trust Data Quality Analysis section of the 11th Report to the Court. The information provided in this section is accurate to the best of my knowledge.

Date: October 30, 2002

Name: *Signature on File*
John E. White
Supervisory Trust Reform Specialist

F. OFFICE OF HISTORICAL TRUST ACCOUNTING

Introduction

On July 10, 2001, the Office of Historical Trust Accounting (OHTA) was established by Secretarial Order No. 3231 (Order). The purpose of OHTA is to plan, organize, direct and execute the historical accounting of Individual Indian Money (IIM) accounts.

On June 27, 2002, Secretary Norton amended Secretarial Order No. 3231 by issuing Amendment No. 1. The Amendment extended the expiration date of the Order from July 1, 2002, to July 1, 2004. The Secretary further modified the Order by directing OHTA to plan, organize, direct and execute the historical accounting of IIM accounts *and Tribal Trust accounts* (emphasis added). On July 31, 2002, Secretary Norton issued Amendment No. 2 which revised Sec. 3 of the Secretarial Order No. 3231 by adding “and Tribal Trust accounts.”

Accomplishments and Completions

Report to Congress on the Historical Accounting of Individual Indian Money Accounts

As stated in *Status Report to the Court Number Ten*, OHTA issued its *Report to Congress on the Historical Accounting of Individual Indian Money Accounts* (Report) on July 2, 2002. OHTA provided copies of the Report to Members of the U. S. House of Representatives and U.S. Senate Interior Appropriations Subcommittees. These include (1) Subcommittee on Interior and Related Agencies, Committee on Appropriations, House of Representatives and (2) Subcommittee on Interior and Related Agencies, Committee on Appropriations, U.S. Senate respectively.

OHTA also provided copies of the Report to Members of the House of Representatives and Senate oversight committees for DOI. These include (1) the Chairman and Ranking Member of the Committee on Resources, U.S. House of Representatives, (2) Co-Chairmen, Congressional Native American Caucus, U. S. House of Representatives, and (3) the Chairman and Ranking Member, Committee on Indian Affairs, U.S. Senate. The Department of Justice (Justice) provided a copy of the Report to the Court.

On July 9, 2002, OHTA’s Executive Director and Deputy Director provided a briefing for Staff of the Senate Interior Appropriations Subcommittee. On August 1, 2002, another briefing was provided to a Staff member of the House Appropriations Committee by OHTA’s Executive Director and Deputy Director.

During this reporting period, OHTA provided additional briefings to personnel of the Office of Management and Budget and to senior DOI personnel regarding various aspects of the Report.

Eleventh Report to the Court

November 1, 2002

As stated in the *Status Report to the Court Number Ten*, Interior prepared the Report pursuant to Congressional direction contained in DOI's appropriation for FY 2002. The Report provides an estimate for the total cost of the historical accounting at about \$2.4 billion over an assumed 10-year period. To accomplish this accounting, OHTA proposed to divide the historical accounting into three distinct phases of work based on the attributes of the Individual Indian Money (IIM) account. However, OHTA notes some obstacles to the proposed historical accounting plan. These obstacles are described on pages 12 and 13 of the Report.

Further details about OHTA's approach, methods and additional information for the proposed historical accounting can be found in various sections of the Report. The complete Report is available on the Internet at www.doi.gov/ohata or by request to OHTA at (202) 327-5300.

Judgment and Per Capita IIM Accounts

As reported in the *Status Report to the Court Number Ten*, OHTA hired Chavarria, Dunne & Lamey LLC (CD&L) to reconcile a number of judgment and per capita IIM accounts. The work requested was a continuation of procedures CD&L performed earlier in connection with its pilot project of ten groups of judgment accounts for the Office of the Special Trustee's Office of Trust Risk Management (OTRM).

CD&L continues to perform accounting procedures on the judgment and per capita IIM accounts scheduled for completion with interim deliverables through mid-fiscal year 2003.

Judgment IIM Accounts

The following table is a summary of deliverables completed by CD&L and cumulative results to date for judgment IIM accounts.

**Eleventh Report to the Court
November 1, 2002**

Table 1. Judgment IIM Accounts Reconciled Through December 31, 2000

CD&L Report Number	CD&L Report Issue Date	Accounts Delivered	Dollars at December 31, 2000	Accounts Checked by Grant Thornton	Dollars Checked by Grant Thornton
1	October 31, 2001	See Note 1 Below	See Note 1 Below	See Note 1 Below	See Note 1 Below
2	June 7, 2002- Update of October 31, 2001	7,903	\$ 22,764,799	7,903	\$22,764,799
	June 7, 2002 – Additional Judgments	3,706	\$ 6,937,813	3,706	\$ 6,937,813
3	July 31, 2002	662	\$ 7,990,801	In Progress	In Progress
4	August 30, 2002	1,055	\$ 552,681	In Progress	In Progress
5	October 2, 2002	909	\$ 2,698,099	In Progress	In Progress
	Cumulative	14,235	\$ 40,944,193	11,609	\$29,702,612

Note 1: CD&L's first report dated October 31, 2001, reconciled accounts through September 30, 2000, as specified in its contract with OTRM. The second report dated June 7, 2002, updated these results through December 31, 2000. The update was due to a change in the cut-off date from September to December 31, 2000.

Historical Statements of Account for an initial sample of 560 reconciled judgment IIM accounts were prepared for mailing to account holders (included in the June 7, 2002, CD&L Report Number 2). The information provided to these IIM account holders includes (1) a Historical Statement of Account covering the period from the initial deposit of the Tribal judgment distribution into the IIM account and interest through December 31, 2000, (2) a letter describing the historical accounting work performed, including a general description of the account history, (3) a brochure containing instructional material with answers to anticipated questions, and (4) a description of an appeal process to the Interior Board of Indian Appeals. These 560 accounts are the first in a series of mailings scheduled throughout the performance of the historical accounting work in order to communicate results to the IIM account holders in a timely manner.

**Eleventh Report to the Court
November 1, 2002**

Quality Assurance

As reported in the *Status Reports to the Court Numbers Nine and Ten*, Grant Thornton LLP (Grant Thornton) has been engaged to perform a quality control check of CD&L's work on judgment IIM accounts. As reported above, reports issued to date by Grant Thornton represent quality control checks on 11,609 judgment IIM accounts.

OHTA expects Grant Thornton to complete quality control reports on reconciled IIM accounts covering 1,717 judgment IIM accounts (1,055 + 662) by late November 2002, and 909 accounts by mid-December 2002.

Grant Thornton also conducted a quality control check for the mailing described above of the initial 560 judgment IIM accounts and is currently drafting its report on this activity.

Per Capita IIM Accounts

Similar to judgment accounts, per capita accounts have limited activity because their primary purpose is to receive per capita payments. These accounts are also a focus of the historical accounting work by CD&L. The following table is a summary of work completed by CD&L and cumulative results to date for per capita IIM accounts.

Table 2. Per Capita Transactions Reviewed

CD&L Report Number	CD&L Report Issue Date	Transactions Reviewed by CD&L	Dollars Reviewed by CD&L	Accounts Checked by Grant Thornton	Dollars Checked by Grant Thornton
1	October 31, 2001	23,226	\$ 51,645,526	In Progress	In Progress
2	June 7, 2002	-	\$ -	Not Applicable	Not Applicable
3	July 31, 2002	14,096	\$ 5,476,310	In Progress	In Progress
4	August 31, 2002	16,306	\$ 8,407,932	In Progress	In Progress
5	October 2, 2002	35,151	\$ 12,982,059	In Progress	In Progress
	Cumulative	88,779	\$ 78,511,827	0	0

Disbursement Testing Of Judgment IIM Accounts with Disbursements

CD&L noted that some judgment IIM accounts for which it performed historical accounting procedures reflect disbursements from the account. These accounts with disbursements were excluded from the 7,903 reconciled accounts for further work.

Eleventh Report to the Court

November 1, 2002

A stratified random sample of 150 disbursements from approximately 8,500 disbursements was designed by the OHTA contractor, National Opinion Research Center of the University of Chicago (NORC), to develop reconciliation procedures for specific judgment IIM accounts. Copies of the checks for the selected sample were then requested from the Department of the Treasury (Treasury). Treasury was able to provide copies of 122 of the 150 disbursements. Alternative documentation will be examined for the 28 disbursements not verified by copies of the checks. CD&L completed this work on August 31, 2002.

OHTA's Office Move

Effective September 14, 2002, OHTA moved its offices to 1801 Pennsylvania Avenue, NW, Suite 400, Washington, DC 20006. The new telephone number is (202) 327-5300.

Consultants

During this reporting period, OHTA hired an additional consultant, Government & Business Solutions Inc. (G&B), to advise on information technology (IT) systems, security and trust architecture issues, as well as to perform independent verification and validation of IT systems. G&B also performs similar services for other DOI components.

OHTA is also actively engaged in acquiring the services of a contractor with experience in document handling, imaging and scanning services for OHTA.

Current Status of Ongoing Projects

As reported in the *Status Report to the Court Number Ten*, OHTA is conducting various projects to assist it in completing the historical accounting. The following summarizes current projects.

BIA Eastern Region

The Eastern Region has 37 IIM land-based accounts, an ideal size to learn about the difficulties that will be encountered when accounting for larger numbers of accounts. Once this project is completed, it will substantially complete the historical accounting for one of the 12 BIA Regions.

Deloitte & Touche LLP (D&T), a public accounting firm engaged by OHTA, is now conducting a historical accounting for the 37 IIM land-based accounts in the Eastern Region. D&T's work focuses on land-based accounts on direction from OHTA.

Using the IRMS and TFAS files, D&T has identified 1,700 transactions for 37 IIM accounts. D&T also received a file from the Office of Special Trustee's Office of Trust Funds Management (OTFM) containing balances for all of the Eastern Region IIM

accounts. D&T is performing additional analysis of the IRMS and TFAS data to determine the source of funds for all Eastern Region IIM land-based IIM accounts.

Most of the Eastern Region's 2,900 accounts are related to judgment awards, and this historical accounting work will be performed by CD&L. CD&L has completed historical accounting work on 1,055 Eastern Region judgment IIM accounts, which are included in the August 30, 2002, deliverable in Table 1 above. An additional 682 accounts have disbursements and are scheduled to be addressed during the next quarter.

New Accounts in Trust Fund Accounting System (TFAS)

Since TFAS was installed, new accounts have been established. These new accounts have been opened as a result of probate inheritance, new leases of allotted lands, judgment or per capita distributions, or for other reasons. The limited history associated with these new accounts affords a cost-effective means for OHTA to test and learn how to use electronic IIM account information in TFAS in relation to supporting paper records and documents in performing an accounting. Further, OHTA's examination of these IIM accounts will serve as a test to identify and resolve procedural and policy assumptions related to reconciling the automated IIM records. OHTA hired the public accounting firm of Ernst & Young LLP (E&Y) to perform the accounting work for this project.

E&Y prepared a work plan to perform the accounting for the new TFAS accounts initially in the Southwest Region. The Southwest Region was selected since land records are in the Albuquerque Land Records Title Office and financial records are in the Office of Trust Records facilities, also in Albuquerque. This plan was reviewed and approved by Grant Thornton.

E&Y has also gathered land ownership information for a subset of these IIM account holders. Because of the Department-wide shutdown of computer systems (including the Land Records Information System - LRIS), this information was collected from hard-copy records at the Albuquerque Land Title Records Office of the BIA. Additional ownership records will be obtained from LRIS.

E&Y has begun the analysis of the transaction histories for these accounts, including the review of selected supporting financial documents from OTFM. E&Y expects to complete this project during the next reporting quarter.

The accounting for the new TFAS accounts in the Southwest Region was originally scheduled for completion this quarter. However, delays in obtaining LRIS data on leases due to the December 5, 2001, Temporary Restraining Order (TRO) and the December 17, 2001, Consent Order were experienced.

Land Title Project

The goal of the Land Title Project has been to evaluate the completeness of the BIA's Land Records Information System (LRIS) underlying the IIM accounts. There are two facets to this project: (1) completeness of the physical land records (i.e., whether all Indian Trust tracts/allotments are in LRIS) and (2) completeness of the ownership data (i.e., whether all individual owners are recorded in LRIS). The first facet of this project has been completed and interim reports of findings have been provided to each Land Title Records Office and an overall report finalized for OHTA.

The second facet of this project, the completeness and accuracy of the ownership records, had been put on hold, as noted in the *Status Report to the Court Number Ten*, due to the inability to gain access to LRIS, a result of the December 5, 2001, TRO and the December 17, 2001, Consent Order.

NORC is expected to resume this part of the project, since access to LRIS was restored during mid-2002. A new schedule calling for a rapid completion of this facet is expected by October 31, 2002, with completion during the next reporting period

Outreach

On September 17, 2002, OHTA's Deputy Director attended the Bureau of Indian Affairs (BIA) Managers and Line Officers meeting in Phoenix, Arizona. This meeting, attended by Assistant Secretary-Indian Affairs, Acting Deputy Commissioner for Indian Affairs, BIA Regional Directors, BIA Area Superintendents, and other BIA office heads (approximately 200 attendees), was held in conjunction with the *National Summit on Emerging Tribal Economies*. The OHTA Deputy Director presented an overview of OHTA and its mission, the plan for the historical accounting of IIM accounts as contained in the Report and information on how OHTA plans to coordinate work with BIA. Discussion and questions followed.

In order to ensure an accurate and consistent plan for the historical accounting to IIM account holders for the selected projects, OHTA's management and staff personnel held three offsite meetings with representatives from BIA field personnel and OHTA's contractors – accounting firms, statisticians, historians, cost contractor, and project and system integrator.

- The first offsite meeting was held August 22-23, 2002, in Denver, Colorado, to select the initial BIA Agencies in which to conduct an historical accounting of land-based IIM accounts.
- The second offsite meeting was held September 18-19, 2002, in Dallas, Texas, with a focus on planning the work in the Alaska Region, which was chosen as the site of the first historical accounting for land-based IIM accounts.

Eleventh Report to the Court

November 1, 2002

- The third offsite meeting was held September 25-26, 2002, in Dulles, Virginia, to focus on the Alaska Region kick-off presentation and meeting agendas. The kick-off meetings will be held in Juneau, Alaska, on October 3, and Anchorage, Alaska, on October 7 and 8, 2002.

BIA Presentation on September 10, 2002

OHTA's BIA Liaison arranged and moderated a briefing provided by BIA staff members entitled "Working in Indian Country." OHTA sponsored this presentation. Topics included overviews of tribal self-governance, compacting, contracting, sovereignty, judgment and per capita distributions, probate process for realty trust assets and IIM account distribution, Indian policies, and protocol issues. BIA speakers were Chief-Tribal Government Services, Acting Chief-Division of Real Estate Services, and Director of Self Governance.

A morning session was held for DOI and Treasury staff and OHTA contractors. A separate presentation was held for Justice personnel in the afternoon. A total of 50 attended these two sessions.

Collection of Missing Information from Outside Sources

The District Court held that DOI was in breach of a duty to have written policies and procedures to identify and collect from third parties missing information necessary for an accounting of IIM funds. This project was originally assigned to the Office of the Special Trustee for American Indians and was reassigned to OHTA earlier this year. OHTA has identified broad categories of relevant third parties, e.g., oil and gas producers, foresters and governmental entities, likely to have IIM documents in their possession. As part of its efforts regarding the research and examination of third-party records, OHTA plans to develop, by the end of the next reporting quarter, a policies and procedures plan for collection of such records.

As a result of a *Federal Register* notice, three energy companies contacted OHTA and indicated that they may have records pertaining to allotted lands. On August 6 and 7, 2002, OHTA staff conducted an on-site overview of records at one of these companies and concluded a small percentage of the records may be useful as "fill-the-gap" data. The company has agreed to retain custody of the records until further notice.

Another possible records source is the American Heritage Center at the University of Wyoming. The Center houses the Anaconda Geological Documents Collection, and, according to its brochure, this collection is "the largest and most significant body of economic geologic data in the world." In September 2002, OHTA secured a membership to the Center and is planning to inspect records maintained by the Center following its submission of the Court-ordered historical accounting plan.

Eleventh Report to the Court
November 1, 2002

OHTA has also contracted with Historical Research Associates (HRA) to research the historical involvement of the U.S. Forest Service on allotted lands. Although anecdotal evidence suggests the Forest Service had little, if any, involvement on allotted lands, OHTA intends to present HRA's findings to the Forest Service for further discussions regarding potentially relevant records. A final report from HRA is anticipated in October 2002.

In September 2002, DOI submitted an additional information collection request to the Office of Management and Budget for inclusion in the *Federal Register*. This request will allow OHTA to continue to seek Indian trust-related information from third parties.

In June 2002, Gustavson Associates (Gustavson) completed a pilot study to search and identify oil and gas records on allotted lands and submitted a report with its findings. The study successfully demonstrated a methodology for collecting records from third parties, particularly oil and gas companies, but noted that specific solutions for records collection will depend on unique problems and conditions. Gustavson briefed DOI and Justice staff on its findings on July 23, 2002.

In discussions with representatives of the oil and gas industry, Gustavson concluded there is no standard policy for records retention in the petroleum industry. The cost of maintaining large volumes of records, frequent buying and selling of oil and gas resources, and ongoing industry consolidation were cited as primary reasons for the lack of an industry-wide standard. Gustavson recommended that OHTA work with the Council of Petroleum Accounting Societies (COPAS) to survey its membership about records retention practices. COPAS is an industry trade group and many of its members are chief financial officers, controllers and chief accountants for petroleum companies. On October 23, 2002, OHTA plans to make a presentation to the COPAS fall conference asking for assistance in identifying potential sources of relevant records within the oil and gas industry.

Palm Springs BIA Field Office, Large Dollar Transactions and Reconciling Beneficiary Names

No new activity for these projects was conducted during the July through September 2002 reporting period. This work is expected to resume during the next reporting period.

New Projects

IIM Land-Based Accounts in Alaska

OHTA has initiated a project to examine the process of document collection, processing (imaging and coding), accounting, and reporting procedures for about 18,000 native allotments in Alaska, of which approximately 700 are receiving land-based revenues. The lessons learned will help future OHTA projects in other geographical areas.

Eleventh Report to the Court

November 1, 2002

OHTA selected this region because of the high value and manageability of the IIM accounts, and the willingness of the BIA Alaska Region personnel to help OHTA in carrying out this initial project. To kick off the project, OHTA scheduled a series of meetings with BIA personnel at BIA regional offices in Juneau and Anchorage, Alaska, during October 3 through October 9, 2002.

Topics of discussion will include types and quality of records, processing land sale transactions, allotment process, Alaska Native Claims Settlement Act, the historical accounting work that OHTA will conduct, and introduction of OHTA staff and contactors. Additional meetings are scheduled with personnel of BLM, SOL, and other BIA staff.

OHTA plans to commence this project during the next reporting period.

Forensic Examination of Overwritten Tapes

No new activity for this project was conducted during the July through September 2002 reporting period. This project is scheduled to be completed in the next quarter.

Accounting Standards Manual

Grant Thornton, with the assistance of CD&L, D&T, E&Y, KPMG and NORC, prepared an *Accounting Standards Manual (Manual)*. OHTA issued the *Manual* on July 2, 2002. The *Manual* provides guidance to accounting firm consultants, other OHTA contractors, and OHTA staff on the key documents to use in performing the historical accountings of IIM accounts. Copies of the *Manual* have been distributed to DOI officials to inform them of an important part of the historical accounting process. As the historical accounting progresses, OHTA expects the *Manual* to be updated.

Named Cobell Plaintiffs and Predecessors-in-Interest

OHTA selected E&Y to complete historical accountings for four of the named plaintiffs in the *Cobell* litigation, and their agreed-upon predecessors-in-interest. As part of a separate contract with Justice, E&Y has previously reconciled documents that were collected as part of the "Paragraph 19" effort to the IIM account transactional histories of the four plaintiffs. One of the five named plaintiffs is not believed to have had an IIM account as of the planned December 31, 2000, end date for the historical accounting.

E&Y will update the existing named plaintiffs' IIM account reconstructions to the standards set forth for a historical accounting in the *Manual* described above. This will include extending the existing work (which ended as of August 12, 1999) to the historical accounting end date of December 31, 2000. The following are the primary steps involved in this task.

Eleventh Report to the Court
November 1, 2002

- Obtain updated ownership information and transaction histories for each plaintiff through December 31, 2000.
- Verify the calculated December 31, 2000, account balances to the TFAS balances.
- Identify transactions dated after August 12, 1999. Obtain leases and other supporting documents.
- Review each transaction and associated supporting documents to verify the accuracy of each transaction per OHTA's *Accounting Standards Manual*.
- Identify any variances noted between the transaction amounts and supporting documents.
- Perform quality control to verify all work.
- Report proposed Historical Statements of Account to OHTA.

As in all historical accountings, Grant Thornton will perform an independent quality control check of E&Y's work.

Historical Accounting Software

During this reporting period, OHTA's integrator contractor, Booz Allen Hamilton (BAH), commenced work on centralized historical accounting software. BAH is coordinating its development efforts with the accounting firms and other contractors and OHTA staff to finalize the software technical requirements.

BAH projects requirements should be identified in early November 2002, programming to commence in mid-November, with completion of the software targeted for early March 2003.

The historical accounting software will standardize the historical accountings conducted by each of the accounting firms, and facilitate use of electronic and hard-copy land and transaction documents, which will have been imaged and indexed.

Obstacles/Delays

OHTA has identified the following problems and concerns.

(1) *December 5, 2001, Temporary Restraining Order/Computer Shutdown* – In the description of the Land Title Project and the New Accounts in Trust Fund Accounting System Project above, OHTA, as discussed in previous status reports,

Eleventh Report to the Court
November 1, 2002

continues to indicate that the computer shutdown has delayed the completion of these projects.

(2) *OHTA Has Little Authority to Obtain Relevant Documents in Custody of Third Parties* – As stated in the *Status Reports to the Court Numbers Nine and Ten*, OHTA may be unable to obtain access to IIM records held by third parties due to the lack of a requirement for parties outside of DOI to retain trust-related records. Interior’s Office of the Solicitor is preparing guidance for retention of trust-related records which will address what authority the Federal Oil and Gas Royalty Management Act of 1982 may provide as it relates to the collection of missing information from outside sources. This guidance is expected during the forthcoming quarter.

(3) *Historical Accounting of Tribal Trust Accounts*—On June 27, 2002, Secretary Norton amended Secretarial Order No. 3231 to direct OHTA to plan, organize and execute the historical accounting of Tribal Trust accounts. This additional assignment will require OHTA to reallocate its staff, time and other resources from OHTA’s ongoing work for the historical accounting of IIM accounts.

Assurance Statement

I concur with the contents of the above information on OHTA’s activities contained in the *Status Report to the Court Number Eleven*. The information provided in this section is accurate to the best of my knowledge.

Date: November 1, 2002

Name: *Signature on File*
Bert T. Edwards
Executive Director

V. OFFICE OF THE SPECIAL TRUSTEE

ACTING SPECIAL TRUSTEE'S OBSERVATIONS

The Department of the Interior's (DOI) commitment to trust reform is reflected in its continued support for the Office of the Special Trustee's (OST) efforts towards a restructuring to focus on accountability and greater staff awareness of the Trustee's fiduciary responsibility. I have stressed to managers the importance of reaching out to all bureaus and offices that are responsible for Indian trust management. OST has received positive feedback as a result of these efforts. For reform to succeed, it is imperative that managers make every effort to work together and that they be held accountable to exacting performance measures and deadlines.

Current efforts within OST include evaluating the most suitable way to provide independent objective oversight and review of the Department's delivery of trust services. This major effort includes a reorganization that will strengthen the trust reform management capabilities of OST by incorporating the broader trust training and policies and procedures projects. An additional strengthening will result by segregating staff to coordinate and contract with private sector companies for the review and performance evaluation of each DOI office performing trust duties.

The Office of the Comptroller of the Currency (OCC) evaluates national private sector trust operations according to a grading system. OCC is scheduled to begin working with OST during the next reporting period to help establish a grading system to evaluate the error rate, compliance with established trust standards, and corrective measures at each location providing trust services. Locations found to be providing consistently high quality services will require less oversight than those demonstrating difficulty meeting the standards required by our fiduciary responsibilities.

Progress is being made. The "As-Is" business process study effort has involved hundreds of employees from offices throughout Indian country. A careful, methodical approach is being taken to trust reform and improvement. This approach is expected to have great benefit for the future.

I endorse the Business Process Modeling project but realize the utmost challenge for trust reform is persuading managers and staff to accept the resulting changes in the business culture. These changes will require the forfeiture of some independence at local sites and DOI central offices in order to achieve standard practices and demand greater accountability. Bringing about these changes will require the perseverance and encouragement of DOI executives and Indian leaders.

A major issue that requires much continued work and study is fractionation. The Department must devote even greater time and effort to the study of the Indian Land Consolidation Act (ILCA) pilot projects that are currently in place. These pilots require an in-depth evaluation of results, obstacles and costs before considering nationwide

Eleventh Report to the Court
November 1, 2002

deployment. The magnitude of problems resulting from the continued exponential growth of miniscule individual interests in allotments will require focused efforts from the Department, Congress, Tribes, individual allottees, and other interested parties to resolve.

Another concern is seeing that the historical accounting and information technology efforts move forward with greater coordination and cooperation from all bureaus and agencies within the Department. As bureaus and offices work towards improving trust systems that respond to beneficiary needs and requests for information, it is essential that the lines of communication remain open to prevent duplication of efforts. The Department is making great strides in improving information security.

A debate continues on the proper reporting alignment for the Indian land valuation and appraisal function. A final decision on the proper placement of this work is expected during the reengineering process.

Assurance Statement

I prepared the Acting Special Trustee's Observations.

Date: November 1, 2002

Name: *Signature on File*

Donna Erwin

Acting Special Trustee for American Indians

A. CURRENT ACCOUNTING ACTIVITIES

1. Locate missing mandatory documents for unrestricted accounts (formerly OST Data Cleanup)

Introduction

Administrative data and supporting documentation in the Individual Indian Monies (IIM) module of the Bureau of Indian Affairs' (BIA) Integrated Records Management System (IRMS) and the IIM file jacket folders were not maintained consistently throughout BIA and Office of Trust Funds Management (OTFM) field offices. Numerous deficiencies existed in the data because of inconsistent application of any "standard" method of data input, account/data review, or standardized use of system codes.

Upon completion of the TFAS conversion, OTFM implemented centralized encoding, which provided standards and controls for data input with a 100% pre-quality assurance verification of work tickets and backup documentation for all transactions manually entered, and post-quality assurance of data encoded in TFAS.

In preparation for the conversion from the IIM Legacy System to the Trust Funds Accounting System (TFAS), a data cleanup project was required. This project identified account jacket folders without the mandatory documentation required by OTFM policy, POL 98-003 (Mandatory Documentation Requirements for IIM Account Jacket Folders). That policy states that mandatory documentation for individual, unsupervised, flow-through accounts includes disbursement authorizations and W-9 forms or copies of Social Security cards.

Phase I of the data collection task included updating unrestricted accounts having cumulative disbursements exceeding \$5,000 over a 12-month period. 472 accounts were identified and letters and forms seeking required information were sent to the account holders.

Phase II included data collection for all remaining unrestricted accounts regardless of their disbursement totals, excluding accounts that already contained the mandatory documents. A total of 39,258 initial letters were mailed to account holders requesting mandatory documents. A minimum of three requests will be sent to these unrestricted account holders.

Accomplishments and Completions

Phase I –Documentation was received for three accounts this reporting period. Of the 472 total accounts, documentation has been received for 469 accounts as of September 30, 2002. OTFM contacted the remaining three account holders, received confirmation that they have received the forms and OTFM is now awaiting their response.

Eleventh Report to the Court
November 1, 2002

Phase II – Documentation was received for 1,462 accounts this reporting period. Of the 39,258 total accounts, documentation has been received for 7,428 accounts as of September 30, 2002, leaving 31,830 accounts still awaiting documentation.

Current Status

Phase I – The Solicitor has recommended restricting the accounts lacking mandatory documentation, because the address must be verified to ensure the proper beneficiary is receiving trust assets. A letter affording due process in accordance with 25 CFR 115 stating that the account will be restricted will be reviewed by the Solicitor and then forwarded to the BIA Superintendent for his signature.

Phase II – 31,830 accounts are awaiting documentation. Second requests for the documentation will be mailed next quarter.

Options to change the difficult task of revising or changing account information are being developed. Currently, address changes require notarization and witnessing arrangements, which place a burden on account holders. Some decisions on alternative actions should be available during the next quarter.

Delays/Obstacles

Obstacles include notarization/witnessing requirements, lack of imaging, lack of account holder response, mobility of account holders and the December 5, 2001, Temporary Restraining Order and December 17, 2001, Consent Order blocking Internet activity.

2. TFAS

Introduction

The conversion of the IIM accounts to TFAS was completed in April 2000. TFAS is a generic term for the SEI Investments, Inc. off-the shelf standard trust accounting system. TFAS provides the basic receipt, accounting, investment, disbursing and reporting functions common to commercial trust funds management operations. The system is owned and operated by SEI Investments, Inc. in a service bureau environment.

OST is exploring ways in which it can store additional information in TFAS to provide performance statements to account holders which will identify the source of income and a listing of all assets owned.

Delays/Obstacles

The current contract with SEI, the company that manages the TFAS accounting system, is expected to be rebid during the next reporting period.

3. SPECIAL DEPOSIT ACCOUNTS

At the end of this reporting period, September 30, 2002, there are 20,698 special deposit accounts (SDAs) representing \$62,327,750 in TFAS. Funds in these accounts will be distributed to IIM account holders, tribes or other third party interests.

Project(s) Accomplishments/Completions:

During the week of July 8, 2002, OTFM Special Projects staff and Chavarria, Dunne & Lamey LLC, worked with the BIA Rocky Mountain Regional Office (RMRO) Land Titles and Records Office (LTRO) on title and ownership issues on 172 allotments. The purpose of the ownership research was to determine the proper recipients of SDA balances. As a result of the research, proper ownership was established for 135 (78%) of 172 allotments. At the time of the field visit, the Land Records Information System (LRIS) was still not available; therefore, title research was based on manual records maintained by the LTRO.

During the week of July 22, 2002, a similar field visit was conducted at the BIA Southwest Regional LTRO, at which time the LRIS was available. Of 107 allotments identified for research, proper ownership was established for 90 (84%) allotments. The Southwest Region LTRO relies on LRIS for recordation of title changes, so during the LRIS system shut down, the agency recorded backlogged changes and modifications on an off-line DBASE program pending reactivation of the LRIS system. A review of the DBASE recording module was conducted to take into consideration any backlogged title changes. Reliance on the LRIS is evident in that there were no manually maintained reports such as the "Form 188" reports, Land Index or Chaining Sheets obtained at the Southwest Region. This methodology differs from the Rocky Mountain and Great Plains Regional LTROs.

In this reporting period, OTFM received from the BIA Office of Information Records Management (OIRM) electronic files containing LRIS and IRMS data for the four pilot sites (Wind River, Fort Peck, Standing Rock and Navajo Reservations) for which SDAs have been worked, to be used for sample testing to compare title to ownership distribution information. OTFM also worked with the BIA Great Plains Region to obtain electronic ownership distribution files from the Management & Accounting Distribution (MAD) system for the Standing Rock Agency. The files will be used to perform an electronic comparison of ownership versus monetary distribution for a sample of allotments. After this sample testing is completed, the contractor will make recommendations for the distribution of the residual balance in the SDAs. OTFM will then work with the BIA staff to obtain concurrence on the recommendation and obtain the necessary authorizing documents to distribute the residual balances from SDAs.

On August 7, 2002, a meeting was held with the Director and Deputy Director, BIA Navajo Region, at Gallup, New Mexico to discuss continued work and research on ownership issues on the pilot project SDAs. The Director informed OTFM that the

Eleventh Report to the Court

November 1, 2002

Realty Office was closed due to asbestos in the building and that no one was allowed in the building until the asbestos was cleaned up by a contractor. With the Realty Office closed, the BIA staff did not have access to trust records and therefore could not provide additional requested information. However, the OTFM staff was able to make a field visit to the Farmington Indian Minerals Office on August 19, 2002, to obtain lease and contract documents for oil and gas-related SDAs for the Navajo Region. Based on continuing communication with the Navajo Regional Office, we expect the Realty Office to be available for business in the next reporting period.

On August 21, 2002, OTFM hosted the Interagency Procedures Handbook training in Albuquerque for OTFM and BIA program managers. The Interagency Procedures Handbook, Chapter 12, is specific to SDAs. In the next quarter, OTFM managers will brief the Acting Special Trustee on the status of the SDA pilot project and the draft procedures for SDA document preparation and encoding. Handed out at the training was a *Draft Recommended Prospective Action for the SDA Document Preparation and Encoding (Draft)* that is specific to the SDA comprehensive database (as described in the 10th Report to the Court). OTFM asked participants to provide any comments, suggestions or questions on the *Draft* to the OTFM Special Projects Office for consideration in the final procedures. This database and related procedures will support the issuance and enforcement of an SDA policy. Once the BIA, in consultation with OTFM, issues a final policy, that will be incorporated into the Interagency Procedures Handbook and training. Meanwhile, the OTFM is coordinating efforts with the BIA managers on the proposed procedures affecting special deposit accounts through the Interagency Procedures Handbook training, which started in August 2002 and is expected to continue through fiscal year 2003.

On September 11, 2002, a meeting was held with the Rocky Mountain Regional Deputy Director and agency program managers to discuss the testing and implementation of the prospective database developed during Phase II of the pilot project. In the next quarter, three BIA RMRO agencies (Blackfeet, Wind River and Fort Peck) will serve as new pilot agencies for the standardization of data input for the SDA prospective database pilot project.

OTFM continues to have monthly status meetings with the BIA, Office of Trust Risk Management (OTRM) and the contractor as part of coordinating efforts to resolve SDA issues.

Current Status of Work in Progress

As reported in previous Court Reports, activities for the SDA pilot project continue with an anticipated project completion date of December 31, 2002. Current activities include:

- testing and implementation of a centrally-managed tracking system/database for SDAs

Eleventh Report to the Court
November 1, 2002

- analyzing database files received from the Legacy System (LRIS/IRMS) and MAD to determine how they can be used in constructing distribution files for aged collections to past owners
- sample testing of title versus monetary ownership distribution files
- preparing distribution recommendations for BIA's consideration for approval as title and monetary ownership issues are researched and
- preparation for training the staff at the three database pilot sites

Throughout this process, OTFM Special Projects continues to work with BIA program managers and staff to secure appropriate authorized disbursing documents to effect distribution of funds to the beneficial owners from SDAs.

Based on pilot results, the work plan procedures will be made available to the senior management of OST and BIA for decision making on the national roll-out of the SDA project.

Delays/Obstacles:

An environmental problem (mold and asbestos) at the Navajo Region Realty Office in Window Rock, Arizona, continues to delay the contractor in completing its review of pilot SDAs. The Deputy Director, Navajo Region, informed OTFM that access to the building should occur in the next reporting period.

The BIA reactivated the Land Records Information System (LRIS) and Trust Asset and Accounting Management System (TAAMS) title for use during this reporting period. However, the pilot sites have informed OTFM that updating the backlog to process and record land title changes, conveyances, sales, probates, modifications, etc., may take longer than expected. The backlog may delay updates to the respective monetary distribution systems to process payments to beneficiaries.

In addition, competing priorities for trust reform projects and workforce staffing delays have hindered BIA staff in performing tasks associated with the SDAs pilot project.

4. Accounting Discrepancies

The difference between the aggregate of all positive fund balances from the IIM detailed subsidiary accounts and the IIM investment pool was reduced by over \$780,000. This reduction was the result of previously initiated research that was completed as part of the Special Deposit Accounts Pilot Project (Phase 2). The difference, originally \$6.7 million, is now approximately \$6 million.

A meeting with Department of the Treasury officials has been scheduled by the Office of Historical Accounting to discuss accounting discrepancies. The results of this meeting will be reported in the next report.

Eleventh Report to the Court
November 1, 2002

Assurance Statement

I believe that the information provided by me in the Current Accounting Activities section, except for the “Accounting Discrepancies” task, which will be surnamed by Michael Fansler, is an objective and informative analysis of that project as of September 30, 2002. My belief is based on my knowledge and review of credible evidence.

Date: October 30, 2002

Name: *Signature on File*
Dianne M. Moran
Trust Operations Officer

Date: October 30, 2002

Name: *Signature on File*
Helen Riggs
Project Manager

I believe that the information provided by me in the Accounting Discrepancies section of the Current Accounting Activities Report is an objective and informative analysis of that project as of September 30, 2002. My belief is based on my knowledge and review of credible evidence.

Date: October 28, 2002

Name: *Signature on File*
Michael Fansler
Program Analysis Officer

B. RECORDS MANAGEMENT

Introduction

An active, continuing records management program must be developed and implemented to ensure that necessary Indian records are created and maintained; records retention needs are met through authorized schedules; and that the records are safeguarded throughout their life-cycle. The Office of Trust Records (OTR) was established in 1999 to develop and implement an active program for the economical and efficient management of trust records, consistent with the American Indian Trust Fund Management Reform Act of 1994, the Federal Records Act, other statutes and their implementing regulations.

Management of OTR changed this past quarter. A new Acting Director was detailed to OTR on July 29, 2002, and a competitive vacancy announcement for the Director position was issued on September 25, 2002. The line authority for supervision and management of OTR changed on September 5, 2002, to the Assistant Deputy Secretary. The purpose of this change was to ensure that appropriate priority and support is given to OTR's mission.

The Acting Director initiated an assessment of the ongoing activities of OTR and a draft OTR work plan was developed. These were discussed at a meeting with the Special Master on September 10, 2002. Flow charts depicting the life cycle of records for BIA and the Office of Trust Funds Management (OTFM) were also developed and presented to the Special Master.

OTR developed strategic goals (and associated objectives and tasks) in its draft work plan. This report will use the strategic goals as the format for reporting OTR activities. Previously reported activities are subsumed in the strategic goals where the activity is consistent with the work plan. The draft work plan will be further developed in the next quarter.

Strategic Goal 1: Establish records retention schedules

The BIA/OTR Records Schedule Working Group met in July 2002. The group continued developing proposed records retention schedules for the following BIA programs: realty, forestry, fish and wildlife, agriculture, range, irrigation, environmental, water rights, safety of dams, and minerals and mining. These proposals will be sent out for comment to BIA's Office of Trust Responsibility in the next quarter.

As reported in the previous report, the OTR record schedule teams planned to submit proposed trust-program related schedules to the National Archives and Records Administration (NARA), for review and approval during this reporting period. The submission was delayed while the teams awaited additional inputs, including comments they had requested from BIA. OTR plans to submit the proposed electronic schedules to

Eleventh Report to the Court
November 1, 2002

the appropriate BIA official for concurrence during the next reporting period and to submit them to NARA 30 days after receiving the concurrence.

Strategic Goal 2: Establish and implement record keeping requirements that allow for record retrieval on an as-needed basis

OTR developed and presented to the Special Master flow charts identifying the life cycle of BIA and OST's Office of Trust Funds Management (OTFM) records. Evaluation of options for the inventory of records in OTR's possession was initiated. Reviews of existing draft records management policies and procedures manuals were conducted. It was concluded that the drafts require further revisions. A timetable for the development of policies and procedures is expected during the next reporting period.

As described in the Tenth Report, a draft Chapter One for a new BIA records manual was submitted to OST management for review and comment. No comments were received. Chapter one and additional draft BIA manual chapters that had not been submitted for OST management review will now be reassessed by OTR. All chapters, including Chapter 1, will be redrafted, as appropriate, and submitted to OST, BIA and other parts of DOI upon completion.

A re-evaluation of the pilot project for Electronic Record Keeping is included as a part of OTR's draft work plan. On September 12, 2002, OTR attended a demonstration of electronic record keeping software used by the Bureau of Reclamation. During the next quarter, OTR expects to advance this re-evaluation, including a reexamination of the Statement of Work reported in the Tenth Report.

Strategic Goal 3: Safeguard records

Records site assessments were conducted at the BIA Central Office East on August 12-14, 2002. Site assessments of OTFM IIM field locations were conducted at the Great Plains Regional Office (July 8-9, 2002), Cheyenne River Agency (August 8, 2002), Pine Ridge Agency (July 31, 2002), Crow Agency (August 15, 2002), Rosebud Agency (August 29, 2002), and Northern Cheyenne Agency (September 12, 2002). OTR continues to honor the request of the Makah Field Office not to undertake an assessment of the field office.

Requisitions for equipment to store records at two BIA Regional Offices and 34 Agencies were submitted to the OST Contracts Office on September 25, 2002.

The April 16, 2002, directive from the Deputy Secretary to maintain all Indian records in their current geographic locations pending further direction on their disposition continues in effect. The notice provided to the employees union regarding the movement of up to 32,000 boxes of records from Albuquerque to the Lee's Summit Federal Records Center was rescinded.

Eleventh Report to the Court
November 1, 2002

Further, there was no activity on the initiative to replace historical records with working copies pending security clearances for contract employees.

OTR provided technical assistance to the Ft. Belknap Agency to prepare records necessary for P.L. 93-638 programs contracted by the Assiniboine and Gros Ventre Tribes. No records have been transferred to the Tribes as of this reporting period.

Strategic Goal 4: Implement training program

OTR provided basic records management training to BIA, OTFM, and tribal employees. The training was held at Aberdeen, SD (July 16-17; 28 BIA attendees), Oklahoma City, OK (July 23-24; 31 BIA attendees), Pine Ridge, SD (July 30-31; 39 BIA and tribal attendees), Billings, MT (two sessions: August 13-14; 32 BIA attendees, and September 10-11; 36 BIA/OTFM attendees), Albuquerque, NM (August 22-23; 26 BIA attendees), Rapid City, SD (August 27-28; 32 BIA attendees) and Tulsa, OK (September 24-25; 27 attendees).

The Special Master expressed concern about the current training program at the meeting on September 10, 2002. OTR determined that it would be appropriate to suspend the training program as of October 1, 2002, until such time as the draft policies and procedures for this program are reviewed and modified and new training materials are developed. Draft OTR procedures for records management training were reviewed and will provide a basis from which to develop policies and procedures for the training program. A timetable for the development of training policies and procedures is expected during the next reporting period. Training by OTR will be coordinated with the training initiative being developed by the Office of the Special Trustee and the Office of Indian Trust Transition.

Strategic Goal 5: Undertake continual evaluation of records program

On July 10-12, 2002, at the request of the Special Master, the Associate Deputy Secretary, Assistant Deputy Secretary and an attorney from the Department of Justice met with employees of OTR to hear their assessment of the records program. As reflected in the introduction, changes were made to the management of the program shortly thereafter. A draft work plan was developed and review of program activities initiated.

Draft procedures for cyclic evaluation of the records management program are being developed as part of the draft OTR work plan. A timetable for the development of these procedures is expected during the next reporting period.

Strategic Goal 6: Establish program to meet trust and other record retrieval needs of customers and document production requests

Users of records were identified. An effort to measure the volume and types of requests (documents produced) was initiated. The use of a contractor to index boxes at the level of document type, date and source is being considered.

Strategy Goal 7: Report, as appropriate, on progress in meeting Strategies 1-6

OTR will periodically inform DOI management on its progress. In addition, DOI has agreed to share an OTR monthly report with the Department of Justice and, subsequently, the Special Master.

Delays/Obstacles

Delays and obstacles include: lack of staff/resources in BIA and OST to manage records; lack of communication and true partnerships between OST and BIA to achieve records management initiatives; lack of records retention schedules for OST and electronic records schedules for OST/BIA; need to complete work on updating Volume 16 Bureau of Indian Affairs Manual; varying quality of inventories/indexes for boxes of records in OTR's possession; lack of policies and procedures; and the inability to move records among BIA/OST offices. Many of these delays/obstacles are being addressed through the OTR draft work plan.

Assurance Statement

I concur with the content of the information contained in the Records Management section of the 11th Report to the Court. The information provided in this section is accurate to the best of my knowledge.

Date: October 28, 2002

Name: *Signature on File*

Ethel J. Abeita

Acting Director, Office of Trust Records

C. TRAINING AND TRUST MANAGEMENT STAFFING

Introduction

The lack of adequate training of those persons who manage Indian trust assets has been cited in numerous Office of Inspector General and General Accounting Office reports and has been identified as a significant obstacle to the more effective management of, and accountability for, the proper discharge of the Secretary's trust responsibilities to Indian tribes and individual Indians for whom the Department holds or controls trust assets. The Secretary has a continuing responsibility to provide adequate staffing, supervision and training for trust fund management and accounting (25 U.S.C. § 162 a(d)(7)). Coupled with accountable supervision and productive experience, training is essential to the successful management of any operation.

Project Goals

The objective of the trust asset management training project is to support the systems and specialized skills needed to increase the job performance and interorganizational effectiveness of Departmental and Tribal personnel who manage these assets.

Current Status

As reported in the 10th Quarterly Report, efforts continue within the Office of the Special Trustee (OST) and Office of Indian Trust Transition (OITT) to develop a centralized training program to supply the trust organization training and education needs in the future. An individual has been detailed to OITT for this project. Meetings between OST, OITT and the Acting Training Coordinator have been scheduled for the next reporting period with Cannon Financial Institute to begin curriculum development for more technical training. While this additional technical trust training course development is considered by the Department, OST will continue to offer its basic and introductory trust foundation training course to the entire trust asset management workforce.

Trust Foundations: An Introduction to Trust Reform and Change:

During the period of July 1, 2002 to September 30, 2002, Upper Mohawk Inc., the contractor that has been retained to provide general trust training to Departmental and Tribal trust asset managers, provided its Trust Foundations: An Introduction to Trust Reform and Change course to 186 employees. As has been mentioned previously, this is a non-technical course designed to provide trust employees at every level with an increased understanding of the Government's and the Department's fiduciary responsibilities with respect to the Indian assets held in trust. This course is three days in length. A one-day course is offered to students who have taken the first two days previously, and a three-day course is offered to those who have not taken any portion of the Trust Foundations course to date. As illustrated by the table below, the vast majority of attendees have rated the class as either completely or generally successful in meeting

**Eleventh Report to the Court
November 1, 2002**

its stated objectives that include: to understand the purpose of the 1994 Reform Act; to be familiar with the Secretary's Trust Principles; and to be familiar with the concepts of fiduciary conduct.

Course	Number of Students Attending this Quarter	Completely Successful	Generally Successful
Trust Foundations-One Day Training	62	76%	23%
Trust Foundations-Three Day Training	124	74%	25%

As reported in the Tenth Quarterly Report to the Court, the contractor is responsible for the implementation of an outcome study to determine the long-term value of this basic training course. Specifically, the outcome study will measure students' retention of the material presented in the Trust Foundation class and elicit their continued understanding of the concepts introduced in the training. During this quarter, Upper Mohawk contracted with the Center for Business and Economic Research of the School of Business Administration, University of Dayton, Dayton, Ohio, to perform an appropriate study. It is expected that the study will be completed before the end of the calendar year.

Customer Service

During the quarter, Upper Mohawk completed the development of the draft Customer Service course curriculum. An evaluation of the timing of the rollout of the Customer Service course is under consideration to determine if coordination with the reengineering effort is more appropriate.

Delays/Obstacles

The project manager continues to be concerned that not all bureau and office management is providing the appropriate leadership, direction and support to their employees to ensure their attendance at this training course. As previously reported, the Special Trustee recommended that specific performance evaluation standards be put in place for SES personnel who have a responsibility for persons who manage Indian trust assets to ensure that these employees attend and successfully complete the course. That recommendation was not adopted. The project manager understands that after discussions between the Assistant Secretary-Indian Affairs and the Acting Special Trustee, a decision was made to appoint a group of individuals to work together to

Eleventh Report to the Court
November 1, 2002

determine consistent SES performance elements. Standards for training will be included in these discussions. The success of both the training program and the overall trust reform effort depends on the strong support and leadership clearly shown in both the field and the Washington, D.C. headquarters offices.

Assurance Statement:

I believe that the information provided by me in the Training portion of this 11th Report to the Court is an objective analysis of the current status of this subproject as of October 1, 2002. My belief is based on my knowledge and review of what I believe to be creditable evidence.

Date: October 23, 2002

Name: *Signature on File*
Richard V. Fitzgerald
Trust Policy Officer, OST

D. RISK MANAGEMENT AND INTERNAL CONTROLS

Summary Description

The Office of Trust Risk Management (OTRM) objectives are to (1) systematically address and make recommendations to resolve management control deficiencies and (2) design and implement a comprehensive risk management program that includes extensive management controls to monitor and evaluate the Department's Indian trust asset management program. Eventually, this program will be coordinated with many of the ongoing reform efforts. Currently these include trust systems, data quality, probate and special deposit cleanup projects.

Accomplishments and Completions

Pilot Risk Management Programs

Pilot programs are designed for the purpose of building risk assessment and management control systems for the Indian trust asset management processes at the selected locations. The pilot program development efforts in the Bureau of Indian Affairs (BIA) Southern Plains and Northwest Regions have continued with several accomplishments this quarter. The Bureau of Land Management (BLM) Cadastral Survey program efforts have concentrated on risk assessment criteria development.

Final working drafts of the agency and region trust asset management business processes were completed and provided to Southern Plains. These business processes included identification of risk factors associated with the methods or means of controlling the risks. Each of the locations was visited and a risk assessment for each business process was completed. The results were summarized and reported in draft to each agency manager and the Regional Director. OTRM will prepare and implement corrective action plans for resolving identified control deficiencies. As the "To-Be" reengineered business processes are completed, these identified controls will be incorporated into the new processes where appropriate.

To demonstrate the management information capability of the database that stores the complete risk management plan, several proposed management reports were provided to Southern Plains management for review and comment. A follow-up process with the Southern Plains offices began to identify potential improvements in the program development and program implementation approach.

Development efforts and site visits relating to risk assessments and control plans in the Northwest Region resumed with the Regional office and the Flathead Agency. The additional refinements in the management control programs identified in the last quarter have been incorporated into the program packages for the Northwest Region.

OTRM began testing a draft version of the Management Control Plan Database (MCPD) and will request comments from the Southern Plains Region when a workable test version can be provided. The MCPD is a repository of information applicable on a nationwide basis for each Indian trust business process. It includes standardized program objectives, management controls, management control evaluations, a "Best Practices" approach to each of the current business processes; the systematic ranking of the current risks which affect Indian trust assets; the automation of the formalized tracking of control deficiencies and corrective actions; and a process to streamline fieldwork.

Project Coordination and Training

OTRM staff and its contractor provided overview training and participated in conferences and meetings this quarter. An overview of the Risk Management process and program was provided to the 4th Annual BIA Awarding Officials Conference in Las Vegas, Nevada. Ninety-two people, including six tribal representatives, attended the conference.

An overview of Risk Management was presented to the Northwest Region Annual Realty Staff Conference. One hundred thirty-five people attended this conference, mostly from BIA, with some attendees from other bureaus. This overview will be followed by development and implementation of risk assessment and control programs for the Northwest realty operations.

An overview of Risk Management and an assessment of the Risk of Reengineering were presented to the Probate Trust Business Process "To-Be" Modeling Workshop in Albuquerque, New Mexico. Sixty-one people representing BIA, Office of Hearings and Appeals (OHA), Office of the Special Trustee (OST), Office of Indian Trust Transition (OITT), the Tribal Task Force and individual tribes attended this conference/workshop.

Audit Annual DOI Indian Trust Funds Financial Statement

The Indian Trust Funds Financial Statement audit is required by the Trust Fund Reform Act and has been conducted independently each year since 1995. The annual audit is contracted out by OTRM and is monitored for conformance to standards by the Office of the Inspector General. The audit for FY 2002 is underway and on schedule to meet the Department reporting milestone of December 15, 2002.

The Office of Trust Funds Management (OTFM) is responsible for implementing corrective actions to resolve audit findings. OTRM monitors the progress of the corrective actions. The FY 2001 report included 23 reportable findings. Corrective action has been completed for 19 of these findings and substantial progress has been made on the others. However, long-standing difficult issues (material weaknesses) requiring multi-bureau coordination and cooperation remain to be resolved.

As summarized in the last report, corrective actions will result in the data validation effort to clean and update the land ownership records and clear backlogs at the title

plants. The other weakness requires cooperation within the Department and cooperation from the Department of the Treasury to resolve fund imbalances that have existed since the mid-1990s. Progress on this issue was made this quarter, during a visit by DOI's Office of Financial Management, discussed below. Those representatives agreed to pursue the involvement and support of other responsible Departmental managers to research and resolve these differences.

Current Status

Follow-up visits to implement the pilot risk management programs in the Northwest and Southern Plains Regions will be completed during the next quarter. Review efforts on special projects, discussed below, will continue. Also, reporting and follow-up procedures and the report numbering system initiated this quarter will continue to be implemented.

DOI's Office of Financial Management representatives visited the OST offices in Albuquerque in September to review audit follow-up procedures, the risk management program implemented in OTFM and the overall risk management program development by OTRM. Initial feedback from the visit was positive, and a report summarizing the review is expected during the next quarter.

Meetings are scheduled in October with the Treasury Department to obtain assistance from the Office of the Comptroller of the Currency (Trust Bank Examiners) to review and consult on DOI's trust risk management program and the development of a performance measurement and ranking system for all offices performing trust activities.

Special Projects

These projects result from inquiries by beneficiaries or other interested groups and usually question the adequacy or status of trust and fiduciary activities of the Department. OTRM assigns these matters to internal audit staff to investigate and respond, or where necessary, recommend corrective actions to the Special Trustee. During the reporting period, OTRM audit staff initiated or continued work on seven separate projects and completed one reports.

This report dealt with a security problem that was identified during an employee background investigation. The employee was terminated and audit work was initiated to ensure that transactions processed by the employee were proper. No improprieties were identified.

Eleventh Report to the Court
November 1, 2002

Assurance Statement

The information contained in this project report for Risk Management and Internal Controls is, to the best of my knowledge and belief, a comprehensive portrayal of the project's status. It was objectively developed and key subordinates and I have reviewed it in a manner and to an extent sufficient for me to concur with its contents.

Date: November 1, 2002

Name: *Signature on File*
Kenneth M. Moyers
Director, Office of Trust Risk Management

E. APPRAISAL

Introduction

The Indian land valuation program exists to provide impartial estimates of market value for a variety of specific real property interests on land owned in trust or restricted status by individual American Indians and Alaska Natives or Indian tribes. Various regulations governing Indian trust land transactions require the Secretary of the Interior to obtain valuations. To meet this requirement, an appraisal or other valuation is used as a management tool to ensure that fair and just compensation is received on Indian land transactions. The types of transactions are varied. Major types include commercial, industrial, recreational, agricultural and other types of leases; rights-of-way; land sales and land exchanges; grazing and range permits; and trespass. The process is managed in a manner that promotes professionalism, objectivity, independence, leadership, and accountability.

Examples of the requirement for an appraisal/valuation program are found in the Code of Federal Regulations (CFR). For example, 25 CFR Part 162, Leases and Permits, states that Interior “must determine the fair annual rental of the land prior to our grant or approval of the lease...[and] fair annual rental may be determined by competitive bidding, appraisal, or any other appropriate valuation method.” (§162.211) Similarly, 25 CFR Part 166, Grazing Permits, states: “An appraisal can be used to determine the rental rate of property. The development and reporting of the valuation will be completed in accordance with the *Uniform Standards of Professional Appraisal Practices* (USPAP).” (§166.401)

Accomplishments and Completions

- 1. A primary impetus of appraisal reform has been to ensure the integrity of the valuation process by establishing an appraisal program that promotes objectivity, independence, professionalism, leadership, accountability and oversight.**

On March 12, 2002, the Secretary of the Interior realigned Indian trust lands valuation and appraisal functions by delegating “the authority necessary” to carry out the functions to the Special Trustee for American Indians and establishing an Office of Appraisal Services (OAS) in the Office of the Special Trustee for American Indians (OST). As stated in the Secretarial Order, “The realignment will move the lands valuation and appraisal process from the BIA, which is responsible for other realty activity, and ensure the independence, accountability, and oversight of the Indian trust lands valuation and appraisal staff.”

**Eleventh Report to the Court
November 1, 2002**

On June 16, 2002, the appraisal staff was transferred from BIA regional supervision to the Office of the Special Trustee for American Indians, where they reported through 12 Regional Appraisers to the Chief Appraiser.

On August 20, 2002, the Acting Special Trustee re-delegated to the Chief Appraiser all authority necessary to carry out Indian lands valuation and appraisal functions, which include:

The initiation, completion, and review of Indian land valuation and appraisal reports, technical appraisal reviews, and final appraisal approval authority.

Providing expert testimony for judicial and administrative hearings concerning Indian trust appraisals, consistent with Departmental policies and procedures.

Maintenance of certified general appraiser credentials for the Office of Appraisal Services personnel.

Though independent in all appraisal matters, the Chief Appraiser must adhere to OST and DOI personnel, budget, procurement, travel, credit card and other policies and procedures. The Special Trustee directed the Chief Appraiser to have certain policies and communications approved by senior management in advance of implementation or dissemination. The Chief Appraiser is expected to keep senior management informed on key matters, including significant appraisals and workload. For these purposes, on June 27, 2002, the Special Trustee directed that for the remainder of Fiscal Year 2002 the Chief Appraiser would report to the Acting Assistant Special Trustee (Chief of Staff). This arrangement was supported by the Court Monitor at the OST Senior Managers' Meeting in Scottsdale, Arizona, in March 2002.

On September 30, 2002, the Acting Special Trustee directed that beginning October 1, 2002, the Regional Appraisers would report directly to the Acting Assistant Special Trustee. There is no change in the Chief Appraiser's delegated authority, as the Senior Appraiser, to review Indian lands valuation and appraisals.

OST intends to contract with an outside professional organization such as The Appraisal Foundation to evaluate the appraisal function and the Office of Appraisal Services. This is expected to be completed by the end of the second quarter of calendar year 2003 to coincide with the roll-out of the "To-Be" process.

- 2. Additional objectives in the reform of Indian land appraisal include ensuring timely, comprehensive valuations; eliminating backlog through staffing, training, and the introduction of new methods; developing a tracking and monitoring system for appraisal requests; developing nationwide comprehensive valuation practices in accordance with USPAP; and updating or generating pertinent provisions in trust program manuals that outline options and administrative procedures for ensuring the timely completion of appraisals.**

The centralization of appraisal under a national office (whereas formerly there were 12 regionally directed offices) has not only enhanced the professional independence of the appraisers but also increased the flexibility of the appraisal program to address localized workload. Now that the appraisal function is centralized, senior management is taking initiatives to compile comprehensive national workload data to address regional imbalances and to assess and eliminate backlogs. Teams were organized in three instances during the reporting period to assist with accumulated workload at the Blackfeet and Wind River Agencies and in Alaska.

Previous reports discussed a backlog of appraisals at the Blackfeet Agency. The Blackfeet Reservation consists of 1.5 million acres, approximately 658,000 acres allotted and 312,000 acres in tribal trust. In this reporting period, a team of OAS appraisers from various regions traveled to the Blackfeet Reservation and, according to the team leader's report, "completed, reviewed and approved 405 [appraisal] reports." In his report for July-September the Regional Appraiser reported that, "after 7 years [the backlog] is under control."

The Southwest Regional Appraiser led a team at Wind River Agency in September. The Wind River Reservation consists of 2.68 million acres and has 101,000 allotted acres and 1.7 million acres in tribal trust. According to his report, "The team cleaned up about 250 backlogged appraisal requests that had been identified by the Agency to be high in priority." Appraisal reports were completed for 152; the remaining 98 requests were cancelled.

In August, three appraisers from various regions assisted the Alaska Region. After required Bear Safety, Firearms Certification (appraisers in Alaska carry shotguns when in the bush), and Aircraft Safety classes, the team inspected 55 properties.

A number of long-standing vacancies have been addressed. The Alaska Regional Appraiser position has been filled. The Eastern Regional Appraiser position, vacant six years, was advertised during the reporting period. The Pacific Northwest Regional Appraiser position was filled by the transfer of the Regional Appraiser from the Navajo Region. At present the Navajo Regional

Eleventh Report to the Court
November 1, 2002

Appraiser position is filled by an individual on detail from the Southwest Region. The Navajo vacancy should be advertised in November.

Delays/Obstacles

Final plans for structuring the Office of Appraisal Services and implementation of new appraisal information systems have been deferred pending the business process modeling.

There has been some difficulty in obtaining consistent and comprehensive workload metrics. Reports produced by each region for the July-September reporting period are being analyzed to establish baselines nationally and for each region. These will be reported next quarter.

The move of appraisal personnel from BIA to OST required the payment and closure of existing BIA Bank of America Government travel card accounts and the opening of new accounts for each employee. An inordinate delay in this changeover resulted in appraisers not being able to travel for some weeks to complete field appraisal work.

Assurance Statement

I concur with the content of the information contained in this section of the 11th Report to the Court. The information provided in this section is accurate to the best of my knowledge.

Date: November 1, 2002

Name: *Signature on File*

Kenneth F. Rossman

Acting Assistant Special Trustee for American Indians

VI. BUREAU OF INDIAN AFFAIRS

A. FRACTIONATION

Introduction

Fractionation of Indian land occurs when land allotted to an Indian individual is inherited by several generations of the original allottee. As the land is passed from one generation to the next, more and more heirs inherit undivided interests.

Fractionation of Indian trust and restricted lands has a long history stemming from the Federal Indian policy of the 19th Century. Fractionation is a complex and potentially emotionally charged issue due primarily to the cultural, historical and family association of the present Indian owners with the original owners of those lands held in trust by the United States or subject to a restriction against alienation by the Secretary of the Interior. Both Congress and the Department of the Interior (DOI) are attempting to address this complex issue. Upper management within DOI has taken an active role in seeking solutions to this critical problem. The opportunity offered by Indian Land Consolidation Act and the Amendments of 2000 (ILCA) is important to the solution of fractionated ownership of Indian land. Additional ways of streamlining the ILCA process are being considered.

Accomplishments and Completions:

Indian Land Consolidation Program (ILCP)

The goal of the ILCP is to acquire small fractional interests in trust and restricted lands owned by individual Indians and consolidate the interests in the Indian tribe on whose reservation the interest is situated in order to lessen the number of owners. The ILCP is presently operated in two Bureau of Indian Affairs (BIA) Regions. There are five reservations in the Midwest Region and one reservation in the Great Plains Region participating in ILCP. Each Region has an implementing official.

Implementing Official: Larry Morrin, Regional Director, Midwest Region

Midwest Region, Great Lakes Agency, is winding up the first three years (1999-2002) of the pilot project in Indian land consolidation first authorized by Congress in 1999. The objective is to purchase as many of the fractionated interests on five reservations as quickly as possible. Accomplishments include:

- Through September 2002 more than 47,000 interests were acquired (3,034 for this reporting period). On average, between 750 and 1,000 interests were purchased per month throughout the past three years. The project maintains a consistent stream of applications in process for approximately \$1 million in purchases at any one time.

- Through the pilot project, the BIA purchased interests on the allotments on five reservations. More than 42,000 of the 47,000 interests purchased have been those that are 2% or less of the undivided total of the allotment.
- Experience shows that expansion to other reservations would allow persons owning small multiple interests on multiple reservations to be totally removed from the Department of the Interior workloads in accounting and probate. The first three reservations in the pilot were Chippewa Reservations. The Indian owners on these three reservations have inherited small interests from relatives on nearby Chippewa Reservations including the Red Cliff Band of Chippewa in Wisconsin, Keweenaw Bay Indian Community in Michigan and Fond du Lac Band of Chippewa, in Minnesota. To eliminate the Department's responsibility for administration and probate for these remaining interests of earlier sellers, their interests on the expansion reservations were purchased as well.

Implementing Official: Cora Jones, Regional Director, Great Plains Region

A second pilot ILCP project was instituted at the Great Plains Region for the Rosebud Reservation. This is the first year of the ILCP at the Great Plains Region and due to delays associated with the distribution of the FY 2002 funding it is in the initial process of implementing its pilot. It utilized the funding to commit three Full Time Employees to the project. As a result, considerable progress has been made on the development of internal processes to implement the project.

Agency staff is working on developing draft protocols for review and concurrence by the Great Plains Region. The processes include: PC-based databases system to distribute proceeds of the sale, methods for updating agency records after sale completion, and sale tracking system. The databases include a listing of potential sellers, a listing of current land sale applications, and a listing of purchases. The Agency has contracted for assistance in this effort.

The following new activities associated with the implementation are:

- Develop draft Standard Operating Procedures (SOP) for the distribution of estates affected by the Youpee decision.
- Collaborate with the Rosebud Sioux Tribe to develop a cooperative agreement to define the Tribe's role in the consolidation project.
- Collaborated with the Tribal Land Enterprise Board of Directors to identify 42 targeted tracts and continue the review of an additional 58 tracts. The goal is to purchase the individual interests and obtain 100% tribal interest. These tracts may provide future economic development opportunities for the Tribe.

Eleventh Report to the Court
November 1, 2002

- Implement a database to track 4,000+ applications of individuals who wish to sell their interests.
- Develop SOP for the ILCP draft manual and reconcile agency records for the tracts targeted for purchase.
- Develop SOP for the landowner interest inventory. The inventory will become part of the tracking database for this project.
- Reconcile land interest inventory between agency records and the certified Title Status Reports (TSRs).
- Complete reconciliation of 15 targeted tracts.
- Identify 250 additional owners/estates in the 15 targeted tracts as a result of Youpee re-distribution.
- Reconcile additional tracts to determine if the identified owners have other interests in order to make offers to purchase their other interests in lands located on the Rosebud Reservation.
- Coordinate with the Office of Trust Funds Management (OTFM) to create a process to timely disburse the sale proceeds.
- Request and receive a Reservation-wide Mineral Appraisal from the Bureau of Land Management (BLM).

Current Status:

Midwest Region:

- Some interests greater than two percent are being purchased as permitted by ILCA.
- BIA commissioned a study to analyze the land consolidation project for the purposes of improving the program. The study was contracted to Booz Allen Hamilton (BAH) and was completed in April 2002. The BAH recommendations should be considered prior to deploying the program across the BIA. To that end, the Midwest Region has formed a Land Consolidation Project Team to develop goals and objectives which will consider the recommendations in the BAH report. The team is working with the OPM's Western Management Development Center to develop a team approach in addressing the BAH recommendations. Additionally the team will address the Strategic Plan for Project expansion as one of its objectives.

Great Plains Region:

Personnel in the Great Plains Region are currently:

- Continuing preparation of draft for the Region's ILCP plan and procedures manuals.
- Analyzing statistical information to simplify the implementation process and the purchase of interests utilizing the Management, Accounting and Distribution (MAD) system.
- Continuing to establish draft protocols for the implementation of the project.
- Continuing to collaborate with the Rosebud Sioux Tribe and Tribal Land Enterprise to develop a cooperative agreement with the Tribe and to identify targeted tracts.
- Developing position descriptions for two temporary positions to employ individuals with land and resource experience.
- Continuing to reconcile estates affected by the Youpee decision focusing efforts on the targeted tracts.
- Reconciling additional tracts in which potential sellers may own interests.
- Contracting for assistance with the posting of probates and reconciling of estates affected by the Youpee decision.
- Developing SOP for contractors to follow in the posting and reconciling efforts.
- Identifying a process for acquiring land interests using the MAD system for accounting and appraising and recording ownership changes.
- Developing a software module to provide information on land values to assist in determining the current fair market value of land interests.
- Obtaining a report of all landowners owning interests on the Rosebud Reservation.
- Facilitating the potential purchase of all of the sellers' interests with the goal of reducing the number of Individual Indian Monies (IIM) accounts and future probates.

Delays and Obstacles:

Midwest Region:

- The possibility of a lengthy Continuing Resolution from Congress will create a serious problem for the program because it will not have the cash flow to purchase significant numbers of interests. Another obstacle identified is the lack of a defined, consistent process for budget distribution.

Great Plains Region:

- Need an increase in funding for administrative costs.
- Must complete redistribution of estates affected by the Youpee decision to ensure that all of the seller's interests in the tracts are purchased.
- Need flexibility to acquire an individual's interests on other reservations in addition to seller's interests on the Rosebud Reservation in order to significantly reduce the number of owners, IIM accounts and probates.
- Establish a minimum purchase price. If a minimum purchase price is established above the appraised value, it will present an appealing sale incentive to landowners. An ILCP policy needs to be issued to set a minimum purchase price by interest or seller. To date, Rosebud Agency has identified over 3500 surface interests with a value of less than \$1.00.
- Lack of mineral activity generates no mineral income for the Indian landowners. According to BLM, the minerals have very little value. The purchase of such mineral rights would assist in eliminating and minimizing the IIM accounts and future probates.
- Train contractor to perform tasks.
- Provide quality assurance on work performed by the contractor.
- Require development of SOP for contractor to utilize to perform work.

Eleventh Report to the Court
November 1, 2002

Assurance Statement:

I concur with the content of the information contained in the Fractionation section of the 11th Report to the Court. The information provided in this section is accurate to the best of my knowledge.

Date: October 29, 2002

Name: *Signature on File*
Larry Morrin, Regional Director
Midwest Region

Date: October 30, 2002

Name: *Signature on File*
Cora Jones, Regional Director
Great Plains Region

B. OFFICE OF TRUST POLICIES AND PROCEDURES

Introduction

The goals of this project are to –

- Develop guidance for the Department’s trust responsibilities;
- Coordinate with appropriate program offices to systematically identify and update regulations to ensure that the official policies comport with the trust principles;
- Coordinate with appropriate program offices to develop or revise program manuals and handbooks so that internal guidance and operational procedures reflect current policies and technologies;
- Coordinate with appropriate program offices to propose changes in legislation to modernize Indian trust statutes; and
- Assist trust management offices on an ongoing basis to identify and rectify problems in their policies and procedures.

Accomplishments and Completions

Repeal of Outdated Regulations – On August 26, 2002, a final rule was published in the *Federal Register* that removed a number of outdated regulations that are identified below.

- Part 112 – Pro Rata Shares of Tribal Funds
- Part 116 – Trusts for the Five Civilized Tribes
- Part 121 – Osage Judgment Funds
- Part 124 – Alaska Native Fund
- Part 125 – Payment of Sioux Benefits
- Part 154 – Osage Roll, Certificate of Competency
- Part 156 – Reallotment of Lands to Unallotted Indian Children
- Part 178 – Resale of Lands within the Badlands Air Force Range
- Part 243 – Reindeer in Alaska

25 CFR 2 – Appeals from Administrative Actions – Revisions to current appeal regulations are proposed for the following reasons:

1. BIA must refrain from implementing most decisions while an appeal is pending;
2. Anyone whose interests might be affected by a BIA decision can file an appeal regardless of whether those interests are intended to be protected by law or regulation; and
3. The time to file an appeal is subject only to the statute of limitations if BIA fails to provide written notice of appeal rights.

The proposed revisions to the appeal regulations address these and other issues. In mid-August, the Office of the Solicitor completed its review of the proposed revisions. A draft Notice of Proposed Rulemaking has been prepared and is undergoing internal review.

Staffing of the Policies and Procedures Project

Position descriptions were written that will be used to staff a trust policies and procedures organization to be located in the Office of the Special Trustee for American Indians. This organization will replace the Policies and Procedures subproject that had been in BIA. A vacancy announcement for a Director is expected to be made during the next reporting period and a director hired to lead the work of this office.

Current Status

Statutory Revisions:

Bureau of Indian Affairs/Office of the Special Trustee

Review of Title 25, United States Code – On June 11, 2002, the Director, Office of Indian Trust Transition, signed a letter to all Tribal Leaders providing a copy of Trust Policies and Procedures (TPP) staff recommendations for repealing or amending numerous provisions of Title 25. This represents the initial step in the consultation process. At the request of the National Congress of American Indians (NCAI), the deadline for tribal comments was extended from August 15, 2002 to November 15, 2002. While only a few responses were received during this reporting period, those who did comment indicated support for the many of the proposed changes. Additional comments will be received during consultation with Tribes and other interested parties, prior to amendments being published.

Bureau of Indian Affairs

25 CFR 161 – Navajo Partitioned Lands Grazing Permits – The Navajo Nation completed its internal review of the draft regulations and requested the BIA Navajo Region to coordinate a follow-up meeting with TPP staff. As both of the TPP staff who worked on these regulations have left the project, the Office of Trust Responsibilities (OTR) was asked to assume responsibility for this effort. OTR staff plan to meet with tribal and regional office representatives to complete the review requirements.

25 CFR 124 – Deposits of Proceeds of Lands Withdrawn for Native Selection under the Alaska Native Claims Settlement Act – As previously reported, TPP staff completed a draft revision of Part 124 and forwarded the draft to OTFM for its review and comment. The Solicitor's Office provided oral comments on the draft. Revisions were submitted to the BIA Office of Trust Policies and Procedures.

25 CFR 162 Subparts C and D – Residential Leases and Business Leases – On June 5, 2002, the Director, Office of Trust Responsibilities, sent the draft regulations to all BIA Regional Directors and to NCAI asking for comments by July 8, 2002. On July 30, 2002, the final BIA draft for the Residential and Business Lease Regulations, which included consideration of comments received on the initial draft, was sent to NCAI, Inter-Tribal Monitoring Association (ITMA) and the BIA Regional Offices for distribution to the tribes. On September 10, 12, and 24, 2002, tribal consultation sessions were held to receive comments on the final BIA draft for Residential and Business Lease Regulations. The target date for publication of the proposed regulations in the Federal Register for public comment is January or February of 2003. The comment period is planned to run for 90 days, and the Final (Rule) publication is scheduled for July or August of 2003.

Energy Initiatives -- In response to the Administration's goal of increasing domestic supplies of energy, the BIA established an Energy Planning Group, which held an Indian Energy Summit in December 2001 in Denver, Colorado (reported in the 8th Report to the Court). The group is continuing to consult with Tribes for recommended actions to enhance energy development in Indian country. In connection with the Summit, the BIA is also evaluating energy-related program areas for regulatory revision. During this reporting period, TPP staff sent recommended revisions to Part 216—Surface Exploration, Mining, and Reclamation to the Division of Energy and Minerals and to OTR for their consideration. An intra-Departmental team with representatives from BIA, BLM, and OSM are reviewing the recommended revisions, with a target date of March 2003 for proposed rulemaking on the revisions.

Minerals Management Service

As previously reported, the MMS proposed rule on the valuation of oil produced from leases on Indian trust lands is under review by Office of the Solicitor. There is no firm estimate as to when the review will be completed.

Internal Program Guidance

Agriculture and Range Program (Grazing Permits) Handbook – OTR organized a large work group composed of BIA employees and tribal representatives to update the agriculture and range program handbook. The target date is January 2003 for the completion of the initial draft handbook and distribution to the field for review and comment.

NEPA Compliance Handbook – A draft handbook was prepared and circulated to the field for review and comment. At this time, comments are still forthcoming. The target date for review and analysis of comments is January 2003.

Financial Conflicts of Interest - The 1994 amendments to the Ethics in Government Act amended Title 18 U.S.C. (Crimes and Criminal Procedures) in Chapter 11 (Bribery, Graft, and Conflicts of Interest) and added within the section describing “acts affecting a

Eleventh Report to the Court

November 1, 2002

personal financial interest” those activities that affect the financial interests of the Indian tribe in which the employee or the employee’s spouse is a member. During this reporting period the Department’s Ethics Office advised the TPP staff that the Office of Government Ethics (OGE) was accepting proposed statutory amendments from agencies through August 2002. Staff from the Ethics Office held a preliminary meeting with OGE during the week of June 17, 2002. There will be further meetings with OGE before the legislative package is finalized.

Forestry Program Manual – In July 2002, the Division of Forestry submitted the final draft forestry handbook to the Office of Audit and Evaluation, BIA. After their review and approval, it will be distributed to the field.

IAM Manual

TPP and Solicitor’s Office staff worked on revisions to Part 101 of the Indian Affairs Manual, Individual Indian Money Accounts. The current manual was issued in August 2000 prior to issuance of final regulations governing Trust Funds for Tribes and Individual Indians (25 CFR 115). The revisions are designed to reflect the changes made by the new regulations.

TPP distributed the proposed revisions to the field on August 30, 2002, with a deadline of September 30, 2002, for comments. A recommendation to extend time for comments is expected in the next reporting period.

Real Estate Services Program Handbook – The drafting team met during the week of June 17, 2002, in Washington, DC, to complete work on a draft leasing handbook. Comments regarding the final draft of the Leasing and Permitting Handbook were received from the Regional Offices in August and September 2002. Real Estate Services, OTR, is in the process of updating the draft handbook to incorporate appropriate changes recommended by the field. The target date for completion and national distribution of the final handbook is by the end of next quarter.

Delays/Obstacles

The Office of Trust Policies and Procedures is without staff. The position for Director will be advertised and should be filled during the next reporting period. At that time staff will be hired. The Trust Policies and Procedures projects will be transferred to a new office in OST once a Director is hired.

Eleventh Report to the Court
November 1, 2002

Assurance Statement

I concur with the content of the information contained in the Trust Policies and Procedures section of the 11th Report to the Court. The information provided in this section is accurate to the best of my knowledge.

Date: November 1, 2002

Name: *Signature on File*
Ross O. Swimmer
Director, Office of Indian Trust Transition

VII. ACRONYMS

A-130	OMB Circular A-130
BIA	Bureau of Indian Affairs
BIAM	Bureau of Indian Affairs Manual
BIAINVs	Bureau of Indian Affairs Inventories
BITAM	Bureau of Indian Trust Assets Management
BLM	Bureau of Land Management
BOR	Bureau of Reclamation
BPM	Business Process Modeling
CAP	Corrective Action Plan
CD	Compact Disk
CDE	Critical Data Elements
CD&L	Chavarria, Dunne & Lamey LLC
CDS	Comparable Sales/Lease Data Base System
CGIS	Cadastral Geographic Information System
CIO	Chief Information Officer
CISSP	Certified Information Security System Professional
CLS	Case, Location, and Status Database
COPAS	Council of Petroleum Accounting Services
COTR	Contracting Officer's Technical Representative
COTS	Commercial Off-The-Shelf
CR	Continuing Resolution
CSEAT	Computer Security Expert Assist Team
D&T	Deloitte & Touche LLP
DCIA	Deputy Commissioner for Indian Affairs
DEMR	Division of Energy and Mineral Resources
DM	Departmental Manual
DMZ	Demilitarized Zone
DOI	Department of the Interior
DOIU	Department of the Interior University
DOJ	Department of Justice
DOP	Desk Operating Procedures
DQ&I	Data Quality and Integrity
EA	Enterprise Architecture, Environmental Assessment
EAP	Enterprise Architecture Planning
EDS	Electronic Data Systems
E&Y	Ernst & Young LLP
FAIR	Federal Activities Inventory Reform
FEDBIZOPS	Federal Business Opportunities
FIPS	Federal Information Processing Standard
FIRREA	Financial Institutions Reform, Recovery and Enforcement Act
FOGRMA	Federal Oil and Gas Royalty Management Act
FPPS	Federal Personnel and Payroll System

Eleventh Report to the Court
November 1, 2002

G&B	Government & Business Solutions Inc.
GIS	Geographic Information System
GISRA	Government Information Security Reform Act
GPS	Global Position System
GSA	General Services Administration
HLIP	High Level Implementation Plan
HR	Human Resources
HRA	Historical Research Associates
IBM	International Business Machines
IDEAS	Interior Department's Electronic Acquisition System
IDEF	Integration Definition for Function Modeling
IDP	Individual Development Plan
IEA	Interior Enterprise Architecture
IHS	Indian Health Services
IIM	Individual Indian Money
IITD	Individual Indian trust data
ILCA	Indian Land Consolidation Act
ILCP	Indian Land Consolidation Program
IRMS	Integrated Records Management System
IRS	Internal Revenue Service
ISC	Information Services Corporation
IT	Information Technology
ITAD	Indian Trust Accounting Division
ITM	Indian Trust Management
ITMA	Inter-Tribal Monitoring Association
IV&V	Independent Verification & Validation
KeyFile	Key File Document Imaging System
LAND	Land Titles Automated Network Delivery
LCPP	Land Consolidation Pilot Project
LRIS	Land Records Information System
LTM	Land Title Mapper
LTRO	Land Titles and Records Office
MAD	Management, Accounting & Distribution
MCPD	Management Control Plan Data Base
MCR	Management Control Review
MMS	Minerals Management Service
MOID	Multiple Owner Identification
MRM	Minerals Revenue Management
NADCAP	Native Allotment Data Collection and Access Project
NAPHSIS	National Association for Public Health Statistics and Information Systems
NARA	National Archives and Records Administration
NCAI	National Congress of American Indians
NIST	National Institute of Standards and Technology
NORC	National Opinion Research Center at the University of Chicago
OAS	Office of Appraisal Services

Eleventh Report to the Court
November 1, 2002

OCC	Office of the Comptroller of the Currency
OGE	Office of Government Ethics
OHA	Office of Hearings and Appeals
OHTA	Office of Historical Trust Accounting
OIG	Office of Inspector General
OIRM	Office of Information Resources Management
OITT	Office of Indian Trust Transition
OMB	Office of Management and Budget
OST	Office of the Special Trustee for American Indians
OTFM	Office of Trust Funds Management
OTR	Office of Trust Responsibilities, Office of Trust Records
OTRM	Office of Trust Risk Management
PAL	Performance, Acreage and Lease
PB	Personnel Bulletin
PTS	Probate Tracking System
QCs	Quality Controls
RFI	Request for Information
RMD	Risk Management Document
SAIC	Science Applications International Corporation
SAL	Statement of Assurance Letter
SANS	System Administration, Networking and Security
SAT	Security Awareness Training
SDAs	Small Dollar Accounts
SME	Subject Matter Experts
SOL	Office of the Solicitor
SOP	Standard Operating Procedures
SRA	SRA International, Inc.
SSA	Social Security Administration
STIG	Standard Technology Implementation Guide
STRAC	State and Tribal Royalty Audit Committee
TAAMS	Trust Asset and Accounting Management System
TBA	Trust Board of Advisors
TFAS	Trust Funds Accounting System
TMIP	Trust Management Improvement Project
TPP	Trust Policies & Procedures
TRM	Technical Reference Model
TRO	Temporary Restraining Order
TS&P	Trust Systems & Projects
TSRs	Title Status Reports
USFS	United States Forest Service
USPAP	Uniform Standards for Professional Appraisal Practice
VA	Veterans Affairs
WAU	Whereabouts Unknown
WFP	Workforce Planning