



DEPARTMENTAL OFFICES

Overview — The Department of the Interior protects and manages the Nation’s cultural heritage and natural resources; provides scientific and other information about those resources; and honors trust responsibilities and commitments to American Indians, Alaska Natives, and affiliated island communities. This mission is encompassed in the four themes delineated in the Department’s 2007-2012 strategic plan: resource protection, resource use, recreation, and serving communities.

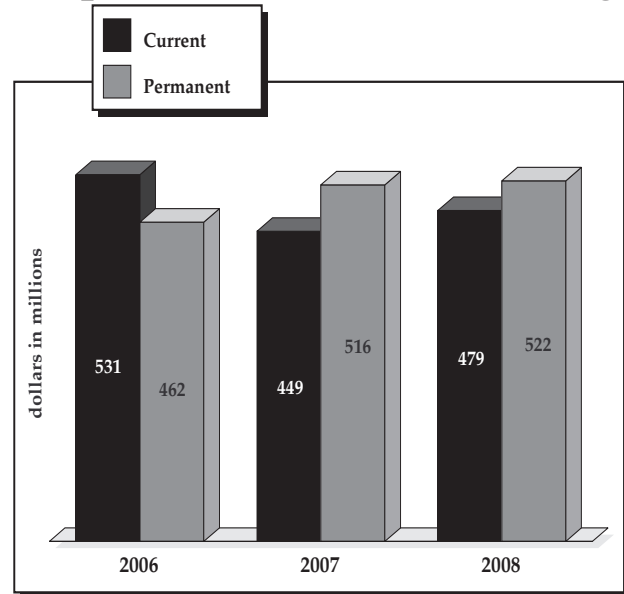
Within this mission, the Department of the Interior is accountable for wide-ranging programs such as fulfilling Indian trust responsibilities; migratory wildlife conservation; historic preservation; endangered species protection; abandoned mine lands restoration; and earth and natural resource science.

Management Excellence — Interior continues to make significant progress on the President’s management agenda and its management excellence goals. Through management improvements, Interior is achieving greater efficiency and accountability, employing modern technology, eliminating duplication, and enhancing service to citizens. One key area of improvement is deployment of a new, integrated business management system, which will modernize the Department’s legacy systems and processes, the Financial and Business Management System.

Budget and performance integration lies at the heart of ensuring both the strategic allocation and efficient use of revenues. The Interior Department is utilizing Program Assessment Rating Tool reviews and Office of Inspector General, General Accountability Office, National Association of Public Administration program evaluations, and activity-based cost management to assist in the identification of measures that can strengthen programs and improve the linkage of budget and performance information.

Activity-based cost management is being employed by the Department so that unit costs and performance by dollars spent and actions undertaken can be measured and compared. To further strengthen accountability and financial management, the Financial and Business Management System will replace a variety of outdated,

Departmental Offices Funding



stand-alone systems that are costly to operate, difficult to secure, and unable to provide timely financial and performance information.

Departmental Offices principally provide leadership, management, and coordination activities. For example, the Office of the Secretary provides executive direction for the Department. It guides and coordinates Interior’s administrative activities such as finance, information resources, procurement and acquisition, human resources, and budgeting. The Office of the Secretary also manages the administrative appeals functions contained in the Office of Hearings and Appeals, the Indian Arts and Crafts Board functions, centralized realty appraisal services, and the Take Pride in America program.

There are several other significant programs within Departmental Offices. The Office of Insular Affairs provides assistance to insular areas, such as the Virgin Islands and Guam. The Office of the Special Trustee for American Indians manages and discharges the Secretary of the Interior’s responsibilities for \$3.3 billion in trust assets for American Indians. Although separately funded,

organizationally, Departmental Offices also includes the Office of the Solicitor, which provides legal services to the Secretary, and the Office of Inspector General, which reviews Departmental activities and conducts audits and investigations.

The Office of the Secretary also manages three Department-wide programs, the Payments in Lieu of Taxes program, which provides payments to local governments in jurisdictions where Federal lands are located; the Central Hazardous Materials Fund, which provides a coordinated, consistent approach to remediate Interior Department sites impacted by hazardous substances; and the Natural Resource Damage Assessment and Restoration program, which coordinates all of the Department's restoration efforts for affected resources injured as a result of oil spills or hazardous substance releases into the environment on Interior or other lands where endangered species or migratory birds are impacted. The Office of the Secretary also manages the Department's Working Capital Fund and the Interior Franchise Fund.

Office of the Secretary

Mission — The Office of the Secretary's mission is to provide the executive level leadership, policy, guidance, and coordination needed to manage the diverse, complex, and nationally significant programs that are the Department of the Interior's responsibilities.

Program Overview — The Interior Department is comprised of nine bureaus and numerous offices, each with a unique mission. The Department of the Interior's 2008 budget request includes \$10.7 billion in current appropriations and anticipates the collection of \$15.6 billion in receipts. To deliver Interior's broad mission, employees are geographically dispersed across the entire United States operating from approximately 2,400 locations including physical and social scientists, historians, architects, engineers, attorneys, trust officers, rangers, law enforcement officers, teachers, and construction and maintenance workers. In 2008, Interior will issue thousands of leases for oil and gas or geothermal exploration and development; deliver water to 31 million people; maintain and operate parks, wildlife refuges, and recreation areas that will host over 490 million visits; and educate approximately 46,000 Indian children. The Interior Department manages about 41,800 buildings and manages over half a billion acres of surface land.

Although a sizable task, the Office of the Secretary leads this dynamic organization with approximately nine-tenths of one percent of Interior's total budget. The majority of management activities associated with the Office of the Secretary are funded from the Salaries and Expenses appropriation. Most of the offices in the

Office of the Secretary are located in Washington, D.C. Field offices across the country provide support for environmental protection, Indian probate, hearings and appeals, indirect cost negotiations, appraisal services, and aircraft services.

The Office of the Secretary manages programs that provide support to programs throughout the Department, including Payments in Lieu of Taxes, the Central Hazardous Materials Fund, the Natural Resource Damage Assessment and Restoration Fund, the Department's Working Capital Fund, and the Interior Franchise Fund. These programs are discussed in the Department-wide Programs chapter following this chapter.

The National Business Center is also managed by the Office of the Secretary. Funded through direct appropriations, the Working Capital Fund, and the Franchise Fund, the National Business Center provides major business and administrative services to Interior bureaus and offices and other Federal agencies. The major business lines that NBC manages include financial management, payroll and personnel, aircraft services, procurement and electronic commerce, career development and on-line training, information technology, and property management, and appraisal services.

Budget Overview — The Salaries and Expenses budget requests \$101.4 million, including \$7.8 million for consolidated appraisal services in NBC. This is \$6.9 million above the 2007 continuing resolution and \$17.4 million below the 2007 President's budget. In addition to the program changes described below, there is a \$24.3 million increase related to the impact of the 2007 continuing resolution.

Program changes in this budget include three items. The first change reflects a shift of \$22.2 million from the Salaries and Expenses account to the Working Capital Fund. Funding for FBMS deployment is budgeted in the WCF beginning in 2008, consistent with the approach for other enterprise system investments. Other program changes include an increase of \$219,000 in Working Capital Fund charges to the Office of the Secretary to fund FBMS; a reduction of three FTE and \$573,000 due to the transfer of the Contract Board of Appeals function to the General Services Administration, consistent with the 2006 Department of Defense Authorization Act, which required the consolidation of all government contract appeals boards into one government-wide entity; the transfer of \$144,000 and one FTE from the Fish and Wildlife Service for financial management. The FWS submission includes an offsetting decrease in funding and FTE reflecting this transfer.

Fixed Costs — Fixed costs for Salaries and Expenses total \$5.1 million and are fully funded.

Mission—The Office of Insular Affairs assists the islands in developing more efficient and effective governments by providing financial and technical assistance, and helps manage Federal-island relations by promoting appropriate Federal policies.

Program Overview—The OIA carries out the Secretary's responsibilities for U.S. affiliated insular areas. These include the Territories of Guam, American Samoa, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands, as well as the three freely associated States: the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. The OIA achieves its mission by improving the financial management practices of insular governments, increasing economic development opportunities, and increasing Federal responsiveness to the unique needs of island communities.

Budget Overview—The proposed 2008 OIA budget request is \$403.8 million, of which \$79.8 million is in current appropriations. This is \$425,000 below the 2007 continuing resolution, and \$560,000 above the 2007 President's budget. In addition to the program changes described below, there is a \$985,000 decrease related to the impact of the 2007 continuing resolution.

The budget includes an increase of \$200,000 for work associated with ensuring compliance with the National Environmental Policy Act for infrastructure projects initiated in the insular areas. This will allow OIA to focus efforts on consultation and training related to NEPA. As a result the insular governments will be able to complete environmental assessments, which will assist in the long-term sustainable development of the insular areas.

Permanent funding for insular areas is a reflection of long-term commitments that are guaranteed in law. Permanent appropriations for OIA in 2008 total \$324.1 million. This funding includes \$205.1 million in Compact of Free Association payments to the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau. Also included is \$119.0 million in payments to Territories, which reimburses the Virgin Islands for Federal excise taxes collected on rum sales, and Guam for the income taxes collected from Federal employees and military personnel residing in Guam.

Fixed Costs—Fixed costs for the Office of Insular Affairs total \$352,000 and are fully funded.

Mission—The Office of the Solicitor's mission is to provide high quality legal and counseling services to the Secretary and Interior's offices and bureaus, administer the Ethics program, help resolve legal issues among bureaus and offices as they fulfill their duties, and manage Interior Freedom of Information Act appeals.

Program Overview—The Solicitor's Office attorneys provide legal advice and counsel to all areas of the Department in order to ensure that Interior's programs and initiatives are carried out in a manner consistent with applicable law and regulations. They prepare formal legal opinions; review draft legislation, regulations, contracts, and other documents; and provide informal legal advice in a wide variety of circumstances. In addition, the attorneys represent Interior in administrative litigation, and assist the Department of Justice with judicial litigation involving the Department.

Along with the legal and counseling responsibilities of the Interior Department, the Solicitor's Office also administers the Ethics program and the FOIA appeals program. The Ethics staff is responsible for overseeing the Interior's statutorily mandated ethics program by implementing the laws, executive orders, regulations, and Departmental policies concerning conflicts of interest and employee responsibilities and conduct. The FOIA appeals staff manages the extensive FOIA appeals processing function by reviewing appeals to determine the issues and developing the Department's response or decision.

Budget Overview—The Solicitor's 2008 budget request is \$58.9 million, which is \$4.3 million above the 2007 continuing resolution and \$2.2 million above the 2007 President's budget. In addition to the changes described below, the request includes a \$2.1 million increase to restore the priorities of the 2007 President's budget that are not included at the 2007 continuing resolution level, including funding fixed costs, and implementing other program enhancements and reduction proposals included in the 2007 President's budget.

Program Changes—The Office of the Solicitor's 2008 budget request includes an increase of \$145,000 for information technology improvements, and \$98,000 for Working Capital Fund program changes for the Financial and Business Management System.

Fixed Costs—Fixed costs for the Office of the Solicitor are fully funded at \$2.0 million.

Office of Inspector General

Mission— The mission of the Office of Inspector General is to promote excellence, accountability, and integrity in the programs, operations, and management of the Department of the Interior.

Program Overview— The OIG assists the Secretary and the Congress by targeting resources toward oversight of the Department's most serious management and program challenges, and toward high risk areas vulnerable to fraud, waste, abuse, and mismanagement. The OIG is responsible for independently and objectively identifying risks and vulnerabilities that directly impact or could impact Interior's ability to accomplish its mission. The OIG is required to keep the Secretary and the Congress fully and currently informed about problems and deficiencies relating to the administration of Departmental programs and operations. Effective implementation of this mandate addresses the public's demand for greater accountability and integrity in the administration of government programs and operations and the demand for programs that work better, cost less, and get the results about which Americans care most. The OIG headquarters is located in Washington, D.C., with field offices and staff in locations across the continental United States, the U.S. Virgin Islands, and Hawaii.

Budget Overview— The 2008 budget request for the OIG is \$42.3 million, which is \$3.8 million above the 2007 continuing resolution and \$1.6 million above the 2007 President's budget. In addition to the changes described below, the request includes a \$2.2 million increase to restore the priorities of the 2007 President's budget that are not included at the 2007 continuing resolution level, including funding fixed costs and implementing other program enhancements and reduction proposals included in the 2007 President's budget.

Fixed Costs— Fixed costs for the Office of Inspector General are fully funded at \$1.6 million.

Office of the Special Trustee for American Indians

Mission— The Office of the Special Trustee for American Indians provides fiduciary guidance, management, and leadership for both tribal trust accounts and Individual Indian Money accounts. The OST oversees and coordinates the Department's efforts to establish consistent policies, procedures, systems, and practices throughout Interior for the Indian fiduciary trust. The OST has operational responsibility for financial trust fund management, including investment, receipt, disbursement of Indian trust funds, and for real estate appraisals on Indian trust lands. The Bureau of Land Management, the Minerals Management Service, the Bureau of Indian Affairs, as

well as the Secretary's Office of Hearings and Appeals, and the Office of Historical Trust Accounting carry out additional trust functions of the Department.

Program Overview— The OST manages over \$3.3 billion of funds held in over 1,450 trust accounts for more than 250 Indian Tribes, and over 300,000 open Individual Indian Money accounts. The balances that have accumulated in the trust funds have resulted generally from judgment awards, settlement of claims, land-use agreements, royalties on natural resource use, other proceeds derived directly from trust resources, and financial investment income.

The Interior Department has developed a comprehensive and systematic plan to reform the management of its trust responsibilities, the Fiduciary Trust Model. The status of the implementation of the FTM has been described in the reports provided to the U.S. District Court in *Cobell v. Kempthorne*. The FTM includes a reorganization of Interior's fiduciary trust offices to improve delivery of services, effectiveness, and accountability of trust operations; and the re-engineering of Interior's fiduciary trust business processes and systems to ensure that the Department meets its fiduciary trust goals and objectives.

The primary concept of the FTM, working in partnership with the beneficiaries, is to improve the business processes for the delivery of services to tribal and individual Indian beneficiaries by standardizing, streamlining, and automating these processes and services. Progress to date on the FTM includes hiring Indian land surveyors and initiating the certified Federal surveyor program; establishing the Division of Indian Probate Hearings within OHA; hiring staff to serve as the primary point of contact for beneficiaries; opening the toll-free Trust Beneficiary Call Center; implementing a nationwide lockbox system for the collection of trust payments; developing interagency handbooks and desk operating procedures for the standardized and streamlined business processes; enhancing appraisal functions and developing an appraisal tracking system; identifying and implementing trust related skills models for hiring and training fiduciary trust professionals; updating Federal regulations in support of the FTM; and redesigning the minerals valuation process. In addition, new technology that includes enhanced title and realty modules of Trust Asset Accounting Management have been implemented at nearly 50 percent of BIA offices, which accounts for approximately 80 percent of all recurring dollars that flow through the trust and more than 70 percent of the trust accounts.

On January 6, 2003, the Department submitted the *Historical Accounting Plan for Individual Indian Money Accounts* to the U. S. District Court. The plan addresses the process

to conduct a historical accounting for about 260,000 IIM accounts as directed by the court. The cost to complete the plan was estimated to be \$335 million.

On November 15, 2005, the Court of Appeals for the D.C. Circuit vacated a February 23, 2005 structural injunction imposed by the District Court in the *Cobell* litigation that called for a transaction-by-transaction accounting for all transactions back to 1887 at an expected cost of \$10 to \$12 billion. The Court of Appeals ruling specifically allows the use of statistical sampling as part of the IIM historical accounting. Interior is considering revising its January 6, 2003 accounting plan, based on the information now available from the work of the past three years, and the appellate court decision vacating the District court's structural injunction. The process will consider lessons learned from work already completed, removal of the structural injunction, statistical sampling parameters, and accounting costs.

Budget Overview — The 2008 OST budget requests \$196.2 million in current appropriations, \$186.2 million for Federal Trust programs and \$10.0 million for Indian Land Consolidation, which is \$15.4 million above the 2007 continuing resolution, and \$48.4 million below the 2007 President's budget. In addition to the changes described below, the request includes a \$63.7 million increase to restore the priorities of the 2007 President's budget that are not included at the 2007 continuing resolution level, including funding fixed costs, and implementing other program enhancements and reduction proposals included in the 2007 President's budget.

The 2008 OST budget includes a net reduction of \$3.6 million for Trust Reform programs. The reduction is the result of efficiencies realized from trust reform initiatives, completion of certain tasks done under contract and spreading the costs of some tasks over a longer period of time. There is also a reduction in appraisals of \$1.2 million for mineral valuations associated with Indian Land Consolidation that will be charged to ILCA on a reimbursable basis. The budget also includes a reduction of \$345,000 for positions that will now be funded by BIA. The OST budget includes a \$143,000 increase for an FBMS program change.

Historical Accounting — Within the OST request is \$60.0 million for the Office of Historical Trust Accounting, an increase of \$3.6 million over 2007. This amount will provide approximately \$40.0 million for IIM accounting, and \$20.0 million for tribal accounting. This amount may be revised depending on the outcome of any further court rulings in *Cobell v. Kempthorne* or congressional action.

Within the \$40.0 million proposed for individual accounts, a total of \$3.5 million would be used to complete

the reconciliation of the remaining 5,000 judgment and per capita accounts and mail historical statements of account. To address land-based transactions, Interior will use \$28.5 million to reconcile 1,000 land-based IIM transactions; continue imaging and coding 500 boxes of jacket folders and digitize 100,000 paper ledgers, resulting in the imaging and coding of three million pages of trust documents; and continue data completeness validation for a total of eight BIA regions. An additional \$4.0 million will be used to resolve the proper ownership of residual balances in special deposit accounts and distribute \$2.5 million in account balances to Tribes, individual Indians, and non-trust entities. In addition, \$4.0 million will be used for on-going litigation support costs associated with both individual and tribal cases for work provided by the Solicitor and the Department of Justice.

The \$20.0 million for tribal cases will support analysis and resolution of tribal claims and potential settlement negotiations with Tribes. It will also fund four tribal claims analyses. The December 31, 2006, expiration of a legislative stay of the statute of limitations resulted in Tribes filing about 70 more lawsuits, one of which is a class action suit on behalf of about 250 Tribes.

Indian Land Consolidation — One of the greatest challenges facing the Federal government regarding fiduciary trust management is the fractionation of 3.2 million individual Indian interests in the land that the Federal government holds in trust. The Indian Land Consolidation program, which acquires small ownership shares in allotted lands from willing sellers, is a key component in trust reform and management.

With each successive generation, the individual interests in the land have become further divided and subdivided among heirs, each of whom get a smaller and smaller interest in the land. The cost of Federal resources necessary to undertake accounting and management responsibilities grows accordingly and the feasibility of using these lands for purposes that will generate income for individual Indians and Tribes declines. The ownership of many disparate, uneconomic, and small interests benefits no one in Indian Country and creates an administrative burden that drains resources away from other Indian programs.

Through September 30, 2006, the program has acquired a cumulative total of 261,569 interests. Over 85 percent of the interests purchased were interests of less than two percent ownership in the respective tracts of land. The nationwide program utilizes contractual arrangements with Tribes or private entities to purchase individual interests on behalf of the Department.

Once interests are purchased, title can be transferred to the Tribe. Purchase of fractional interests reduces record

keeping and large numbers of small dollar financial transactions, and decreases the number of accounts subject to probate. As a result of Indian land consolidation purchases, Tribes now have 100 percent ownership of 227 tracts previously owned by individual Indians.

The 2008 budget proposes funding of \$10.0 million for Indian land consolidation, which is \$20.7 million below the 2007 continuing resolution, and \$49.4 million below the 2007 President's budget. New provisions in the Ameri-

can Indian Probate Reform Act of 2004, which became effective in June 2006, should substantially reduce the rate of fractionation and have a corresponding impact on the future direction of the program. In addition, the program is studying acquisition strategies, such as targeting selected highly fractionated tracts, to see what approach is the most effective.

Fixed Costs — Fixed costs for OST total \$2.4 million and are fully funded.

SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

Comparison of 2008 Request with 2007 Continuing Resolution:

	2007 CR		2008 Request		Change from 2007	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Office of the Secretary.....	366	94,503	372	101,445	+6	+6,942
Assistance to Territories	39	74,846	39	74,921	0	+75
Compact of Free Association.....	0	5,362	0	4,862	0	-500
Office of the Solicitor	402	54,624	402	58,949	0	+4,325
Office of Inspector General.....	261	38,541	261	42,322	0	+3,781
Office of Special Trustee for American Indians	619	150,036	634	186,158	+15	+36,122
Indian Land Consolidation.....	0	30,747	0	10,000	0	-20,747
Subtotal, Appropriations.....	1,687	448,659	1,708	478,657	+21	+29,998
Permanents and Other						
Take Pride in America	0	75	0	75	0	0
Indian Arts and Crafts Board	0	40	0	40	0	0
Payments to U.S. Territories, Fiscal Assistance.....	0	119,000	0	119,000	0	0
Compact of Free Association.....	0	202,649	0	205,060	0	+2,411
Payment for Trust Accounting Deficiencies	0	6,000	0	0	0	-6,000
Tribal Special Funds.....	0	141,041	0	148,347	0	+7,306
Tribal Trust Fund.....	0	46,974	0	49,407	0	+2,433
Allocation Accounts - Office of the Secretary	110	0	110	0	0	0
Reimbursements - Office of the Secretary	244	0	244	0	0	0
Reimbursements - Office of the Solicitor	48	0	48	0	0	0
Subtotal, Permanents and Other.....	402	515,779	402	521,929	0	+6,150
TOTAL, DEPARTMENTAL OFFICES.....	2,089	964,438	2,110	1,000,586	+21	+36,148
National Indian Gaming Commission.....	115	16,000	119	17,600	+4	+1,600

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Office of the Secretary - Salaries and Expenses

	2006 Actual	2007 CR	2008 Request	Change from 2007
Executive Direction.....	13,884	14,110	14,617	+507
Impact of the CR (<i>non-add</i>)		[-2,890]		
Policy, Management and Budget	28,916	30,302	31,492	+1,190
Impact of the CR (<i>non-add</i>)		[-6,206]		
Hearings and Appeals	7,950	7,895	7,612	-283
Impact of the CR (<i>non-add</i>)		[-1,617]		
Consolidated Appraisal Services	7,332	7,416	7,792	+376
Impact of the CR (<i>non-add</i>)		[-1,519]		
Indian Arts and Crafts Board	1,144	1,160	1,190	+30
Impact of the CR (<i>non-add</i>)		[-238]		
Central Administrative Services	33,367	35,095	38,095	+3,000
Impact of the CR (<i>non-add</i>)		[-7,189]		
USBM Workers Compensation	643	627	647	+20
Impact of the CR (<i>non-add</i>)		[-128]		
FBMS	22,224	22,240	0	-22,240
Impact of the CR (<i>non-add</i>)		[-4,555]		
Kendall County Grant	4,926	0	0	0
Martin Luther King Memorial	9,852	0	0	0
TOTAL APPROPRIATION (<i>without CR</i>)	130,238	118,845	101,445	-17,400
Impact of the Continuing Resolution...		-24,342		+24,342
TOTAL APPROPRIATION (<i>with CR</i>)	130,238	94,503	101,445	+6,942

Highlights of Budget Changes

	<u>Amount</u>
Fixed Costs	[+5,050]
Impact of the Continuing Resolution	+24,342
Policy, Management, and Budget	+1,190
The budget includes a transfer of +\$144 from FWS to assist in the accomplishment of the President's management agenda. Fixed costs are fully funded at \$1,046.	
Hearings and Appeals	-283
The budget includes a reduction of \$573 due to the transfer of the Contract Board of Appeals function, consistent with the 2006 Department of Defense Authorization Bill. Fixed costs are fully funded at \$290.	
Central Administrative Services	+3,000
The budget includes an increase of \$219 in support of the Department-wide transition to the FBMS system. Fixed costs are fully funded at \$2,781.	
Financial and Business Management System	-22,240
This budget proposes to move the funding for FBMS to the Working Capital Fund.	

APPROPRIATION: Assistance to Territories

	2006 Actual	2007 CR	2008 Request	Change from 2007
American Samoa				
Operations Grants.....	22,770	22,880	22,880	0
Impact of the CR (<i>non-add</i>)		[+238]		
Northern Marianas				
Covenant Grants (Mandatory).....	27,720	27,720	27,720	0
Territorial Assistance				
Office of Insular Affairs.....	7,273	7,624	8,184	+560
Technical Assistance	10,524	8,226	8,226	0
Maintenance Assistance Fund.....	2,266	2,277	2,277	0
Brown Tree Snake.....	2,660	2,673	2,673	0
Insular Management Controls	1,469	1,476	1,476	0
Coral Reef Initiative	493	495	495	0
Water and Wastewater Projects.....	985	990	990	0
Subtotal, Territorial Assistance.....	25,670	23,761	24,321	+560
Impact of the CR (<i>non-add</i>)		[+247]		
TOTAL APPROPRIATION (<i>without CR</i>)	76,160	74,361	74,921	+560
Impact of the Continuing Resolution...		+485		-485
TOTAL APPROPRIATION (<i>with CR</i>).....	76,160	74,846	74,921	+75

Highlights of Budget Changes

	Amount
Fixed Costs	[+352]
Impact of the Continuing Resolution	-485
Office of Insular Affairs	+560
<p>The budget request increases the Office of Insular Affairs by \$200 for required National Environmental Policy Act compliance within the OIA grant programs. The budget also includes an increase of \$8 in support of Department-wide transition to the FBMS system. Fixed costs are fully funded at \$352.</p>	

APPROPRIATION: Compact of Free Association

	2006 Actual	2007 CR	2008 Request	Change from 2007
Compact of Free Association.....	2,820	2,862	2,862	0
Impact of the CR (<i>non-add</i>)		[+500]		
Mandatory Payments	2,000	2,000	2,000	0
Enewetak Support.....	493	0	0	0
TOTAL APPROPRIATION (<i>without CR</i>)	5,313	4,862	4,862	0
Impact of the Continuing Resolution...		+500		-500
TOTAL APPROPRIATION (<i>with CR</i>).....	5,313	5,362	4,862	-500

Highlights of Budget Changes

	Amount
Impact of the Continuing Resolution	-500

APPROPRIATION: Office of the Solicitor

	2006 Actual	2007 CR	2008 Request	Change from 2007
Legal Services	41,847	43,532	45,054	+1,522
Impact of the CR (<i>non-add</i>)		[-1,635]		
General Administration	11,726	12,126	12,766	+640
Impact of the CR (<i>non-add</i>)		[-455]		
Ethics	1,051	1,097	1,129	+32
Impact of the CR (<i>non-add</i>)		[-41]		
TOTAL APPROPRIATION (<i>without CR</i>)	54,624	56,755	58,949	+2,194
Impact of the Continuing Resolution...		-2,131		+2,131
TOTAL APPROPRIATION (<i>with CR</i>)	54,624	54,624	58,949	+4,325

Highlights of Budget Changes

	<u>Amount</u>
Fixed Costs	[+1,951]
Impact of the Continuing Resolution	+2,131
General Administration	+640
The budget request includes an increase of \$145 for information technology improvements, and \$98 in support of Department-wide transition to FBMS. Fixed costs are fully funded at \$397.	

APPROPRIATION: Office of Inspector General

	2006 Actual	2007 CR	2008 Request	Change from 2007
Audit	16,725	17,748	18,348	+600
Impact of the CR (<i>non-add</i>)		[-941]		
Investigations.....	14,130	14,728	15,381	+653
Impact of the CR (<i>non-add</i>)		[-781]		
Admin. Services and Info. Management	7,686	8,223	8,593	+370
Impact of the CR (<i>non-add</i>)		[-436]		
TOTAL APPROPRIATION (<i>without CR</i>)	38,541	40,699	42,322	+1,623
Impact of the Continuing Resolution...		-2,158		+2,158
TOTAL APPROPRIATION (<i>with CR</i>)	38,541	38,541	42,322	+3,781

Highlights of Budget Changes

	<u>Amount</u>
Fixed Costs	[+1,623]
Impact of the Continuing Resolution	+2,158

APPROPRIATION: Office of Special Trustee for American Indians

	2006 Actual	2007 CR	2008 Request	Change from 2007
Federal Trust Programs				
Executive Direction.....	2,199	2,150	2,190	+40
Impact of the CR (<i>non-add</i>)		[-407]		
Program Ops, Support, & Improve	186,575	182,886	183,968	+1,082
Impact of the CR (<i>non-add</i>)		[-34,593]		
Net Transfers.....	+3,000	0	0	0
TOTAL APPROPRIATION (<i>without CR</i>)	191,774	185,036	186,158	+1,122
Impact of the Continuing Resolution...		-35,000		+35,000
TOTAL APPROPRIATION (<i>with CR</i>).....	191,774	150,036	186,158	+36,122

Highlights of Budget Changes

	Amount
Fixed Costs	[+2,445]
Impact of the Continuing Resolution	+35,000
Program Operations and Support	+1,082

Program increases include increased funding for historical accounting activities (+\$3,647) and an increase for budget, finance, and administration (+\$143). Decreases in funding as a result of program reviews and completion of trust related reforms include a reduction in the OST reengineering program (-\$500); a decrease in probate clean up (-\$1,100); a decrease in special projects (-\$500), and a decrease as a result of completion of certain data quality and integrity projects (-\$1,500). Other program changes include a reduction in appraisal services for activities that will be funded through a reimbursable agreement with ILCO (-\$1,168) and a base transfer from trust records to BIA (-\$345). Fixed costs are fully funded at \$2,405.

APPROPRIATION: Indian Land Consolidation Program

	2006 Actual	2007 CR	2008 Request	Change from 2007
TOTAL APPROPRIATION (<i>without CR</i>)	34,006	59,449	10,000	-49,449
Impact of the Continuing Resolution...		-28,702		+28,702
TOTAL APPROPRIATION (<i>with CR</i>).....	34,006	30,747	10,000	-20,747

Highlights of Budget Changes

	Amount
Impact of the Continuing Resolution	+28,702
Indian Land Consolidation	-49,449

Funding is decreased for land consolidation efforts to acquire highly fractionated individual Indian land interests (-\$49,449).