

**DEPARTMENT OF THE INTERIOR
OFFICE OF THE SPECIAL TRUSTEE
FOR AMERICAN INDIANS
BUDGET JUSTIFICATION FOR FISCAL YEAR 2010**

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Total 2010 Budget Request

(Dollars in Thousands)

Budget Authority	2008 Enacted	2009 Enacted	2010 President's Budget	2010 Request Change from 2009
Discretionary	189,331	181,648	185,984	+4,336
Mandatory	306,201	322,614	339,955	+17,341
Total	495,532	504,262	525,939	+21,677
<i>FTEs</i>	<i>626</i>	<i>669</i>	<i>689</i>	<i>+20</i>

Note: Discretionary budget authority represents operating funds that are appropriated annually by Congress to the Office of the Special Trustee. Mandatory budget authority represents certain funds held by DOI on behalf of Indian tribes, some of which will be transferred to tribes provided certain conditions are satisfied, and are considered U.S. Government funds (see Trust Funds section/tab for more information). Additional FTEs are the result of the completion of the backlog and insourcing the ongoing records indexing workload in the Office of Trust Records.

GENERAL STATEMENT

In FY 2010, the Department will maintain its emphasis on providing services to the beneficiaries of the Indian trust. The Office of the Special Trustee for American Indians (OST) will continue its role in the oversight and operations of the fiduciary responsibility by daily monitoring trust reform in accordance with the Comprehensive Trust Management Plan (CTM). All proposed funding supports the Department’s Indian Fiduciary Trust Responsibilities.

The United States Congress has designated the Secretary as the trustee delegate with the responsibility for approximately 56 million acres of land and \$3.4 billion that is held in trust by the Federal Government on behalf of American Indians, Alaska Natives and federally recognized Indian Tribes. Trust Management of these assets includes conserving, maintaining, accounting, investing, disbursing, and reporting to individual Indians and federally recognized tribes on asset transactions generated from sales, leasing and other commercial activities on these lands. Through implementation of the CTM, appropriate trust administration for trust beneficiary services, ownership information, management of trust fund assets, and self-governance activities, the Department’s goal of Fulfilling Indian Fiduciary Trust Responsibilities, will be realized.

Trust Management Reform

The CTM laid the ground work of the Fiduciary Trust Model (FTM), which was approved by the Secretary in August 2004. Implementing the FTM includes major reengineering of trust processes. Conversion of the Bureau of Indian Affairs (BIA) legacy leasing systems to the Trust Asset Accounting Management System (TAAMS) marked the completion of a major milestone in Trust Management Reform. TAAMS now interfaces with the Trust Funds Accounting System (TFAS) and the TAAMS title system providing a single repository for ownership information for Interior-processed Indian Trust resource and financial transactions. Trust data reconciled and validated within these systems marks the near completion of several pre-conversion data cleanup projects. This effort between BIA and OST, utilizing contractors to supplement staff, continues the nationwide implementation of the enhanced trust beneficiary services envisioned by the FTM. The FTM offers business processes that deliver improved services to the individual Indian and tribal beneficiaries by standardizing, streamlining, automating, and working in partnership with them.

The program administration and proactive project planning for implementation of the FTM has and will continue to allow OST and BIA to realize significant productivity efficiencies based on standardized fiduciary trust policies and procedures to address Interior's fiduciary trust responsibilities.

Implementing the FTM thus far includes:

- Developing interim handbooks and desk operating procedures that document standardization and streamlining of business processes.
- Hiring twelve Bureau of Land Management (BLM) Indian Land Surveyors, one located in each BIA regional office.
- Initiating the Certified Federal Surveyor program to certify licensed private surveyors to perform federal surveying activity with oversight by BLM.
- Establishing the division of Indian Probate Hearings within the Office of Hearings and Appeals (OHA) to provide a single point of adjudication for Indian probates.
- Hiring Fiduciary Trust Officers (FTO) to serve as the primary point of contact for beneficiaries and hiring of support staff for FTOs, enhancing/refocusing outreach initiatives and Whereabouts Unknown (WAU) activities, providing for direct deposits, developing a debit card alternative, and formal Trust training and training certification programs.
- Enhancing beneficiary performance statements with land asset and encumbrance information.
- Opening the Trust Beneficiary Call Center.
- Hiring of Regional Trust Administrators (RTA)
- Implementing centralized commercial lockbox operations.
- Establishing BIA lockbox liaison positions to expedite exception processing.
- Identifying and implementing trust-related skills models for hiring and training fiduciary trust professionals.
- Developing teams for updating federal regulations in support of the FTM.
- Adding a minerals valuation unit to the Appraisal Services office.
- Creating a state of the art record management program including the American Indian Records Repository (AIRR) that now contains approximately 470 million pages of records.

Throughout FY 2009 and into FY 2010, the Trust Program Management Center staff will concentrate on the remaining conversion cleanup project, title plant backlogs impacting current title, developing a process for daily operations to ensure that tract ownership is accurate at a level to distribute income, issuing Statements of Performance, and providing reasonable assurance regarding efficiency, accuracy and timeliness on post conversion processing. The teams will identify the need for further revisions to business processes, standard operating procedures, handbooks, validating metrics and desk operating manuals as the nation is now on a standard system, notwithstanding that certain processing modules are under development. Position skill models and training will need a final overhaul in order to reach the steady state of just working with updates.

In addition, software solutions are under development for improved oil and gas accounting and reporting to beneficiaries, and validation of title information for non-income producing land assets will continue through FY 2010.

Additionally, the Trust Program Management Center will continue to work with BIA to control deposits to Special Deposit Accounts and to distribute the funds held in the Youpee Escheat Account.

The Trust Program Management Center is always looking for new tools, new technologies, and better/best business practices to bring to the management of the Indian trust. This continual process is essential to keeping processes streamlined and utilizing the most cost effective technology.

Legislative Reform

The new Administration's efforts to implement trust reform and improve services to beneficiaries include reviewing and revising trust regulations and submitting legislative proposals to Congress. In FY 2010, as part of FTM implementation, the Department expects to have promulgated new regulations and recommend legislative changes. The regulations and legislative proposals are being developed to implement the FTM, comply with requirements of the *American Indian Probate Reform Act*, as amended, and streamline trust business processes as well as address needed technical corrections and administrative improvements for implementing trust reform, which will continue to improve services to Indian trust beneficiaries.

Historical Accounting

In 1994, Congress passed *The American Indian Trust Fund Management Reform Act of 1994*. This Act requires the Secretary of the Interior to "account for the daily and annual balance of all funds held in trust by the United States for the benefit of an Indian tribe or an individual Indian which are deposited or invested pursuant to the Act of June 24, 1938 (25 U.S.C. Sec. 4011(a))." In July 2001, the Office of Historical Trust Accounting (OHTA) was created by Secretarial Order to plan, organize, direct, and execute the historical accounting of Tribal Trust Fund accounts and Individual Indian Money (IIM) accounts. OHTA's management model is based on a small staff of Federal employees directing the efforts of a number of individual contractors. The contractors provide the critical technical expertise in areas such as accounting services,

project management, information technology, data security, statistical analysis, quality control, document search, and collection and reproduction. On July 1, 2007, OHTA was aligned to report to the Special Trustee.

OHTA is now involved not only in the *Cobell v. Salazar* class action litigation, but also 94 lawsuits filed by or on behalf of approximately 116 Tribes. These cases are in Federal District Courts and the Court of Federal Claims.

Indian Land Consolidation

The Indian Land Consolidation Program will be included in the budget submission of the Bureau of Indian Affairs.

FY 2010 Budget Request

OST's FY 2010 budget request focuses on continuing efforts in trust management reform, oversight of the trust and daily operations, and historical accounting.

The FY 2010 budget request for OST totals \$185,984,000 and reflects a \$2 million program increase from the FY 2009 enacted budget to support the Office of Appraisal Services.

Base Budget Analysis

OST's FY 2010 base budget was developed using analysis of historical execution, determination of changing requirements, projection of operating costs, emphasis on current initiatives and priorities, and the anticipated completion of certain trust reform efforts.

As part of this analysis, OST utilizes Activity-Based Cost Management (ABC/M) data to make organizational assessments and align work efforts with Goal Performance Results Act of 1993 (GPRA) goals. ABC/M is being used to assist managers in cost estimating, cost forecasting and improving programs by identifying future cost avoidance and efficiency savings.

Section 405 Compliance

OST adheres to the requirements of Section 405 contained in the Department of the Interior, Environment and Related Agencies Appropriations Act, 2009, requiring agencies to present in their annual budget justification any external and internal administrative costs, overhead charges, deductions, reserves, or holdbacks from programs, projects, and activities to support government-wide, Departmental and OST administrative functions or headquarters, regional or central office operations.

OST generally budgets for these support costs in the Budget, Finance, and Administration (BF&A) line item within the Program Operations and Support activity. Details of these costs are included in the BF&A section. The largest of these centralized costs include funding for BF&A personnel, space, and working capital fund activities.

OST plans to charge back approximately 2.4 percent of the Federal Trust Programs budget for costs associated with contracts for Human Resources, Acquisition, Finance, communications, and security. These charges are allocated based on either the number of people in each program, the program's percentage of transactions, or funds obligated.

Fixed Costs Justification

The fixed cost changes are to cover increases in pay, the agency share of health benefit costs, OST's share of DOI's working capital fund, worker's compensation, unemployment compensation and rent. The FY 2010 budget contains full funding of \$2,336,000 for these items. Although, many of these changes are somewhat out of the bureau's control, the increase is essential for programs and projects to be able to continue the trust oversight reform and operations effort at or near current levels. Fully funding fixed costs will help OST keep pace with escalating costs in order to better support program operations.

Executive Order 13423

The Department of the Interior is committed to meeting the goals set forth in Executive Order 13423 (EO), *Strengthening Federal Environmental, Energy, and Transportation Management*. The Secretary issued a memorandum on April 4, 2007, directing the Department to lead by example on implementation of the EO requirements. Specifically, the EO requires additional reductions in greenhouse gas emissions by reducing energy intensity in buildings; reductions in water consumption intensity; acquisition of more environmentally sound products; reduction in the use of chemical and toxic materials; increased implementation of environmental management systems; incorporation of sustainability strategies in new and existing buildings; continued reduction in petroleum consumption in vehicles; and increased use of alternative fuels in motor vehicles.

Environmental Management Systems (EMS) Executive Order 13423 requires agencies to use EMS as the primary management approach for addressing environmental aspects of internal agency operations and activities, including energy and transportation functions, to meet the goals of the EO. The Deputy Secretary approved the Department's EMS Implementation Plan on March 21, 2007. On March 28, 2007, the Chairman of the Council on Environmental Quality issued mandatory implementation instructions for complying with EO 13423 to Heads of Executive Branch Departments and Agencies.

OST's activities to date include: (1) preparation of an OST EMS directive [or policy]; (2) identification of appropriate organizational/facility significant aspects and impacts and targets and objectives; and (3) senior management review and approval of EMS.

Energy Management OST is dedicated to achieving the energy and water reduction and renewable energy consumption goals set forth in the Energy Policy Act of 2005 (EPA 2005) and Executive Order 13423. OST has implemented an energy management plan to guide programs toward meeting the mandated goals. OST does not own any buildings or structures. With an exception of six direct leases, all of OST spaces are GSA leased. Before GSA leases a space, the building must comply with mandated federal guidelines regarding environmental and habitation standards. The majority of OST employees are located in office spaces in Albuquerque, New Mexico. The Heating, Ventilation and Air Conditioning (HVAC) system is centrally controlled to keep energy usage at a measurable uniformed rate. Additionally, the building is equipped with sensor lights and energy saving light bulbs.

Transportation (Fleet): OST remains committed to achieving the goals of the Energy Policy Act of 2005 and Executive Order 13423 for fleet management. In support of the objectives, OST implemented a fleet management plan and developed vehicle justification criteria to assist in "right-sizing" the motor vehicle fleet. In FY 2009, OST is targeted to begin replacing DOI-owned vehicles under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) for Federal fleet acquisition of hybrid efficient vehicles. The funds will be provided to the General Service Administration to allocate to all Federal agencies.

OST has reduced its petroleum fuel consumption and has achieved the EO set goal of 20 percent reduction in petroleum consumption over five years (or 4% annually). Because of sizeable additions to OST's fleet in FY 2006, OST established its baseline fuel consumption that same year. Since the majority of the vehicles are leased, OST's fleet tends to consist of newer fuel efficient vehicles. With the American Recovery and Reinvestment Act of 2009 (P.L. 111-5), vehicles which have between 80,000 and 100,000 miles will be replaced with higher fuel efficient vehicles. OST will request that vehicles and/or other leased vehicles be replaced with alternative fuel vehicles (hybrids and E-85). The goal is to replace 11 vehicles under the GSA Federal Vehicle Registration System.

Environmental Safeguards

OST is participating in a Department-wide management improvement initiative to safeguard Department of the Interior resources, visitors, employees, and infrastructure in all-hazards emergencies. This initiative covers protection of natural and cultural resources and historic properties under Emergency Support Function #11 of the National Response Plan (NRP); oil discharges and hazardous substances incidents under the National Oil and Hazardous Substances Pollution Contingency Plan (NCP); and incidents that affect DOI lands, natural and cultural resources and historic properties, facilities, employees, or visitors that are not carried out under the NRP or NCP, but require coordination of DOI assets or expertise to safeguard these resources and people. The purpose of these activities is to provide for more effective and efficient environmental safeguards for DOI resources and people.

2010 Performance Summary

The Department and OST are committed to fulfilling their trust responsibilities to American Indians and Alaska Natives effectively and efficiently and to providing accurate and timely service to the beneficiaries of the trust. The Department and OST have interwoven strategic plans to guide the design and implementation of trust reform efforts. The Comprehensive Trust Management Plan (CTM) is the strategic plan that defines and describes the vision, goals, and objectives of trust reform and operating the trust program. The CTM was developed to identify and incorporate project components and actions required to fulfill its trust responsibilities in order to improve performance and accountability within Indian trust management.

Achieving the goals that are at the heart of the CTM will: (1) improve communications and relationships with American Indians and Alaska Natives, (2) improve beneficiary services, (3) enhance ownership information, (4) enhance the productivity of land and natural resource assets management, (5) increase Indian self-governance and self-determination, and (6) improve administrative services. The objectives set forth in the CTM define the overarching methods to achieve these goals. The CTM also considers the trends that influence trust management, the role of relevant stakeholders, and the interaction of the Department's bureaus and offices. Through examination of the "big picture" of fiduciary trust management, the Department creates a coordinated and integrated system.

In accordance with the Government Performance and Results Act of 1993 and with OMB policy and direction, the DOI Strategic Plan is currently undergoing the required triennial review and update. The Department is reviewing the organization and construct of the Strategic Plan in light of the Administration's priorities, goals, and objectives. Although the majority of end outcome goals and measures, intermediate measures, and other measures are expected to remain intact, the organizing principles for those goals and measures may change during this review. Therefore, this budget request does not directly reference the existing DOI Strategic Plan, but does continue to report on performance goals and accomplishments associated with the current slate of end outcome goals and related performance measures.

Fulfill Indian Fiduciary Trust Responsibilities

Considerable efforts and dollars are devoted to managing Indian fiduciary assets and reforming processes and improving performance. The Department works to ensure that technical and economic assistance is provided to the tribes, and that organizational and process changes are introduced to address longstanding issues. However, these problems will not be solved immediately and require the Department to work in partnership with tribes to ensure the effective and efficient management of trust responsibilities.

Progress in each of these areas significantly benefits the Department's efforts in the management of the fiduciary trust. With the implementation of the FTM, OST is closely tracking performance measures to assess work performed and results to be achieved.

To achieve the Secretary's Indian Fiduciary Trust Responsibilities, OST ensures that account maintenance and financial transaction postings are processed accurately at least 99% of the time.

OST has established a system of internal controls over transactions, including post-encoding reviews, to ensure that posted transactions are complete and accurate. Additionally, OST monitors processing times to provide assurance that transactions are posted within the targeted timeframes and continually evaluates and refines the system of internal controls. Performance metrics are established to identify opportunities for improvement in the efficiency of internal processing activities. OST's goal is to provide account "statements of performance," to beneficiaries with a valid address, on time, at least 99.5% of the time. Approximately 800,000 statements are expected to be printed and mailed during FY 2010.

OST's role and responsibilities encompass oversight of the above trust reform strategies, while actual program management is primarily for beneficiary services, receipting, accounting, investing, disbursing, and reporting on fiduciary trust funds that are trusted, accurate, and responsive and trust fund asset management that meets fiduciary standards. OST's role in oversight is primarily evaluation and establishment of policies and procedures to ensure compliance with applicable laws and regulations which govern the Department's fiduciary trust responsibilities. A key component of the FY 2003 reorganization was the placement of Regional Trust Administrators (RTA) and Fiduciary Trust Officers (FTO) in field locations to provide oversight, guidance, and beneficiary support for adherence to laws and regulations that pertain to management of the trust.

OST supports the Administration's Indian Fiduciary Trust Responsibilities through implementation of the following strategies in the CTM:

Beneficiary services that are trusted, accurate, and responsive: Routinely provide timely, accurate, understandable performance statements to beneficiaries; provide convenient access to trust account services and information; develop and maintain effective communications and facilitate beneficiary involvement in trust management; and provide assistance to federally recognized tribes in the management of trust assets.

Tribal self-governance and self-determination that increase participation in managing assets: Foster tribal expansion of self-governance compacts and self-determination contracts in a manner consistent with the Department's fiduciary responsibilities. As a continuing priority, the Office of External Affairs (OEA) dedicates the resources necessary to promote and support self-governance and self-determination opportunities for federally recognized tribes. In FY 2010, OEA will continue to achieve its response rate to tribes seeking information on the management of OST programs through compacts and contracts. OEA also will continue to work proactively with tribes that may be interested in assuming OST functions or accessing OST IT trust systems to support their trust programs. OEA will continue to ensure that information is provided to the tribes in a timely manner which will allow the tribes to make informed decisions.

Ownership information that is accurate, timely, and reliable: Distribute financial trust assets to heirs after OHA renders probate decisions; and ensure accuracy and integrity of data maintained in agency offices and trust accounting systems. The BIA conversion to the TAAMS Leasing module completed in FY 2007, allows for the automatic distribution of trust funds to beneficiary accounts based on land title ownership information maintained in the TAAMS Title module. This marks the completion of one of the largest parts of the Data, Quality and Integrity

(DQ&I) project. Moving forward, Trust Accountability, through the DQ&I project, will be working on remaining post conversion clean up, title plant projects, realty projects and, through the effort to develop a standardized self-validating process for the tracts, work to standardize a Title Plant Handbook will also be completed.

Trust fund assets management that meets fiduciary standards: Manage and invest funds held in accounts on behalf of individual Indians and tribes; collect, disburse, and account for funds timely and accurately. Trust Services continues to maintain a high rate of collections for oil and gas revenue recorded in TFAS within 24 hours of notification. The FY 2010 goal is for 99% of funds to be recorded in TFAS within 24 hours of notification.

Land and natural resources management that maximizes return: Provide appraisal and evaluation information, as needed on trust and restricted lands for tribal and individual Indian owners. Determining the appropriate value of trust assets is important for effective management of land and natural resources. Ensuring the availability of appraisal and evaluation information to BIA officials and beneficiaries is critical for their decision making on natural resource activities on trust lands. The appraisal services goal is to complete appraisal reports 96% of the time within requestor business requirements.

The Office of Appraisal Services (OAS) continues to decrease its backlogs and is in the process of utilizing a standardized automated appraisal tracking system. The system will enable appraisers and requestors to better manage and track their workloads.

The Office of Appraisal Services is also working to standardize procedures that define when an appraisal is needed and what type will be needed.

Office of External Affairs

The Office of External Affairs (OEA) has three primary areas of responsibility in supporting the Special Trustee's statutorily-required reform and oversight activities: (1) communications with a diverse group of stakeholders about the Department's trust reform initiatives; (2) administration of OST's tribal self-governance and self-determination program; and (3) congressional liaison activities.

Communications performance measure: *Number of communication resources developed for stakeholders.*

OEA works to provide tribal and individual Indian trust beneficiaries, Department personnel, the media, other government agencies, the public and other interested organizations with a wide range of information on the status of trust reform priorities, current initiatives and ongoing operations, and benefits through personal contacts and printed materials. OEAs FY 2010 plan is to have 34 program resources developed to highlight events, programs and activities (i.e., bulletins, factsheets, trifolds, etc.).

Self-Governance/Self-Determination performance measure: *Number of agreements and Memoranda of Understanding (MOU) negotiated or renewed with P.L. 93-638 tribes for operating the beneficiary processes compliance program or real estate appraisal programs.*

OEA primarily is responsible for assisting tribes with the performance of two programs – the real estate appraisals program and the beneficiary process compliance program (IIM account technician activities) – that are available for tribal assumption through self-determination contracts or self-governance compacts. In FY 2010, OEA will also continue to assist tribes who are seeking to access and utilize OST's available IT trust systems. OEA's FY 2010 target is to negotiate 40 agreements/MOUs.

Congressional Liaison performance measure: *Number of meetings, tours, correspondence or telephone calls to members of congress or their staff and organizations affiliated with legislative activities.*

OEA staff provides the U.S. Congress with a range of information on the status of trust reform priorities, current initiatives and ongoing operations, and benefits through personal contacts and printed materials. In FY 2010, OEA anticipates conducting 50 legislative liaison activities.

Office of Trust Review and Audit

Records Management performance measure – *Percent of BIA/OST regional/agency offices reviewed to identify improvements needed in their Records Management Programs.*

In FY 2009, OTRA completed its review of all 180 BIA/OST offices over a period of five years and initiated a second cycle of BIA/OST office reviews. In FY 2010, OTRA expects to continue performing the records assessments based on a three year revolving assessment cycle beginning with the earliest reviewed agencies. In FY 2010, OTRA expects to complete a minimum of 40 records management assessments.

Trust Examinations – *Number of trust examinations performed for internal and external entities performing trust functions.*

In FY 2010, OTRA expects to perform a minimum of 38 Indian trust examinations consisting of compacted Tribes, BIA, OST or Departmental entities performing Indian trust programs or activities. These trust examinations will be performed based on a review schedule or exam cycle, rating and/or risk.

Corrective Action Follow-up – *Number of recommendations resolved, implemented, and closed.*

OTRA is working closely with all Examinees to track and monitor progress in implementing corrective actions for all report findings and recommendations. This is done in several steps. First, OTRA requests a response from the Examinee to the draft report to include corrective actions taken or planned along with completion target dates. OTRA then makes a determination, based on the Examinees response, whether the recommendations are closed or open; and finally, OTRA tracks the open or unresolved issues and contacts the Examinee semi-annually to track

their progress in implementing the corrective actions. If the corrective actions have been implemented, OTRA will document the recommendations as resolved, implemented and closed. During FY 2010, OTRA hopes to track and close a minimum of 96 open recommendations.

Office of Trust Accountability

Conversion of the TAAMS Realty module marked a major milestone in Trust Management Reform. This conversion resulted in a single repository of ownership for Indian Trust land data. This implementation includes processes that have been significantly reengineered. Additionally, trust data was corrected and/or validated within these systems marking the near completion of several data cleanup projects. Current efforts focus on the stabilization and post conversion clean-up.

Implementing the FTM directly relates to the OST Risk Management Program performance measure. Our trust reform efforts are grounded in a risk-based approach. The Risk Management Program has been steadily moving from a reactive approach of trying to achieve an acceptable level of risk to a proactive approach. This proactive approach is accomplished through identification of risk associated with program activities and placing proper controls to mitigate identified risk. As OST continues implementation, OST programs related to the trust reform initiatives are conducting risk assessments to provide reasonable assurance that the OST programs are operating efficiently and effectively and the financial reporting is free of material misstatement. OST intends to strengthen its risk management program by: increasing the quantity of field locations tested; improving OST staff expertise based on offering of risk management training; increasing Risk Management staff to support internal programs and Office of Financial Management led internal control efforts across bureaus more efficiently; enhancing the existing risk management tool (RM-PLUS) to facilitate more efficient assessing and reporting; and continued alignment of RM-PLUS with regulatory and legislative requirements, in particular, OMB Circular A-123, with appendices.

From a cost perspective, Trust Accountability does not directly link nor limit a budget line item for the Risk Management Program to the performance measure but ABC/M cost codes are utilized to track the expenditures. OST plans on performing market research to determine private sector benchmarks to compare with OST cost in order to evaluate value added.

Trust Accountability offers the program and tools to the compacted and/or contracted tribes. Due to the government-to-government relationship, it is not a mandatory implementation for tribes.

The methodologies used for costing OST's programs, which incorporates the achievement of our performance measures, is based on the sum of all expenditures associated with a particular ABC/M code; projecting contractual obligations, as well as the estimated salaries of program staff and the budget request.

Field Operations

Field Operations staff including the Trust Beneficiary Call Center is the primary point of contact for Tribal, individual Indian and Alaska Native beneficiaries seeking information and services regarding their trust assets. The field staff assists beneficiaries on a daily basis at regional, agency, and urban locations regarding account statements, account balances, other account attributes, receipts, disbursements, leases and leasing, probate processing, and provides any other trust asset information or assistance beneficiaries may need. Regional Trust Administrators (RTAs) and Fiduciary Trust Officers (FTOs) in selected locations provide the managerial presence for responsive and proactive beneficiary services at the local level in cooperation and collaboration with BIA and other DOI Bureaus and Offices engaged in Indian trust matters.

Responsiveness

Trust-related inquiries are received at all OST field office locations nationwide, including the Trust Beneficiary Call Center (TBCC) as well as at Central Office – Albuquerque, New Mexico. The vast majority of the inquiries are received via telephone while many others are received through fax, mail, and walk-ins. Regardless of location or manner in which received, each inquiry is required to be captured in the TBCC automated “Service Center” tracking system.

Field Operations’ responsiveness performance target for FY 2010 is set at 90%. This level of performance is not expected to change from FY 2009 as reflected in the goal performance table. The nationwide awareness of the TBCC and FTO is resulting in more contacts for TBCC.

Responsiveness is defined as providing an acknowledgment of a beneficiary inquiry and/or a resolution, within two business days. An acknowledgment response involves providing a verification of the information being sought, any issues and considerations that may affect their inquiry, and a time estimate for providing a complete response.

The measurement methodology consists of dividing the number of trust inquiries that are provided a response within two business days by the total number of trust inquiries received. This percentage measure is reported quarterly and annually.

Ownership Information

For FY 2010, the measure rate at which Whereabouts Unknown (WAU) accounts are resolved is expected to be 30%. The measure rate is calculated by the number of WAU accounts "resolved" during the reporting period (i.e., for which a current valid address has been obtained) divided by the total number of WAU accounts at the beginning of the measurement year.

Office of Appraisal Services

The Office of Appraisal Services (OAS) provides impartial opinions of value for a variety of specific real property interests on land owned in trust or restricted status. In FY 2010, the Office will continue to utilize the automated tracking system that will allow for more efficient and effective appraisal requests, processing, tracking, and reporting. OAS will also continue the

utilization of appraisal application software, and alternative valuation methodologies that will result in uniform and efficient appraisal services that are in compliance with the Uniform Standards of Professional Appraisal Practices (USPA) and Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA), as applicable.

It is the DOI's and OST's policy that appraisal practices, completed by DOI, must conform to the current Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of The Appraisal Foundation—updated and published regularly—and the current edition of the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA) promulgated by the Interagency Land Acquisition Conference, as applicable. OAS staff consists of certified general appraisers who provide the valuations.

In FY 2010, OAS will continue to improve and adjust the appraisal business process requirements for appraisal services, where feasible. In FY 2009, OAS focused on improving processes for workflow and workforce management. It is expected that these types of improvements will continue to result in increased productivity in FY 2010.

In addition, in FY 2010 and beyond, OAS will work with its human resources office to monitor expected vacancies due to attrition, transfers and continue efforts to recruit and retain entry and journeyman level staff needed to perform its core function. In FY 2010, OAS will continue its efforts with the National Indian Programs Training Center (NIPTC) to develop a comprehensive training program which can lead to certification in fiduciary leadership management.

Office of Trust Services:

In FY 2010 Trust Services will continue the implementation of re-engineered processes, including decentralization of certain data entry functions, streamlining of certain manually intensive processes, automation improvements, and decreased reliance on contract services. Funds have been allocated to the following Trust Services' measures:

- *Percent of financial information accurately processed in Trust beneficiary accounts.* This measure is also identified as OST's Representative Performance Measure (RPM). The unit cost of a transaction is derived by dividing the total cost of processing transactions by the number of transactions for the year (denominator). Increases in the total cost of processing reflect a three percent inflationary adjustment from year to year. The increases in the total number of transactions per year (denominator) are estimated based on historical trends from previous years.
- *Percent timeliness of financial account information provided to trust beneficiaries.* The unit cost of providing timely financial account information to trust beneficiaries is derived by dividing the cost of printing the account statements by the number of statements mailed per year.
- *Percent of revenue recorded in the TFAS within 24 hours of receipt.* The unit cost for recording revenue in TFAS consists of the portion of the employee's time devoted to this duty divided by 250 business days on which this function is performed.

Indian Land Consolidation:

The Indian Land Consolidation Program will now be included in the budget submission of the Bureau of Indian Affairs.

Data Verification and Validation

The OST risk management program utilizes a three pronged approach to ensure that data and reports produced from the OST programs are accurate, efficient and timely. The approach includes: (1) a self-assessment by program managers conducted periodically for all performance measures utilizing the Risk Management Assessment/Evaluation tool (RM-Plus) as well as transaction testing, (2) periodic review rating coordinated by the Office of Trust Review and Audit, and (3) audits by the Office of the Inspector General, Government Accountability Office contracted independent certified public accounting firm.

To implement the '*Data Validation and Verification Assessment Matrix*' guidance procedures were drafted and implemented to add specificity in accordance with the guidance. Primary responsibility for data quality resides with the designated senior manager for the performance measure. The responsible manager has designated a program official as the data point of contact. The data point of contact is responsible for the collection of data, reporting of data, and conducting an annual assessment based upon the Department's Data Validation and Verification assessment guidance. The senior manager has ultimate responsibility for data quality that complies with Departmental requirements.

Data for measuring program accomplishments comes primarily from TFAS (a commercial trust application), the Status Reports to the Court, and work logs maintained by program offices. Assurance that the specified procedures are being followed comes from testing and output from OST's three pronged approach to risk management.

Performance Management

OST continuously strives to improve government performance in fulfilling the Nation's trust responsibilities to American Indians and Alaska Natives. OST is involved in six mutually reinforcing initiatives, each addressing a key element in management performance with a significant opportunity for improvement by promoting better integration of budget and performance, incorporating the workforce plan to ensure a skilled workforce in the future, proper accounting for financial resources, competitive sourcing of non-inherently federal functions, and securing greater services at lower cost through automation. OST is not responsible for performance under the real property initiative other than general oversight.

OST has made significant progress implementing the Department's various information technology initiatives. For its wide-area network, OST relies on Trust Net. Trust Net provides services shared by both OST and BIA. OST worked with the Department to implement active directory and messaging. OST has installed card readers in its facility and obtained replacement

security cards to make the system fully operational upon the Department's finalization of policy/procedures for Homeland Security Presidential Directive -12 (HSPD-12).

Performance Improvement Initiative

In preparing the FY 2010 budget submission, OST personnel worked closely to link resource requests to the Department's Strategic Plan end outcome goals. The Department's performance data is integrated with detailed program budget requests and established targets for FY 2010. The current suite of performance measures were developed as part of the Department's Strategic Plan revision and are aligned with the Comprehensive Trust Management Plan and the Fiduciary Trust Model. The GPRA performance measures support fulfilling the Department's Indian Trust responsibilities. The FY 2010 funding request levels are based upon management knowledge of programs, cost data from activities, and a detailed analysis of existing conditions and operations. This data analysis was used to realign funds as demonstrated in the base budget analysis.

During FY 2010, OST will continue to implement and improve an Activity-Based Cost Management (ABC/M) system that is closely integrated with the Department's ABC/M system. ABC/M has been institutionalized within OST for a number of years and provides several benefits:

- Provides a mechanism for determining the cost of activities that contribute to achieving the Department's Indian Fiduciary Trust Responsibilities.
- Improved monitoring of program performance and effectiveness.
- Improved linkage between budget requests and performance data.

OST will continue to utilize and update customized ABC/M timesheets for each program office to reduce the number of coding errors and increase the accuracy of monthly ABC/M reports, thus improving the data used in management decision-making regarding the allocation of available resources.

Strategic Management of Human Capital - BF&A

OST is currently working to finalize the updated Workforce and Diversity Plan. As part of the overall DOI initiative to respond to cross-cutting workforce initiatives, the plan is intended to capture the analysis of workforce supply, demand and gaps based on historical trends, future projections and expected work demands. The plan reflects the goals and objectives in the CTM to increase critical skills to carry out OST's mission in support of DOI's Indian Fiduciary Trust Responsibilities.

The Workforce and Diversity Plan is a tool for identifying human capital needs, developing and implementing solutions, evaluating progress and determining the need for revised or new strategies. The Workforce and Diversity Plan will be updated periodically and is used in conjunction with the Comprehensive Trust Management Plan and the Fiduciary Trust Model to ensure that OST is strategically managing its human capital to meet its mission, vision, and goals.

OST also has a Workplace Improvement Team (WIT) that was created in response to the 2006 Federal Human Capital Survey. WIT is made up of volunteer staff and they raise to management helpful suggestions received from employees to improve employee engagement.

Improved Financial Performance

The American Indian Trust Fund Management Reform Act of 1994 requires “an annual audit on a fiscal year basis of all funds held in trust by the United States for the benefit of an Indian tribe or an individual Indian...” The most recent audit of the Indian Trust Funds was completed for FY 2008 by an independent certified public accounting firm. KPMG’s audit report on the Trust Funds Financial Statements was qualified because it was not practicable to extend their auditing procedures sufficiently to satisfy themselves as to fairness of trust fund balances in the Trust Funds Financial Statements as of September 30, 2008 and 2007. This is due to certain parties for whom OST holds assets in trust having filed a class action lawsuit for an accounting of the individuals’ trust funds which may or may not lead to claims against the United States Government. There are other parties for whom OST holds assets in trust disagreeing with the balances recorded by OST and/or having requested an accounting of their trust funds, and certain of these parties have filed claims against the United States Government.

Trust fund balances enter into the determination of financial position and changes in trust fund balances. By 2008, the number and significance of internal control findings were diminishing for both IIM and Tribal trust. Therefore in FY 2008, to increase the transparency of the financial statements and the issues associated with IIM and Tribal trust, OST’s internal control report was separated into two reports: one for IIM and one for Tribal trust. With this separation, OST gains a more detailed internal control report with regard to remaining issues and recommendations to resolve any material weakness, significant deficiency and/or opinion qualifications and can respond accordingly.

The FY 2008 results of KPMG’s tests of compliance with certain provisions of laws, regulations, and contracts for both the IIM and the Tribal Trust Internal Control Audits disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards, issued by the Comptroller General of the United States. While the audit opinions were qualified, no new material weaknesses were cited by the auditor.

In the FY 2008 Tribal Trust Funds Internal Control Audit a prior material weakness was downgraded to a significant deficiency due largely to the elimination of the Trust Fund Balances - Tribal difference reported in FY 2007. The resulting Tribal Trust Funds Internal Control Audit contains only two remaining significant deficiencies.

The FY 2008 Individual Indian Monies Internal Control Audit, however, still contains one material weakness which is related to historical differences: Unresolved Trust Funds Financial Reporting Matters from Prior Periods.

OST continues to make progress in addressing the long-standing historical material weaknesses and significant deficiencies. In FY 2008, in addition to attaining a down grade in the Tribal Audit, OST eliminated a significant deficiency at BIA: Trust Fund Records. The corrective

action plan for the remainder of this financial statement material weakness has been revised to reflect updated milestones and completion dates.

In FY 2009, OST and BIA will transfer funds from prior year unobligated balances to the IIM and Tribal account pools for the purpose of reconciling. The reconciliation will allow OST to address one of the material weaknesses regarding unresolved trust fund reporting matters in the annual financial audit.

The Department instituted a reporting practice in FY 2006, consistent with the December 2004 revision of OMB Circular A-123 and OMB Circular A-136, to report only Department-level Federal Managers' Financial Integrity Act (FMFIA) material weaknesses. Acknowledging the number of actions that have been taken to significantly improve internal control activities and systems for Indian Trust Funds, the Department downgraded the "Controls over the Indian Trust Funds" FMFIA material weakness to a reportable condition in the FY 2006 Performance and Accountability Report. The Department believes that based on results of extensive internal controls testing, there is a high degree of accuracy in the Trust Fund account balances, the accounting and asset management resource systems are reliable, and monies are being properly and timely accounted for.

OST continues to distribute Statements of Performance to beneficiaries with valid mailing addresses. Statements are mailed quarterly to the IIM beneficiaries and monthly to the tribal beneficiaries. These statements are enhanced to include information about the source of the funds (encumbrances) as well as the trust and restricted property in which the landowner holds a title or beneficial interest (ownership). The encumbrance and ownership information is received from BIA's TAAMS through system interfaces.

In response to the expanded requirements of OMB Circular A-123, OST has completed the following actions:

- Identified Significant Financial Reports to be addressed in accordance with OMB Circular A-123, Appendix A. A management control plan, a testing work plan, and the sample selection were also finalized and implemented.
- Reviewed Risk Management Assessment/evaluation tool (RM-PLUS) content to ensure compliance with expanded requirements for documentation, monitoring, and reporting.
- Commenced periodic transaction testing.
- Issued an unqualified Assurance Statements for FY 2008 and FY 2007.

In addition, during FY 2010, OST will maintain self-governance compact and self-determination contract agreements with some 41 tribes for the real estate appraisal and beneficiary processes compliance program. Those contracts and compacts are expected to be continued through FY 2010. OST will continue to work with tribes that express an interest in contracting or compacting the work OST performs.

Electronic Government

OST's implementation of information technology solutions to provide products and services has been limited due to the court ordered disconnection from the Internet. OST only recently regained access to the Internet. Despite this limitation, OST has sought to use technology internally to improve operating efficiency and effectiveness. A Trust Portal for all DOI agencies performing Trust business was developed. With the implementation of an Active Directory in FY 2007, all of the "trust" offices/bureaus were able to access the portal. The portal provides access to electronic staff/phone directories, a wide range of departmental manuals, directives, policies, procedures, IT requests, trust funds receivable application including images received from the lockbox, electronic forms and standardized queries that seek information from the various trust applications such as TFAS.

Bureau budget requests for information technology investments are included in the Department-wide Exhibit 53, which has been submitted electronically to OMB consistent with OMB Circular A-11 requirements. Capital Asset Plan and Business Case Exhibit 300s supporting the bureau's major investments are also electronically transmitted to OMB.

OST will contribute approximately \$44,400 in FY 2010 to support the E-Government performance improvement initiatives. This amount is paid into the Department's Working Capital Fund Account, and costs are distributed based upon relative benefits received by each bureau. The Departmental Management budget justification includes amounts for each initiative and describes the benefits received from each E-Government activity.

The Department is embracing a Department-wide enterprise approach to managing information technology. A significant number of investments in information technology that benefit OST are described in the Department's summary FY 2010 budget. OST has one major IT investment, the Trust Funds Accounting System (TFAS). TFAS supports the Department's Indian Fiduciary Trust Responsibilities by providing a Commercial-Off-The-Shelf (COTS) trust accounting system that incorporates private sector system standards. OST supports the Strategy to "Manage Trust Fund Assets for Timely and Productive Use" to ensure that 99.5% of beneficiaries who have valid addresses on TFAS receive a timely statement of performance which will include a listing of the real property assets associated with the beneficiary. TFAS is currently being used to account for over \$3.0 billion in approximately 2,700 tribal accounts and in excess of \$440 million in approximately 380,000 open IIM accounts.

Capital Asset Justifications for OST's major IT investments can be viewed at:
<http://www.doi.gov/ocio/cp/index.html>.

The Department requires that bureaus conduct Certification and Accreditation (C&A) on their IT systems using a risk-based approach on its most critical systems. OST's TFAS was re-certified on March 28, 2005 and re-accredited on March 29, 2005 in accordance with the Department's C&A guidelines. The remaining OST major system, the General Support Systems (GSS), was C&A'd in June 2004 and was re-accredited in FY 2007.

Unified Trust Budget

Meeting Interior's Fiduciary Responsibilities to Indian Communities

The Department of the Interior has responsibility for the largest land trust in the world. Today, the Indian trust encompasses approximately 56 million acres of land. Over 10 million acres belong to individual Indians and 46 million acres are held in trust for Indian Tribes. On these lands, Interior manages over 100,000 leases for uses such as farming, grazing, and oil and gas production on behalf of individual Indians and Tribes.

The 2010 Unified Trust Budget is \$506.7 million, a net increase of \$22.5 million over the 2009 enacted. The budget includes targeted increases for natural resource management to address the impacts of a changing climate, and for renewable energy projects on tribal lands to help build a cleaner energy economy.

Indian Trust Management Responsibilities

From 1996 through 2009, the Department will have invested \$4.8 billion in the management, reform, and improvement of Indian trust programs. These investments have allowed Interior to better meet fiduciary trust responsibilities, provide greater accountability at every level, and operate with staff trained in the principles of fiduciary trust management. The Office of Historical Trust Accounting continues to reconcile past transactions in individual and tribal trust accounts.

Accomplishments to date include:

- Developed a nationwide toll-free information call center to answer beneficiary questions.
- Handled 223,248 beneficiary inquiries in FY 2008.
- Distributed more than \$26.7 million to individual Indian trust account holders who were previously on the "Whereabouts Unknown" list through collaborative efforts between the OST, BIA, and tribal governments. This represented 26,335 accounts, a 35% reduction to the 75,200 names on the listing at the beginning of FY 2008.
- Collected, safeguarded, and protected more than 470 million pages of Indian trust documents for future use at the state-of-the-art American Indian Records Repository, in Lenexa, Kansas.
- Restored the equivalent of approximately 400,000 interests and 550,000 acres of land to Tribes through the Indian Land Consolidation Office purchase program to reduce fractionated ownership of land.
- Distributed funds for 8,797 completed probates which closed 8,992 estate accounts.
- Provided records management training to 646 BIA and OST records contacts and 357 tribal employees.
- Installed updated and upgraded technology for trust management at BIA and OST offices across the country, including new accounting, title, leasing, and funds receivable systems, and a centralized commercial "lockbox" process for the collection of trust payments. Over \$560 million was processed through the lockbox.
- Tribal and individual trust beneficiary services are available from Regional Trust

Administrators and Fiduciary Trust Officers, experienced in fiduciary trust matters.

- Converted trust accounts in agency locations to a new Trust Asset Accounting Management Systems invoicing and distribution module which included forestry payments processing. The conversion streamlined the invoicing process and has allowed income to be automatically distributed to beneficiaries.
- Implemented the use of Direct Deposit enabling Individual Indian Monies account holders who receive disbursements from their trust accounts to use their funds more quickly. Increased the number of direct deposit accounts to more than 18,000, a nearly 300% increase compared to two years ago.
- Recently introduced a Debit Card Pilot program to provide another funds disbursement option and established 866 debit card accounts.

Indian Trust Management Program: The Details

Historical Accounting - The 2010 budget proposal includes \$56.5 million to support the Office of Historical Trust Accounting. The OHTA, which is included in the Unified Trust Budget, plans, organizes, directs, and executes the historical accounting of the Individual Indian Money (IIM) accounts and the Tribal Trust Fund accounts.

A New Energy Frontier – The 2010 budget request provides an increase of \$5.0 million for Minerals and Mining Projects to perform the necessary studies to determine clean energy capabilities on tribal land. These studies, such as grid interconnectivity analyses, economic analyses, and transmission analyses will allow Tribes to enter into power purchase agreements and to engage the industry and investment community in meaningful negotiations. These discussions will assist in developing renewable energy on tribal trust land. Additionally, these investigations will enable the development of these resources in 2011 and beyond.

Tackling Climate Impacts – The budget request includes an additional \$6.0 million to fund activities which are part of the Department's Climate Impacts Initiative, which will make new investments in adaptive land management, invasive species eradication, and the fish hatchery program. The holistic framework of this initiative supports the tribal goals of planning, conservation, restoration, and management of tribal lands. These new investments will allow the BIA to better understand and manage for the impacts of a changing climate.

Indian Land Consolidation Program – The 2010 budget proposes to transfer the Indian Land Consolidation Program from the Office of the Special Trustee to BIA in order to better align funding with management of the program. The budget includes \$3.0 million to maintain this program and to develop alternatives to target future efforts. The request also includes a transfer of this same amount from Trust – Real Estate Services in order to fund the Indian Land Consolidation Program in BIA.

FY 2010 UNIFIED TRUST BUDGET

(in thousands of dollars)

Program	2008 Enacted	2009 Enacted	Total Changes	2010 PB
Beneficiary Services & Ownership Information				
BIA Trust Services General (TPA)	10,476	11,082	-1,410	9,672
BIA Probate (TPA)	8,861	12,952	169	13,121
BIA Probate backlog	10,712	7,382	70	7,452
BIA Land Titles & Records	14,425	14,747	-191	14,556
BIA General Program (TPA)	32,960	33,828	690	34,518
BIA Reservation Projects	14,256	14,312	-432	13,880
BIA Real Estate Services	47,216	48,140	258	48,398
BIA Land Records Improvement Central	13,811	13,648	-216	13,432
BIA Land Records Improvement Regional	2,003	2,011	11	2,022
BIA Land Records Improvement	15,814	15,659	-205	15,454
BIA General Program (TPA)	2,502	2,647	43	2,690
BIA Envir. Quality Projects	8,552	8,954	3,070	12,024
BIA Environmental Quality	11,054	11,601	3,113	14,714
BIA Central Office Trust Service	0	0	0	0
BIA Central Office Real Estate Services	4,297	4,048	-463	3,585
BIA Central Office Oversight Trust & Real Estate Serv.	4,297	4,048	-463	3,585
BIA Regional Office Trust Services	0	0	0	0
BIA Regional Office Real Estate Services	11,058	11,114	128	11,242
BIA Reg. Office Environmental Quality Services	0	0	0	0
BIA Regional Oversight Trust-Real Estate Serv.	11,058	11,114	128	11,242
BIA Trust-Real Estate Services Oversight	15,355	15,162	-335	14,827
Indian Land Consolidation	9,844	0	3,000	3,000
OST TMPC- Probate Cleanup	8,247	9,906	0	9,906
Total Beneficiary Services & Ownership Information	152,004	146,631	4,469	151,100
Land & Natural Resource Assets				
BIA Real Estate Appraisals (TPA)				
BIA Central Office Real Estate Appraisals				
BIA Natural Resources (TPA)	4,267	4,454	187	4,641
BIA Endangered Species	1,228	1,234	15	1,249
BIA Indian Integ. Res. Info Prog	1,230	2,130	0	2,130
BIA General Program (TPA)	23,000	23,342	2,546	25,888
BIA Noxious Weed Eradication	1,015	1,021	2,003	3,024
BIA Agriculture & Range	24,015	24,363	4,549	28,912
BIA General Program (TPA)	25,193	25,574	507	26,081
BIA Forestry Projects	17,535	17,629	144	17,773
BIA Forestry	42,728	43,203	651	43,854
BIA Water Resources General Program (TPA)	4,176	4,215	45	4,260
BIA General Program (TPA)	4,902	4,980	-22	4,958
BIA Fish Wildlife & Parks Projects	1,586	2,449	2,003	4,452
BIA Fish Wildlife & Parks	6,488	7,429	1,981	9,410
BIA General Program (TPA)	3,098	3,174	91	3,265
BIA Mineral & Mining Projects	6,932	6,933	6,039	12,972
BIA Mining & Minerals Oversight	1,466	2,367	18	2,385
BIA Mineral & Mining	11,496	12,474	6,148	18,622
BIA Central Office Oversight Resources Mgmt.	2,210	2,222	28	2,250
BIA Regional Oversight Resources Mgmt.	5,488	4,332	77	4,409
BIA Resources Mgmt. Program Oversight	7,698	6,554	105	6,659
Total Land & Natural Resource Assets	103,326	106,056	13,681	119,737

FY 2010 UNIFIED TRUST BUDGET

(in thousands of dollars)

Program	2008 Enacted	2009 Enacted	Total Changes	2010 PB
Trust Fund Assets				
OST Trust Services	10,388	12,022	315	12,337
OST Field Operations	32,345	32,215	2,814	35,029
Total Trust Fund Assets	42,733	44,237	3,129	47,366
Administrative Services				
DOI Trust Organization				
OST Executive Direction	2,156	2,163	221	2,384
OST Budget Finance & Adm	12,856	13,161	621	13,782
OST External Affairs	1,247	1,241	18	1,259
OST Trust Review & Audit	5,194	4,695	62	4,757
OST Trust Accountability-Deputy		0		
OST Trust Program Management Center		0	0	0
NIPTC	984	984	266	1,250
OST Trust Accountability-Trust Regulations	1,481	1,591	-159	1,432
OST Trust Accountability-TPMC Data Projects	3,970	4,478	29	4,507
Total DOI Trust Organization	27,888	28,313	1,058	29,371
Historical Accounting				
OHTA	55,504	56,445	91	56,536
Historical Accounting	55,504	56,445	91	56,536
Human Resources				
OST Trust Accountability-Training	3,080	2,063	-253	1,810
OST TPMC- Workforce Planning	0	0	0	0
Human Resources	3,080	2,063	-253	1,810
Information Technology				
OST - CIO IT Services	20,124	20,632	2,288	22,920
BIA Information Technology	52,866	59,735	31	59,766
Total Information Technology	72,990	80,367	2,319	82,686
Business Practices				
OST TPMC- Re-Engineering	3,216	2,411	21	2,432
OST TPMC- Risk Management	651	615	10	625
Business Practices	3,867	3,026	31	3,057
Records Management				
OST CIO -Trust Records	18,044	17,026	-2,008	15,018
Records Management	18,044	17,026	-2,008	15,018
Fixed costs	0	0	0	0
Total Administrative Services	181,373	187,240	1,238	188,478
Unified Budget	479,436	484,164	22,517	506,681

Numbers may not add due to rounding.

Unified Trust Summary	2008 Enacted	2009 Enacted	Total Changes	2010 PB
BIA - OIP Programs	290,105	302,516	15,181	317,697
Land Consolidation	9,844	0	3,000	3,000
OST Federal Trust Programs	179,487	181,648	4,336	185,984
TOTAL	479,436	484,164	22,517	506,681

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Goal Performance Table

OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS GOALS PERFORMANCE TABLE										
Target Codes:		SP = Strategic Plan measures PART = PART Measure BUR = Bureau specific measure				TBD = Targets have not yet been developed UNK = Prior year data unavailable NA = Long-term targets are inappropriate to determine at this time				
Type Codes:		C = Cumulative Measure			A = Annual Measure		F = Future Measure			
End Outcome Goal: Fulfill Indian Fiduciary Trust Responsibilities										
End Outcome Measure/Intermediate or PART Measure/PART Efficiency or Other Outcome Measure	Type	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
End Outcome Measures:										
Beneficiary Services: Percent of financial information accurately processed in Trust beneficiary accounts (manual transactions). (SP)	A	99.7% (1,248,600/ 1,252,688)	99.7% (1,656,841/ 1,661,781)	99.8% (2,005,251/ 2,010,103)	98% (2,058,000/ 2,100,000)	99.5% (1,207,184 / 1,212,763)	99% (1,188,000/ 1,200,000)	99% (1,188,000/ 1,200,000)	0% (0/0)	99% (1,188,000/ 1,200,000)
<i>Total Actual /Projected Cost (\$000)</i>		\$3,952	\$4,071	\$5,714	\$5,885	\$6,391	\$5,733	\$5,700	-\$33	\$5,700
<i>Actual/Projected Cost per Transaction</i>		\$3.15	\$2.45	\$2.85	\$2.86	\$5.29	\$4.78	\$4.75	-\$0.03	\$4.75
Comments:		<i>The numerator and denominator for this measure are manual transactions. The unit cost is based on contractor cost for manual transactions for probate.</i>								
Δ Contributing Programs:		Trust Services								
Beneficiary Services: Percent timeliness of financial account information provided to trust beneficiaries. (SP)	A	99.1% (662,685/ 668,646)	100% (719,058 / 719,058)	92% (688,117/ 747,799)	99.5% (796,000 / 800,000)	100% (766,589 / 766,589)	99.5% (746,250/ 750,000)	99.5% (746,000/ 750,000)	0% (-250 / 0)	99.5% (746,000/ 750,000)
<i>Total Actual /Projected Cost (\$000)</i>		\$447	\$252	\$341	\$712	\$415	\$768	\$800	+\$32	\$800
<i>Actual/Projected Cost per Statement</i>		\$0.67	\$0.36	\$0.50	\$0.89	\$0.54	\$1.02	\$1.07	+\$0.05	\$1.07
Comments:		<i>The addition of asset information included in beneficiary statements increases the number of total statement pages by approximately 100%. Page count per statement is a significant cost driver for the production of statements and accounts for the increase shown in FY 2009. FY 2008, FY 2009 and FY 2010 projected costs include postage (prior years included only costs to produce the statements).</i>								
Δ Contributing Programs:		Trust Services								
Trust Fund Accountability: Percent of risk mitigated on corrective action plans based on Federal Managers Financial Integrity Act control plans (SP)	A	97% (37/38)	100% (36/36)	97% (28/29)	97% (36/37)	100% (50 / 50)	97% (36/37)	97% (36/37)	0% (0/0)	97% (36/37)
<i>Total Actual /Projected Cost (\$000)</i>		\$1,429	\$1,456	\$754	\$644	\$223	\$661	\$644	-\$17	\$644
<i>Actual/Projected Cost per Corrective Action Plan (whole dollars)</i>		\$38,632	\$40,445	\$26,929	\$17,405	\$4,460	\$18,361	\$17,889	-\$472	\$17,889
Comments:		<i>Costs have decreased from FY 2006 due to increased focus on key internal controls as a result of OMB's Circular A123, Appendix A Trust effort.</i>								
Δ Contributing Programs:		Trust Accountability								

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End Outcome Goal: Fulfill Indian Fiduciary Trust Responsibilities										
End Outcome Measure/Intermediate or PART Measure/PART Efficiency or Other Outcome Measure	Type	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
Strategy 1: Ownership information that is accurate, timely, and reliable										
Ownership Information: Percent of Whereabouts Unknown accounts resolved. (SP)	A	36% (19,415/ 54,760)	33% (15,322/ 46,630)	37% (19,795/ 53,899)	25% (18,800/ 75,200)	34.4% (25,921/ 75,200)	25% (20,918/ 83,673)	30% (23,400/ 78,000)	+5% (+2,482/ -5,673)	30% (14,901/ 49,673)
Total Actual /Projected Cost (\$000)		\$1,658	\$1,309	\$1,921	\$720	\$635	\$500	\$515	+\$15	\$546
Actual/Projected Cost per Account resolved		\$85.40	\$85.43	\$97.04	\$38.30	\$24.50	\$23.92	\$22.01	-\$1.91	\$36.66
Comments:	<i>In order to operate within the funding for Field Operations for FY 2008 and subsequent years, the WAU project along with several other functional areas were reduced. FY 2008 increases is a result of adding non-income producing accounts to TFAS.</i>									
Δ Contributing Programs:	Field Operations									
Strategy 2: Land and natural resources management that obtains a reasonable return										
Ensure Timeliness of Mineral Revenue Payments to American Indians: Percent of revenue recorded in the Trust Financial Accounting System within 24 hours of receipt (SP)	A	100% (\$140,185,716/ \$140,185,716)	99.8% (\$210,613,673/ \$211,097,665)	100% (\$158,016,229/ \$158,016,229)	99% (\$242,550,000/ \$245,000,000)	99.9% (\$132,688,072/ \$132,874,096)	99% (\$242,550,000/ \$245,000,000)	99% (\$133,650,000/ \$135,000,000)	99% (-\$108,900,000/ -\$110,000,000)	99% (\$133,650,000/ \$135,000,000)
Total Actual /Projected Cost (\$000)		\$4.3	\$4.5	\$6.4	\$6.6	\$12.1	\$6.8	\$7.0	\$0.20	\$7.0
Actual/Projected Cost per day Revenue Recorded.		\$17.20	\$18.00	\$25.60	\$26.40	\$49.73	\$27.20	\$28.00	\$0.80	\$28.00
Comments:	<i>Revenue reported reflects oil and gas collection from Minerals Management Service.</i>									
Δ Contributing Programs:	Trust Services									

OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS GOALS PERFORMANCE TABLE										
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Type Codes:		C = Cumulative Measure			A = Annual Measure		F = Future Measure			
End Outcome Goal: Fulfill Indian Fiduciary Trust Responsibilities										
End Outcome Measure/Intermediate or PART Measure/PART Efficiency or Other Outcome Measure	Type	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
BUREAU MEASURES										
<i>Communications:</i> Number of communication resources developed for stakeholders. (BUR)	A	N/A	N/A	N/A	N/A	N/A	34	34	0	40
Total Actual /Projected Cost (\$000)		N/A	N/A	N/A	N/A	N/A	\$258	\$258	\$0	\$258
Actual/Projected Cost per Unit		N/A	N/A	N/A	N/A	N/A	\$7,588	\$7,588	\$0	\$6,450
Comments:	This performance measure is new for FY2009.									
Δ Contributing Programs:	External Affairs									
Responsiveness: Responsiveness of OST to tribal and individual trust concerns and needs. (BUR)	A	90.8% (151,992 / 167,340)	86.9% (144,899 / 166,714)	90.3% (167,164 / 185,116)	90% (173,250/ 192,500)	91.9% (205,182 / 223,248)	90% (180,000/ 200,000)	90% (207,000/ 230,000)	0% (+27,000/ +30,000)	90% (220,500/ 245,000)
Comments:	<i>Presently, the application of direct and indirect cost activities to this measure would not be efficient or cost-effective due to the varying numbers and types of (ABC/M) activities that would be required to be allocated to any one trust inquiry and its response. OST presently uses over one hundred ABC/M activity codes, of which approximately 60 appear attributable to Beneficiary Services.</i>									
Δ Contributing Programs:	Field Operations									
Records Management: Percent of BIA/OST regional/agency offices reviewed to identify improvements needed in their Records Management Programs. (BUR)	A	28% (51/180)	34% (61/180)	23% (42/180)	22% (40/180)	22% (40/180)	22% (40/180)	22% (40/180)	0	22% (40/180)
Total Actual /Projected Cost (\$000)		N/A	\$230	\$256	\$175	\$175	\$175	\$175	\$0	\$175
Actual/Projected Cost per Unit		N/A	\$3,766	\$6,095	\$4,375	\$4,375	\$4,375	\$4,375	\$0	\$4,375
Comments:	<i>The total /projected costs in FY 2009 and FY 2010 are costs associated with examiner salaries and travel to various BIA/OST regional/agency offices. This cost does not include report writing. The denominator 180 is based on projected site locations which were determined by BIA and regions.</i>									
Δ Contributing Programs:	Trust Review & Audit									

OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS GOALS PERFORMANCE TABLE										
Target Codes:		SP = Strategic Plan measures PART = PART Measure BUR = Bureau specific measure				TBD = Targets have not yet been developed UNK = Prior year data unavailable NA = Long-term targets are inappropriate to determine at this time				
Type Codes:		C = Cumulative Measure			A = Annual Measure		F = Future Measure			
End Outcome Goal: Fulfill Indian Fiduciary Trust Responsibilities										
End Outcome Measure/Intermediate or PART Measure/PART Efficiency or Other Outcome Measure	Type	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
BUREAU MEASURES										
<i>Appraisals</i> : Percent of appraisal reports completed within requestor business requirements. (BUR)	A	79% (2,770/ 3,507)	89% (3,358/ 3,774)	84.3% (5,900/ 7,000)	96% (6,000/ 6,250)	68.14% (4,837/ 7,099)	96% (6,000/ 6,250)	96% (6,000/ 6,250)	0% (0/0)	96% (6,000/ 6,250)
Total Actual /Projected Cost (\$000)		\$10,795	\$9,679	\$9,735	\$8,636	\$8,996	\$8,739	\$10,903	\$0	\$10,903
Actual/Projected Cost Per unit		\$3,897	\$2,882	\$1,650	\$1,439	\$1,860	\$1,457	\$1,817	\$0	\$1,817
Comments:	<i>With the implementation of alternative appraisal methodologies and streamlining appraisal processes, OAS has increased its current performance and long-term target to 96%.</i>									
Δ Contributing Programs:	Appraisal Services									
Self-Governance/Self-Determination Number of agreements and Memoranda of Understanding (MOU) negotiated or renewed with P.L. 93-638 tribes for operating the beneficiary processes compliance program or real estate appraisal programs. (BUR)	A	100% (60/60)	100% (67/67)	100% (81/81)	95% (59/65)	100% (145/145)	100% (40/40)	100% (40/40)	0% (0/0)	100% (48/48)
Total Actual /Projected Cost (\$000)		\$151	\$150	\$164	\$225	\$286	\$251	\$251	\$0	\$251
Actual/Projected Cost per Unit		\$2,516	\$2,240	\$2,025	\$3,814	\$1,972	\$6,275	\$6,275	\$0	\$5,229
Comments:	<i>In FY 2007, additional staff was hired to assist with the performance of OST's self-governance responsibilities. This resulted in an addition to the projected costs for the performance of this activity in FY 2007. Because the frequency of OEA staff performing this responsibility is driven by programmatic timeframes (for instance, renewal dates for self-governance and self-determination agreements) and tribal requests, the cost of responding to these requests is included in OEA personnel costs. For FY2009, this performance measure counts exclusively the number of agreements and Memoranda of Understanding negotiated or renewed with P.L. 93-638 tribes.</i>									
Δ Contributing Programs:	External Affairs									
Congressional Liaison Activities : Number of meetings, tours, correspondence or telephone calls to members of congress or their staff. (BUR)	A	N/A	N/A	N/A	N/A	N/A	50	50	0	60
Total Actual /Projected Cost (\$000)		N/A	N/A	N/A	N/A	N/A	\$64	\$64	\$0	\$64
Actual/Projected Cost Per unit		N/A	N/A	N/A	N/A	N/A	\$1,280	\$1,280	\$0	\$1,067
Comments:	<i>This performance measure is new for FY 2009.</i>									
Δ Contributing Programs:	External Affairs									

OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS GOALS PERFORMANCE TABLE										
Target Codes:		SP = Strategic Plan measures PART = PART Measure BUR = Bureau specific measure				TBD = Targets have not yet been developed UNK = Prior year data unavailable NA = Long-term targets are inappropriate to determine at this time				
Type Codes:		C = Cumulative Measure			A = Annual Measure		F = Future Measure			
End Outcome Goal: Fulfill Indian Fiduciary Trust Responsibilities										
End Outcome Measure/Intermediate or PART Measure/PART Efficiency or Other Outcome Measure	Type	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
OTHER										
SDA Dollars (\$000)	A	\$10,000	\$4,700	\$2,431	\$2,500	\$3,262	\$2,000	\$2,000	0	\$2,000
<i>Total Actual /Projected Cost (\$000)</i>		\$14,000	\$6,500	\$6,608	\$4,500	\$3,934	\$4,500	\$4,500	0	\$4,500
<i>Actual/Projected Cost/Unit</i>		\$1.4	\$1.4	\$2.7	\$1.8	\$1.2	\$2.25	\$2.25	0	\$2.25
Comments:	<i>As the SDA project continues, the accounts are getting smaller. In general, the same amount of work has to occur for a \$10 account distribution as for a \$10,000 account. OHTA anticipates a decrease in the amount distributed.</i>									
Δ Contributing Programs:	Historical Trust Accounting									
IIM Transactions – Data Completeness Validation	A	N/A	13,358,249	3,098,671	6,800,000	7,630,533	4,500,000	3,500,000	-1,000,000	0
<i>Total Actual /Projected Cost (\$000)</i>		N/A	\$1,894	\$4,487	\$6,505	\$8,119	\$9,200	\$5,000	-\$4,200	0
<i>Actual/Projected Cost/Unit</i>		N/A	\$0.14	\$1.45	\$0.96	\$1.06	\$2.04	\$1.43	-\$0.61	0
Comments:	<i>All completed accounts will be mailed to account holders, contingent on court approval. Many transactions are updated electronically. Therefore, if there are less electronic validations and more manual transactions validated, as we are anticipating for 2009, the transactions decrease and the cost per unit increases. This project should be completed during 2010. OHTA anticipates a drop off in funding needed and transactions validated.</i>									
Δ Contributing Programs:	Historical Trust Accounting									
IIM Transactions – Interest Re-Calculation Project	A	N/A	0	1,158	90,000	80,814	100,000	60,000	-40,000	0
<i>Total Actual /Projected Cost (\$000)</i>		N/A	\$217	\$1,827	\$3,360	\$4,135	\$3,415	\$2,520	-\$895	0
<i>Actual/Projected Cost/Unit</i>		N/A	N/A	\$1,577	\$37	\$51	\$34.15	\$42	\$7.85	0
Comments:	<i>OHTA anticipates cost savings as result of efficiencies in the process. Therefore, OHTA estimates that more transactions will be completed for less cost. This project will be completed during 2010. OHTA anticipates a drop off in funding needed and interest transactions re-calculated.</i>									
Δ Contributing Programs:	Historical Trust Accounting									
IIM Digitized Paper Transactions	A	N/A	80,000	13,368	120,000	5,589	45,000	100,000	55,000	0
<i>Total Actual /Projected Cost (\$000)</i>		N/A	\$286	\$85	\$720	\$263	\$510	\$800	\$290	0
<i>Actual/Projected Cost/Unit</i>		N/A	\$3.60	\$6.40	\$6	\$47.06	\$11.33	\$8	-\$3.33	0
Comments:	<i>Due to resources being moved to other projects in 2008, OHTA did not complete the estimated transactions. OHTA is focusing more on this project in FY 2009 and with other projects being completed; more resources can be applied to this project during FY 2010.</i>									
Δ Contributing Programs:	Historical Trust Accounting									

OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS GOALS PERFORMANCE TABLE										
Target Codes:		SP = Strategic Plan measures PART = PART Measure BUR = Bureau specific measure				TBD = Targets have not yet been developed UNK = Prior year data unavailable NA = Long-term targets are inappropriate to determine at this time				
Type Codes:		C = Cumulative Measure			A = Annual Measure		F = Future Measure			
End Outcome Goal: Fulfill Indian Fiduciary Trust Responsibilities										
End Outcome Measure/Intermediate or PART Measure/PART Efficiency or Other Outcome Measure	Type	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
OTHER										
<i>Tribal Delivery of Trust Fund Materials</i>	A	N/A	N/A	N/A	N/A	N/A	28	56	+28	20
<i>Total Actual /Projected Cost (\$000)</i>		N/A	N/A	N/A	N/A	N/A	\$4,737	\$11,200	+\$6,463	\$2,000
<i>Actual/Projected Cost/Unit</i>		N/A	N/A	N/A	N/A	N/A	\$169	\$200	+\$31	\$100
Comments:	<i>In 2010, OHTA anticipates increasing the Tribal program's budget over \$8 million during 2010. Therefore, there will be more resources at the Tribal Program discretion.</i>									
Δ Contributing Programs:	Historical Trust Accounting									
<i>Tribal – Receipt Claims</i>	A	N/A	N/A	N/A	N/A	N/A	2	5	+3	11
<i>Total Actual /Projected Cost (\$000)</i>		N/A	N/A	N/A	N/A	N/A	\$631	\$1,500	+\$869	\$3,850
<i>Actual/Projected Cost/Unit</i>		N/A	N/A	N/A	N/A	N/A	\$315	\$300	-\$15	\$350
Comments:	<i>OHTA anticipates increasing the Tribal program's budget over \$8 million during 2010. Therefore, there will be more resources at the Tribal Program discretion.</i>									
Δ Contributing Programs:	Historical Trust Accounting									
<i>Tribal – Investment Claims</i>	A	N/A	N/A	N/A	N/A	N/A	2	11	+9	11
<i>Total Actual /Projected Cost (\$000)</i>		N/A	N/A	N/A	N/A	N/A	\$929	\$2,750	+\$1,821	\$4,400
<i>Actual/Projected Cost/Unit</i>		N/A	N/A	N/A	N/A	N/A	\$465	\$250	-\$215	\$400
Comments:	<i>OHTA anticipates increasing the Tribal program's budget over \$8 million during 2010. Therefore, there will be more resources at the Tribal Program discretion.</i>									
Δ Contributing Programs:	Historical Trust Accounting									
<i>Tribal – Disbursement Claims</i>	A	N/A	N/A	N/A	N/A	N/A	87	113	+26	0
<i>Total Actual /Projected Cost (\$000)</i>		N/A	N/A	N/A	N/A	N/A	\$3,895	\$1,113	-\$2,782	0
<i>Actual/Projected Cost/Unit</i>		N/A	N/A	N/A	N/A	N/A	\$45	\$10	-\$35	0
Comments:	<i>Claims addressed may be continued through multiple fiscal years. There are 113 tribes that need disbursement claims completed. Much of the work will be starting during 2009 (87 tribes). However, we do not anticipate the completion of the work for all tribes until 2010. Therefore, costs decrease in 2010, because much of the work was completed during 2009.</i>									
Δ Contributing Programs:	Historical Trust Accounting									

2010 Budget at a Glance
(Dollars in Thousands)

	FTE	2008 Actual	2009 Enacted	Fixed Costs Changes	Δ Internal Transfers	Program Changes	2010 Request
FEDERAL TRUST PROGRAMS							
EXECUTIVE DIRECTION							
Immediate Office of the Special Trustee	14	2,156	2,163	39	54		2,256
EXECUTIVE DIRECTION TOTAL	14	2,156	2,163	39	54	0	2,256
PROGRAM OPERATIONS AND SUPPORT							
PROGRAM OPERATIONS							
Information Technology							
Information Technology Services	35	20,124	20,632	88	2,328		23,048
Trust Records	74	18,044	17,026	192	-2,200		15,018
INFORMATION TECHNOLOGY TOTAL	109	38,168	37,658	280	128	0	38,066
Budget, Finance & Administration	29	12,856	13,161	621	350		14,132
External Affairs	7	1,247	1,241	18			1,259
Trust Review & Audit	24	5,194	4,695	62			4,757
PROGRAM OPERATIONS TOTAL	169	57,465	56,755	981	478	0	58,214
TRUST ACCOUNTABILITY							
Trust Training	5	3,080	2,063	13	-266		1,810
National Indian Programs Training Center		984	984		266		1,250
Trust Regulations, Policies, and Procedures	9	1,481	1,591	23	-182		1,432
Trust Program Management Center							
Risk Management	4	651	615	10			625
Reengineering	8	3,216	2,411	21	-350		2,082
Probate Clean Up		8,247	9,906				9,906
Product Development Initiative	9	1,127	1,131	24			1,155
Data Quality and Integrity	2	2,841	3,347	5			3,352
TPMC Total	23	16,082	17,410	60	-350	0	17,120
TRUST ACCOUNTABILITY TOTAL	37	21,627	22,048	96	-532	0	21,612
FIELD OPERATIONS							
Field Operations	250	23,659	23,476	650			24,126
Appraisal Services	63	8,686	8,739	164		2,000	10,903
FIELD OPERATIONS TOTAL	313	32,345	32,215	814	0	2,000	35,029
TRUST SERVICES	121	10,388	12,022	315	0	0	12,337
HISTORICAL ACCOUNTING	35	55,504	56,445	91	0	0	56,536
PROGRAM OPERATIONS AND SUPPORT	674	177,331	179,485	2,297	-54	2,000	183,728
FEDERAL TRUST PROGRAMS	689	179,487	181,648	2,336	0	2,000	185,984
INDIAN LAND CONSOLIDATION (*see footnote)		9,844	0	0	0	0	[3,000]
TOTAL OST	689	189,331	181,648	2,336	0	2,000	185,984

*Indian Land Consolidation will be funded under Indian Affairs beginning in 2010.

Numbers may not add due to rounding

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Summary of Requirements

(Dollars in Thousands)

	2008 Actual	2009 Enacted	Fixed Cost & Related Changes	Program Changes	2010 Budget Request	Inc (+) Dec (-) From 2009
Executive Direction	2,156	2,163	93	0	2,256	+93
Program Operations and Support	177,331	179,485	2,243	2,000	183,728	+4,243
Federal Trust Programs	179,487	181,648	2,336	2,000	185,984	+4,336
Indian Land Consolidation Program	9,844	0	0	0	0	[3,000]
Office of the Special Trustee for American Indians	189,331	181,648	2,336	2,000	185,984	+4,336
<i>Total FTE</i>	<i>626</i>	<i>669</i>	<i>+20</i>	<i>0</i>	<i>689</i>	<i>+20</i>

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Justification of Fixed Costs and Related Changes

(Dollars in Thousands)

	2009 Budget	2009 Revised	2010 Fixed Cost Change
<u>Additional Operational Costs from 2009 and 2010 January Pay Raises</u>			
1. 2009 Pay Raise, 3 Quarters in 2009 Budget	+1,040	+1,040	N/A
<i>Amount of pay raise absorbed</i>	[260]	[708]	N/A
2. 2009 Pay Raise, 1 Quarter (Enacted 3.9%)	N/A	N/A	+614
3. 2010 Pay Raise, (Assumed 2.0%)	N/A	N/A	+945
<p>Line 1, 2009 Revised column is an update of 2009 budget estimates based upon the 2009 CR and the enacted 3.9% versus the 2.9% request.</p> <p>Line 2 is the amount needed in 2010 to fund the enacted 3.9% January 2009 pay raise from October through December 2009.</p> <p>Line 3 is the amount needed in 2010 to fund the enacted 2.0% January 2010 pay raise from January through September 2010.</p>			
	2009 Budget	2009 Revised	2010 Fixed Cost Change
<u>Other Fixed Costs Changes</u>			
One Less Pay Day	N/A	N/A	N/A
<i>The number of days is constant.</i>			
Employer Share of Federal Health Benefit Plans	+111	+111	+231
<i>Amount of health benefits absorbed</i>	[28]	[28]	[0]
<p>The adjustment is for changes in the Federal government's share of the cost of health insurance coverage for Federal Employees. For 2010, the increase is estimated at 6.5%, the estimated increase for 2009.</p>			
Workers Compensation Payments	+42	+42	+13
<i>Amount of workers compensation absorbed</i>	[0]	[0]	[0]
Unemployment Compensation Payments	-	-	-
Rental Payments to GSA and Others	+496	+496	+147
<i>Amount of rental payments absorbed</i>	[0]	[8]	[0]
<p>The adjustment is for changes in the costs payable to GSA and others resulting from changes in rates for office and non-office space as estimated by GSA, as well as the rental costs of other currently occupied space. These costs include building security; in the case of GSA space, these are paid to DHS. Costs of mandatory office relocations, i.e., relocations in cases where due to external events, there is not an alternative but to vacate the occupied space, are also included.</p>			
Departmental Working Capital Fund	-220	-220	+386
<i>Amount of working capital fund absorbed</i>	[0]	[50]	[0]
<p>The amount reflects expected changes in the charges for Departmental services and other services through the Working Capital Fund. These charges are displayed in the Budget Justification for the Department Management.</p>			
<u>Related Changes - Internal Transfers and Other Non-Policy/Program Changes</u>			
Indian Land Consolidation Program will transfer to the Bureau of Indian Affairs			[3,000]
Internal transfer from Trust Accountability to Executive Direction			+/- 182
Internal transfer from Trust Records to Information Technology Services			+/- 1,300
Internal transfer from Trust Accountability to Budget, Finance, and Administration			+/- 350
Internal transfer in Trust Accountability from Trust Training to NIPTC			+/- 266

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Appropriation Language Sheet**Office of the Special Trustee for American Indians**

Federal Trust Programs

For the operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants, [\$181,648,000]*\$185,984,000*, to remain available until expended, of which not to exceed [\$56,445,000]*\$56,536,000* from this or any other Act, shall be available for historical accounting: Provided, That funds for trust management improvements and litigation support may, as needed, be transferred to or merged with the Bureau of Indian Affairs, "Operation of Indian Programs" account; the Office of the Solicitor, "Salaries and Expenses" account; and the Office of the Secretary, "Salaries and Expenses" account: Provided further, That funds made available through contracts or grants obligated during fiscal year [2009]2010, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee: Provided further, That notwithstanding any other provision of law, the statute of limitations shall not commence to run on any claim, including any claim in litigation pending on the date of the enactment of this Act, concerning losses to or mismanagement of trust funds, until the affected Tribe or individual Indian has been furnished with an accounting of such funds from which the beneficiary can determine whether there has been a loss: Provided further, That, notwithstanding any other provision of law, the Secretary shall not be required to provide a quarterly statement of performance for any Indian trust account that has not had activity for at least 18 months and has a balance of \$15.00 or less: Provided further, That the Secretary shall issue an annual account statement and maintain a record of any such accounts and shall permit the balance in each such account to be withdrawn upon the express written request of the account holder: Provided further, That not to exceed \$50,000 is available for the Secretary to make payments to correct administrative errors of either disbursements from or deposits to Individual Indian Money or Tribal accounts after September 30, 2002: Provided further, That erroneous payments that are recovered shall be credited to and remain available in this account for this purpose. [Provided further, That not to exceed \$6,000,000 may be transferred from unobligated balances (Treasury Accounts 14X6039, 14X6803 and 14X8030) for the purpose of one-time accounting reconciliations of the balances, as sanctioned by the Chief Financial Officers Act of 1990, American Indian Trust Fund Management Reform Act of 1994 and the Federal Managers' Financial Integrity Act (FMFIA).] (Department of the Interior, Environment, and Related Agencies Appropriations Act, 2009.)

Justification of Proposed Language Changes

1. Deletion of the following wording.

[Provided further, That not to exceed \$6,000,000 may be transferred from unobligated balances (Treasury Accounts 14X6039, 14X6803 and 14X8030) for the purpose of one-time accounting reconciliations of the balances, as sanctioned by the Chief Financial Officers Act of 1990, American Indian Trust Fund Management Reform Act of 1994 and the Federal Managers' Financial Integrity Act (FMFIA).]

This language served as a one-time annual authority to transfer unobligated balances.

Appropriation Language and Citations

1. For operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants,
 - **25 U.S.C. 450(f)(a) and 450h(a)** directs the Secretary, upon the request of any Indian tribe, to enter into a contract or contracts to plan, conduct, and administer programs which the Secretary is otherwise authorized to administer (P. L. 93-638, as amended).
 - **31 U.S.C. Chapter 63** provides procedures to be followed in the preparation of Federal contracts, grants, and cooperative agreements.
 - **25 U.S.C. 458(cc)** provides procedures to be followed to establish and implement tribal self-governance compacts.
 - **25 U.S.C. 162a** authorizes the deposit and investment of Indian trust funds.
 - **25 U.S.C. 4001 et seq.** provides procedures to be followed for tribal withdrawal of trust funds, and authorizes the Office of the Special Trustee for American Indians.
 - **25 U.S.C. 459 et seq.** includes numerous provisions affecting specific tribes related to distribution of claims, settlements, and judgments.
2. To remain available until expended
 - **25 U.S.C. 13a** authorizes the carryover of funds, which were not obligated and expended prior to the beginning of the fiscal year succeeding the fiscal year for which such sums were appropriated.
3. That funds for trust management improvements and litigation support may be transferred, as needed, to the Bureau of Indian Affairs ...and to the Departmental Management...
 - **25 U.S.C. 4043(b)(1)** authorizes the Special Trustee to oversee all reform efforts within the Bureau (of Indian Affairs)... and to ensure the establishment of policies, procedures, systems and practices to allow the Secretary to discharge his trust responsibilities in compliance with this chapter. This language also provides the authority for OST to transfer funds to the Office of Hearing and Appeals to address probate backlog reductions as part of trust reform efforts and to the Office of the Solicitor for litigation support.

4. That funds made available to tribes and tribal organizations through contracts or grants obligated during fiscal year 2007, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee:
 - **25 U.S.C. 450(d)(c)** authorizes funds obligated for tribal contracts to remain available until expended.
5. That notwithstanding any other provision of law, the Secretary shall not be required to provide a quarterly statement of performance for any Indian trust account that has not had activity for at least eighteen months and has a balance of \$15.00 or less:
 - **25 U.S.C. 4043(b)(1)** authorizes the Special Trustee to oversee all reform efforts within the Bureau (of Indian Affairs)... and to ensure the establishment of policies, procedures, systems and practices to allow the Secretary to discharge her/his trust responsibilities in compliance with this chapter.
 - **25 U.S.C. 404 (et seq)** requires the reform of trust practices to promote the effective discharge of the Secretary's trust responsibilities.
6. That the Secretary shall issue an annual account statement and maintain a record of any such accounts and shall permit the balance in each such account to be withdrawn upon the express written request of the account holder.
 - **25 U.S.C. 404 (et seq)** requires the reform of trust practices to promote the effective discharge of the Secretary's trust responsibilities.
7. That not to exceed \$50,000 is available for the Secretary to make payments to correct administrative errors of either disbursements from or deposits to Individual Indian Money or tribal accounts after September 30, 2002: Provided further, That erroneous payments that are recovered shall be credited to and remain available in this account for this purpose.
 - Interior and Related Agencies Appropriation Act, FY 2002. Annual Appropriations Acts have continued this provision each year since FY 2002.

Activity: Executive Direction

Subactivity: Immediate Office of the Special Trustee

	2008 Actual	2009 Enacted	2010			Change From 2009 (+/-)
			Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Executive Direction (\$000)	2,156	2,163	+93	0	2,256	+93
Total	2,156	2,163	+93	0	2,256	+93
<i>FTE</i>	<i>12</i>	<i>14</i>	<i>0</i>	<i>0</i>	<i>14</i>	<i>0</i>

Summary of 2010 Program Changes for Executive Direction

Request Component	(\$000)	FTE
<u>Program Changes:</u>		
Executive Direction	0	0
TOTAL Program Changes	0	0

The 2010 request for Executive Direction is \$2,256,000 and 14 FTE, and \$0 program change and 0 FTE changes from the 2009 Enacted.

An internal transfer of \$182,000 and +1 FTE is provided from Trust Accountability and an internal transfer of -\$128,000 and -1 FTE is provided to Information Technology.

Program Overview

The Special Trustee is charged with general oversight of Indian trust asset reform efforts Department-wide to ensure proper and efficient discharge of the Secretary’s fiduciary trust responsibilities to federally recognized Indian tribes, Alaska Natives and individual Indians. The Office of the Special Trustee for American Indians (OST) was created to ensure that the Department establishes appropriate policies and procedures, develops necessary systems, and takes affirmative actions to reform the management of Indian trust funds. In carrying out the management and oversight of Indian trust funds, the Secretary has a responsibility to

The Office of the Special Trustee for American Indians (OST) supports legislative proposals addressing needed technical corrections and administrative improvements for implementing trust reform, which will continue to improve services to Indian trust beneficiaries.

Potential legislative proposals, to be addressed in consultation with the tribes, will focus on issues such as an expedited probate process to reduce probate backlogs; the authority to create an unclaimed property fund and to close certain accounts with no known address, small balances and special deposit accounts, thus reducing the accounting costs and creating efficiencies in management of the trust.

ensure that trust accounts are properly maintained, invested and reported in accordance with the *American Indian Trust Fund Management Reform Act of 1994*, Congressional action, and other applicable laws. Funds provided for OST directly contribute to the appropriate oversight needed to further the Department's Indian Fiduciary Trust Responsibilities.

Executive leadership and guidance provided by the immediate office effects performance at all levels of OST, including the delivery of beneficiary services, promoting tribal self-governance and self-determination, managing financial trust assets and monitoring all efforts to reform and improve the manner in which the Department conducts its Indian fiduciary trust responsibilities. In addition, OST continues to promote better integration of budget and performance, develop a workforce plan that ensures a skilled workforce in the future, and properly account for financial resources.

2010 Program Performance

- Identify, initiate, prioritize, evaluate and monitor reform activities.
- Ensure Quarterly Reports to the Court are done timely and accurately.
- Oversee trust activities throughout the Department – program managers are expected to advise the Office on a number of complex and sensitive issues relating to organization, reengineering, ongoing litigation and other trust activities.
- Continue to strengthen a comprehensive Risk Management program based on OMB guidance, private sector improvements, and OTRA reviews throughout the Departmental bureau's having Indian Trust responsibilities.
- Support the work of the Special Trustee's Advisory Board.
- Create informed partnerships with other bureau and office directors in the Department to achieve positive trust reform outcomes.
- Implement integration of new oil and gas management software with other TAAMS and TFAS systems.
- Reduce the issuance of checks by expanding the debit card program to beneficiaries.
- Continue to enhance BIA's tract ownership validation process testing for all contingencies.
- Reduce the number of income checks at the lockbox by offering the ability to make BIA lease payments on-line utilizing a Treasury product called PayGov.

Activity: Program Operations and Support
Subactivity: Program Operations

	2008 Actual	2009 Enacted	2010			Change From 2009 (+/-)
			Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Information Technology (\$000)	20,124	20,632	+2,416	0	23,048	+2416
Office of Trust Records (\$000)	18,044	17,026	-2,008	0	15,018	-2,008
Budget Finance and Administration (\$000)	12,856	13,161	+971	0	14,132	+971
Office of External Affairs (\$000)	1,247	1,241	+18	0	1,259	+18
Office of Trust Review and Audit (\$000)	5,194	4,695	+62	0	4,757	+62
Program Operations	57,465	56,755	+1,459	0	58,214	+1,459
<i>FTE</i>	<i>156</i>	<i>148</i>	<i>+21</i>	<i>0</i>	<i>169</i>	<i>+21</i>

Summary of 2010 Program Changes for Program Operations

Request Component	(\$000)	FTE
<u>Program Changes:</u>		
Information Technology	0	0
Office of Trust Records	0	0
Budget Finance and Administration	0	0
Office of External Affairs	0	0
Office of Trust Review and Audit	0	0
TOTAL Program Changes	0	0

The 2010 budget request for Program Operations is \$58,214,000 and 168 FTE, \$0 program change and +21 FTE from the 2009 Enacted. Additional FTEs are the result of the completion of the backlog and insourcing the ongoing records indexing workload in the Office of Trust Records. An internal transfer of +128,000 from Executive Direction will support 1 FTE.

The internal transfer of +\$350,000 from Trust Accountability to the Office of Budget, Finance, and Administration will support the Intertribal Monitoring Association on Indian Trust Funds grant.

OST negotiated a new Trust Funds Accounting System (TFAS) contract in FY 2008. An internal transfer of +\$1.3 million is needed to cover increased contract costs. These costs are associated with the maintenance of approximately 100,000 accounts that have land only but do not receive trust income. The accounts are maintained on TFAS in order that OST can prepare a Statement of Performance for all trust beneficiaries, not just those who have trust income. OST is also reducing the number of servers and providing increased systems security. An internal transfer of

+\$2.2 million from the Office of Trust Records will support the TFAS cost increase, the server consolidation, and Trust Portal enhancement efforts.

Program Overview

Program Operations provides organization-wide administration and information technology support for OST in carrying out the fiduciary trust responsibilities to tribal and individual Indian beneficiaries. The Offices that encompass Program Operations ensure the necessary infrastructure is in place to provide administrative services that enable and empower the organization and workforce to be an effective fiduciary trustee. It will also provide modern, appropriate systems and tools to manage the fiduciary trust responsibilities. The program elements include the Office of Information Technology (IT), Office of Trust Records (OTR), Office of Budget Finance and Administration (BF&A), Office of External Affairs (OEA), and Office of Trust Review and Audit (OTRA).

Information Technology

(\$38,066,000/109 FTE)

The Office of the Chief Information Officer (OCIO): The Office of Information Technology Services (ITS) through the OCIO provides organization-wide information technology support for OST in carrying out the fiduciary trust responsibilities to tribal and individual Indian beneficiaries; develops, maintains, and operates the trust enterprise architecture; provides day-to-day computer support to OST personnel nation-wide; and implements the trust records management program.

The OCIO oversees and directs IT support services including technical support, capital planning and procurement of IT equipment, security management (system and site certification and accreditation, logical access control, policies, procedures, guidelines and compliance) and electronic and hard records management activities. The OCIO facilitates the development and maintenance of cost-effective, supportable, and sustainable information management and technology solutions to advance the mission of OST. These technology solutions enhance OST's ability to serve the beneficiaries through efficient business and resource management systems.

The OCIO interfaces with the other Departmental CIO offices and develops strategic plans to support OST business processes, and manages OST's IT services which provides the daily OST data systems' support, testing and implementation of automated trust funds financial and other support systems, and ensures necessary interfaces with other trust systems in the BIA, Minerals Management Service (MMS), OHA, OHTA and other related offices in the Department.

Beginning in FY 2009, OST will work with the Department to develop a plan to include aspects of imaging into the OST production environment. The work will increase the efficiency of existing workflow processes.

Trust Funds Accounting System (TFAS) – In order to comply with the provisions of the *American Indian Trust Fund Management Reform Act of 1994*, (Pub. L. 103-412, title IV, Sec. 401, Oct. 25, 1994, 108 Stat. 4249), OST uses the TFAS. TFAS is a commercial off-the-shelf (COTS) system owned and operated by a third party vendor. The existing contract was awarded

during FY 2008. Some of the costs associated with the existing TFAS contract are based upon the number of accounts on the system (open + closed). At the time of this writing, TFAS had over 380,000 open and over 50,000 closed accounts. Of the 380,000 open accounts approximately 90,000 were non-income accounts. These non-income accounts allow TFAS to produce a Statement of Performance for accounts which includes real property assets in addition to the beneficiary’s financial transactions in TFAS. Fractionation solutions will reduce the number of accounts and will result in lower operating costs. In addition to normal processing, items included in the core price are the daily pricing of securities; software licenses that allow access for tribes via the Internet using StrataWeb; software licenses for the Computer Output to Laser Disk (C.O.L.D.) report manager, StrataVision; and software licenses for the electronic work ticket product, Customer Strata Station (CSS), security custody and investment settlement services.

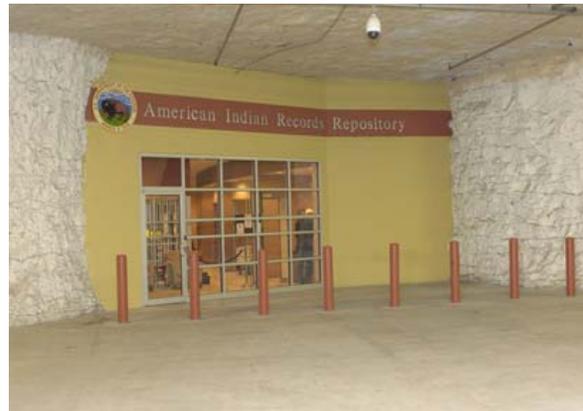
2010 Program Performance

The performance target in FY 2010 is to continue to provide Statements of Performance to beneficiaries with a valid address in TFAS on a timely basis 99.5% of the time. Performance statements are generally produced monthly for the tribes and quarterly for the majority of IIM account holders. Tribes generally request that annual Statements of Performance are produced. The ability to report on the real property and associated encumbrances is expected to be available during the first quarter of FY 2010 for all IIM beneficiaries. This activity is in support of the Department Indian Fiduciary Trust Responsibilities and Trust Fund accountability and the CTM section Administrative Services that includes “provide modern, appropriate systems and tools to manage the fiduciary trust.”

Estimated TFAS Total Accounts			
Status	2008 Actual	2009 Estimate	2010 President’s Budget
Open \$\$\$ and Land	290,580	295,000	300,000
Land only	90,000	95,000	100,000
Closed	49,829	15,000	15,000
TOTAL	430,409	405,000	415,000

Records Management - The OCIO, through the Office of Trust Records (OTR), is responsible for the management of BIA, BIE, AS/IA and OST records programs. The OCIO provides guidance and support on records management to all BIA, BIE, AS/IA and OST program offices. It is responsible for development of, and obtaining approval from the Archivist of the United States, for Indian records schedules; supporting computer-based records management training; providing technical guidance and advice on records management at BIA, BIE, AS/IA and OST field locations; disposition and safeguarding of inactive records; retrieval of records for authorized users; and supporting the implementation of a Departmental Electronic Records Management System (ERMS) for BIA, BIE, AS/IA and OST which is anticipated to become functional in FY 2011. In FY 2009, it is anticipated that the Department will institute a pilot system to set up, use and test the ERMS for compliance with Departmental requirements.

OCIO support for inactive records includes: maintaining and updating retired records in the central electronic database Box Index Search System (BISS); ensuring that the necessary security safeguards remain in place at the American Indian Records Repository (AIRR) and prohibiting the withdrawal of original records from AIRR; preserving, and providing remedial services for inactive records received at AIRR; and limiting access for research purposes to authorized users of the records. In FY 2009, OTR began indexing of inactive records in-house and terminated contract support for this function.



Entrance to the American Indian Records Repository

OCIO supports records management programs for active records by: providing records disposition schedules manual that contains all the Department agencies' identified Indian Fiduciary Trust Records Series in a single collection in order to assure appropriate retention and preservation of Indian fiduciary trust records; providing training, technical guidance and assistance to BIA, BIE, AS/IA, MMS, BLM, OHA and OST; providing assistance to those tribes with contracted/compact programs that request such assistance; and developing and revising records disposition schedules. In prior fiscal years, initial training for BIA and OST designated records management contacts was completed. In FY 2009, identified records contacts and employees responsible for identification and maintenance of vital records were trained. In FY 2010, only newly identified BIA and OST records contacts; and, tribal employees, as requested by Tribes, will be trained. During the last quarter of FY 2009, OTR is estimating the retirement of records from BIA and OST to be "routine" at approximately 600 boxes per month for indexing and storage.

Records Management Performance Data	2008 Actual	2009 Estimate	2010 President's Budget
Number of Personnel Trained	1,003	500	500
Number of Boxes Indexed	19,544	7,200	7,560

OCIO is responsible for funding AIRR in Lenexa, Kansas, pursuant to an agreement between the Department and the National Archives and Records Administration. This state-of-the art facility stores all inactive Indian records from BIA, OST, Tribes and other federal offices that create and maintain Indian Affairs records across the United States. The AIRR currently holds more than 187,000 boxes collectively containing about 470 million pages of records stored in accordance with the highest standards for the preservation of archival records.

Research of BIA and OST inactive records takes place in AIRR by OST staff. No original records are allowed to be taken from the facility. Research requests for document production has steadily increased as the number of inactive records retired and tribal trust litigation has

increased. Under the same agreement, OCIO funds a records management certificate program at Haskell Indian Nations University and hires students, under the Student Educational Employment Program (STEP) at AIRR for internships. The records management program and work experience will provide a cadre of individuals trained in records management who can work for federal and tribal governments to ensure proper records management.

In order to provide services directly to the field offices of BIA, BIE, AS-IA and OST, at least one records liaison is located in each BIA region and in Washington, DC. Adherence to records management requirements is emphasized for all BIA and OST programs and employees.

OCIO developed and utilizes BISS, an electronic index of all Indian records in AIRR. The database is searchable through use of a search engine. This electronic database contains information on all boxes of inactive records retired at AIRR. Previously paper inventories, spreadsheets and databases that contained partial information on inactive boxes of retired records had to be searched manually before a box of records could be located.

The OCIO also funds ongoing costs for IIM and tribal trust litigation activities. These costs include funding to the Solicitor's office for staff attorneys, and funding for the Department of Justice to provide document production capabilities for thousands of pages of documents requested by both IIM and tribal plaintiffs.

2010 Program Performance

- Transfer, index, store and safeguard approximately 7,560 boxes of inactive records retired from BIA and OST offices, and any other Department agencies that create Indian fiduciary trust records, at AIRR.
- Provide records management training for approximately 500 people/staff.
- Continue to provide records management operations and research and litigation document production at AIRR. AIRR staff responds to approximately 3,000 research requests per year, providing over 184,000 pages of documents.
- Continue to maintain the Box Index Search System (BISS) that allows for record retrieval on an as needed basis for over 187,000 boxes of inactive records.
- Continue to provide support to tribal trust litigation parties by providing access to thousands of boxes of inactive records necessary for research, document production, etc., including providing access to the database search engine.
- Continue to support the records management curriculum at Haskell Indian Nations University by providing instructors for the trust records management certificate and by working with HINU to provide student internships at AIRR.
- Continue to support the implementation of a departmental ERMS for BIA and OST which is anticipated to become functional in FY 2011. In FY 2009, it is anticipated that the Department will institute a pilot system to set up, use and test the ERMS for compliance with DOI requirements.
- Continue to provide records management technical support and training for at least 10 tribes with contracted/compacted programs.
- At a Tribe's request, transfer and store inactive Indian fiduciary records created and maintained by Tribes at AIRR.
- As necessary, update and establish BIA and OST program records schedules by scheduling any newly identified documents and/or business processes records that do not fit into an established record series and submit for approval by the Archivist of the United States.
- Support OHTA research projects in the *Cobell* and individual tribes' and class action tribal trust litigation.
- Continue to provide records management support and technical guidance in the BIA regions and OST field offices through OTR regional records liaisons located in the BIA regions and Central Office.

OTR will continue to provide records management guidance and technical assistance to BIA and OST personnel, as well as other federal agencies that create and maintain Indian fiduciary trust records.

Budget, Finance and Administration**(\$14,132,000/29 FTE)**

The Office of Budget, Finance and Administration (BF&A) provides direct budget, planning and administrative support and oversees the administration of contracts for personnel, acquisition, and finance. BF&A provides administrative support services (e.g., property, safety, supplies, checks, Statements of Performance mailing, and general mail services) for OST, in carrying out the fiduciary trust responsibilities to federally recognized American Indian tribes, individual Indians, and Alaska Natives efficiently and effectively. BF&A coordinates required reporting to the Department, the Office of Management and Budget (OMB), and to the United States Congress.

BF&A manages its responsibilities through four components: (1) Budget and Finance, (2) Planning and Analysis, (3) Facilities Support and (4) Trust Support. Support functions include: formulation, execution, and presentation of the OST performance budget and planning documents; development and implementation of activity-based cost management (ABC/M); facilities support; and processing and mailing of Individual Indian Money (IIM) account holder checks, oil and gas Explanation of Payments (EOP), Statements of Performance and other beneficiary related documents.

In addition, BF&A coordinates the implementation of performance improvement, human capital and transportation management. Prior year accomplishments include: the first full year of conducting quarterly budget/performance reviews, creating on-line ABC/M training module, revising the ABC/M data dictionary, and integration of the Office of Historical Trust Accounting and OST's administrative systems.

The Budget, Finance and Administration program includes coordination of government-wide, Departmental and other agency services that support OST's programs such as: personnel, EEO, space, telephone, charge card, travel system, vehicle management, and working capital fund activities.

BF&A Budget by Category

(Dollars in Thousands)

	2008 Actual	2009 Estimate	2010 Estimate	Change 2010 from 2009
HR Support	1,390	1,472	1,520	+48
EEO Support	89	94	98	+4
Acquisition Support	1,142	1,022	1,233	+211
Accounting Support	391	415	474	+59
Security	502	487	501	+14
Space Rental	4,600	6,657	6,804	+147
Working Capital Fund	2,002	2,299	2,685	+386
Workers Compensation	22	17	13	-4
BFA Offices	4,578	4,775	5,331	+556
Obligations	14,716	17,238	18,659	+1,421
Chargeback Estimate	-1,860	-4,077	-4,527	-450
Total	12,856	13,161	14,132	+971

Note: The Chargeback Estimate is a negative amount and is offset since BFA charges other OST programs proportionately for centralized costs associated with contracts and Working Capital Fund agreements for Human Resources, Acquisitions, Financial Management, Building Security, etc. The Chargeback Estimate basis is discussed in the overview under Section 405 compliance. The increase in space rental from 2008 to 2009 reflects the additional costs for the Office of Historical Trust Accounting that had previously been paid through the Office of the Secretary.

2010 Program Performance

- Reduce the OST fuel consumption by 5% by leasing alternative fuel vehicles and reducing the number of vehicles in the OST fleet.
- Improve budget-performance integration by defining correlations between available resources and performance for OST programs.
- Continue budget performance integration by conducting quarterly management meetings to discuss performance accomplishments and budget resources necessary for improvements and realignment of funds as required.
- Continue mailing EOP statements and advice notices to beneficiaries.
- Continue processing and mailing over 800,000 beneficiary checks timely and accurately.
- Evaluate methods to reduce check processing.
- Continue mailing tribal and individual Statements of Performance for accounts and tax forms.
- Continue mailing invoices and 1099s
- Maintain annual review of the budgetary status of trust accounts.
- Continue providing HR, Acquisitions and finance services through shared service providers.
- Continue providing office space and WCF services.

Office of External Affairs

(\$1,259,000/7 FTE)

The Office of External Affairs (OEA) has three primary areas of responsibility in supporting the Special Trustee's statutorily-required reform and oversight activities: (1) communications material with a diverse group of stakeholders about the Department's trust reform initiatives; (2) administration of OST's tribal self-governance and self-determination program; and (3) congressional liaison activities.

In the area of communications, OEA works to provide tribal and individual Indian trust beneficiaries, Department personnel, the media, the U.S. Congress, other government agencies, the public and other interested organizations with a wide range of information on the status of trust reform priorities, current initiatives and benefits through personal contacts and printed materials.

In the area of self-governance and self-determination, staff members provide information to tribes on self-governance and self-determination opportunities, and technical assistance to encourage new contracting and compacting activities and to address tribal needs. Staff members actively negotiate program standards with these tribes to ensure fulfillment of the Secretary's fiduciary trust responsibilities.

In the area of congressional liaison activities, staff provides the U.S. Congress with a range of information on the status of trust reform priorities, current initiatives and benefits through personal contacts and printed materials.

OEA staff also provides information to tribes on withdrawing trust funds for management outside of the Federal government pursuant to the *American Indian Trust Fund Management*

Reform Act of 1994 (Reform Act) and coordinate OST's activities in response to tribal requests to withdraw funds.

The American Indian Trust Fund Management Reform Act of 1994 authorizes tribes to withdraw certain funds held in trust and no longer have federal management of those funds. To withdraw these funds, a tribe must submit an application that includes certain data and information about how the tribe intends to manage the funds once withdrawn. Regulations in 25 CFR 1200 describe the application process and information that must be provided to OST for an application to be considered and approved. OEA coordinates OST's activities relating to the development and approval of these applications.

In FY 2009, OEA did not receive any applications for withdrawing funds. To encourage additional applicants, OEA developed a brochure for tribes that will explain the process for the withdrawal of their funds. OEA can assist tribes, if requested, to obtain technical assistance during the development of an application. When an application is submitted, OEA generally uses existing staff resources to coordinate its review. After OEA and appropriate OST staff determines that the application is complete, the regulations provide that OST has 90 days to consider the request. The regulations allow time for additional information to be received during the review process. In FY 2010, OEA anticipates that it will continue to meet the regulatory requirement 100% of the time.

Since OST responds to external drivers for the performance of this activity (tribes must submit an application to trigger an action), it is difficult to determine an ongoing cost per unit. In FY 2010, OEA will continue to support tribes interested in withdrawing their funds.

The Office helps the Department accomplish its trust mission through the development and maintenance of a comprehensive communications program to fulfill business objectives identified in the CTM including:

- **Expand Self-Governance Compacts and Self Determination Contracts:** Foster expansion of self-governance compacts and self-determination contracts in a manner consistent with the Department's fiduciary responsibilities.
- **Technical Assistance** Coordinate and provide tribes, when requested, technical assistance to develop proposals for the withdrawal of tribal trust funds from federal management in accordance with the Reform Act.
- **Beneficiary Communications:** Develop and maintain effective communication materials for beneficiaries to facilitate their involvement in improving trust management, consistent with the Department's fiduciary duties.

OEA provides timely information on the status of trust reform activities to beneficiaries and establishes effective avenues of communication with stakeholders. Further, OEA uses technology to streamline the delivery of products and services through continued efforts with contract/compact Tribes to access, when requested, OST electronic trust systems.

A significant portion of OEA's operating budget is used to support the administration of Indian self-governance and self-determination activities as authorized by Public Law 93-638. In FY 2009, OEA worked with over 40 tribes that performed or sought to perform OST programs and functions on behalf of their members, and worked to ensure that 75% of those tribes had program standards for the performance of OST functions in place. OEA continues to be involved in significant outreach to tribes to support self-determination and self-governance and to increase the number of tribes interested in performing OST trust programs or seeking authority to utilize the TrustNet to access OST electronic trust systems. OEA will utilize its additional resources to meet fixed costs and sustain the current workload, and will continue to work toward inclusion of performance standards for at least 75% of tribes contracting/compacting available OST trust programs.

2010 Program Performance

In FY 2010, OEA will expand its self-governance and self-determination focus to support tribal implementation on the reforms contained within the FTM. OEA will assist those requesting tribes with trust program responsibilities in accessing OST's TrustNet at their tribal facility.

- Traveling to meet with interested tribes at their locations to identify any security requirements or modifications needed for the tribal facility prior to accessing OST electronic trust systems.
- Determining costs for TrustNet access to Tribes
- Negotiating annual funding agreements, memoranda of understanding and tribal use agreements that contain security requirements and program standards for the compacting/contracting available OST programs.
- Securing approval by the required Departmental boards for any OST IT connectivity agreement with Tribes
- Coordinating activities within BIA and OST to provide trust systems training for Tribes.

In addition, OEA will support communications to stakeholders by:

- Articulating and marketing the continued goals, objectives and benefits of the FTM.
- Continuing the proactive development of communications and media materials.
- Continuing support of the national debit card program for IIM account holders.
- Enhancing OST's relationship with national and local media.
- Continuing to administer the full range of self-governance and self-determination activities to include: promoting opportunities; providing technical assistance; developing tribal share packages; negotiating proposals and program standards; and coordinating the allocation of funds.
- Continuing regular communications with Members of Congress and their staff to discuss trust reform initiatives and potential legislative solutions.
- Providing regular written updates to Congress and Tribal Leaders on the status of trust reforms.
- Coordinating and reviewing formal applications from tribes to withdraw their funds from trust, and encouraging additional tribal involvement in this program.

Office of Trust Review and Audit**(\$4,757,000/24 FTE)**

The Office of Trust Review and Audit (OTRA) reports directly to the Special Trustee, who in turn reports to the Secretary of the Interior. OTRA administers and manages the trust compliance and rating system and conducts examinations of Indian trust asset management activities Department-wide. In addition, OTRA conducts records management assessments to ensure the responsibilities and recordkeeping activities involving the life cycle management of Indian fiduciary trust program records are in compliance with established guidelines and procedures.

Program Overview:

OTRA conducts examinations, coordinates findings, generates reports, and monitors corrective actions for trust programs and records management assessments, including the evaluation of tribally-managed trust programs compacted with the Department of the Interior. OTRA also conducts special reviews at the request of Department officials, beneficiaries, or the public.

The Office of Trust Review and Audit provides independent reviews of Indian fiduciary trust programs administered by the Department of the Interior and Indian Tribes to ensure that the Secretary of Interior's responsibilities are being carried out.

Work activities support the underlying trust reform goals in the CTM to improve beneficiary services, Indian trust ownership, management of land and natural resources, management of trust fund assets, and support Indian self-governance and self-determination. Streamlining of processes and improvement of the efficiency of operations is supported through monitoring the reviews performed of Indian trust asset management activities Department-wide and providing timely reports and recommendations to Departmental senior management on efficiency, and effectiveness of operations and compliance with applicable laws and regulations at the program and/or field office level.

The Indian Trust Rating System (rating system) was developed to provide a method for assessing the operational effectiveness of trust asset management activities Department-wide. The successful implementation of the rating system provides a management tool to allow timely identification and correction of weaknesses in trust function performance. It also helps OTRA identify those agencies that need full reviews rather than summary reviews. This rating system is comprehensive and is being applied in a uniform manner. It provides a methodology for rating the overall effectiveness of an Agency or Tribe based on: (1) Management - the capabilities and quality of management, (2) Asset Management - management of Indian trust assets, (3) Compliance - compliance with applicable laws, regulations, policies, procedures and accepted standards of fiduciary conduct, and (4) Operations - effectiveness and efficiency of operations, including the adequacy and effectiveness of internal controls.

To comply with the mandates of the *1994 Trust Reform Act* and the Court, OST has revised the evaluation process to be more thorough and more useful to the Department and the participating tribes as part of the trust reform initiative. These more intense examinations have increased oversight and provided information to managers of trust programs at the Tribal and Federal levels that should result in improved overall management of the programs. Due to the

comprehensive nature of these examinations, and the much larger universe of trust programs that must be evaluated, examinations are based on a determination of where there is the highest risk. Rising salaries, fuel costs, transportation and other travel costs, and other fixed costs are increasing the cost to perform assessments and examinations.

	2008 Actual	2009 Estimate	2010 President's Budget
Records Management Assessments (180 sites)			
Number of sites reviewed	72	40	40
Trust Examinations (180 sites)			
Number of sites reviewed	43	38	38

2010 Program Performance

- Apply the comprehensive Indian Trust Rating System to all entities evaluated.
- Perform 38 Indian Trust Examinations on Departmental and tribal entities performing trust functions or follow-up reviews for the highest risk agencies and tribes based on the Indian Trust Rating System.
- Perform 40 records management assessments or follow-up reviews on corrective action plans for records management assessments.
- Track and perform follow-up on examination findings and recommendations for all recommendations that remain open for six months beyond receipt of corrective action plan.
- Perform quarterly follow-up on corrective action plans for records management assessments.
- Continue to advise senior managers when examination and records assessment findings are not timely resolved, and follow-up until findings are addressed satisfactorily.
- Provide timely and effective responses to allegations and/or complaints regarding the management of trust assets.
- Continue efforts to improve efficiency by seeking ways to streamline the trust examination process.
- Collaborate with other Departmental offices to validate and/or leverage management control reviews outlined in the Office of Management and Budget Circular A-123.
- Ensure examinations are performed in accordance with the "Quality Standards for Inspections" issued by the President's Council on Integrity and Efficiency.
- Ensure all OTRA employees complete, every two years, at least 80 hours of continuing professional education that enhance their professional proficiency to perform examinations. In FY 2009, employees would complete a minimum of 20 hours of continuing professional education.

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Activity: Program Operations and Support
Subactivity: Trust Accountability

	2008 Actual	2009 Enacted	2010			Change From 2009 (+/-)
			Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Trust Training (\$000)	3,080	2,063	-253	0	1,810	-253
National Indian Program Training Center (\$000)	984	984	266	0	1,250	+266
Trust Regulations Policies and Procedures (\$000)	1,481	1,591	-159	0	1,432	-159
Trust Program Management Center (\$000)	16,082	17,410	-290	0	17,120	-290
Trust Accountability	21,627	22,048	-436	0	21,612	-436
<i>FTE</i>	38	38	-1	0	37	-1

Summary of 2010 Program Changes for Trust Accountability

Request Component	\$0	FTE
<u>Program Changes:</u>		
Trust Training	0	0
National Indian Program Training Center	0	0
Trust Regulations Policies and Procedures	0	0
Trust Program Management Center	0	0
TOTAL, Program Changes	0	0

The 2010 budget request for Trust Accountability is \$21,612,000 and 37 FTE, no program changes and -1 FTE from the 2009 Enacted.

Trust Regulations, Policies, and Procedures will transfer \$182,000 and 1 FTE to Executive Direction. Trust Training will transfer \$266,000 to the National Indian Program Training Center to fund program operations. Reengineering will transfer \$350,000 to the Office of Budget, Finance, and Administration for the Intertribal Monitoring Association on Indian Trust Funds grant.

Program Overview:

The Comprehensive Trust Management Plan (CTM) laid the groundwork for the development of the FTM, which was approved by the Secretary in August 2004. In FY 2007, DOI achieved a major milestone in Trust Management Reform by converting from the BIA legacy leasing

systems to the Trust Asset and Accounting Management System (TAAMS) leasing module, which interfaces with the Trust Funds Accounting System (TFAS) and the TAAMS title module. This conversion provides a single repository of ownership for DOI processed Indian Trust land conveyance and encumbrance data. TAAMS trust data encoding goes through a Post Quality Assurance review process of key data elements in order to reasonably ensure on-going trust data encoding accuracy.

BIA and OST utilized contractors to supplement staff before, during and after the nation-wide implementation of TAAMS. The implementation of the TAAMS leasing module was paramount to the successful implementation of a Trust Funds Receivable module. With the Trust Funds Receivable module in place, BIA and OST can invoice, automatically distribute funds and track late payments for surface real assets. The implementation of TAAMS and the effort to modify the trust business processes and procedures in order to leverage the efficiency and effectiveness of the new systems continues to accomplish the trust reform improvements outlined in the FTM.

By FY 2011, Trust Accountability will be functioning in the universal support function mode as described in the FTM. The term universal support functions encompasses Reengineering or continuous business process improvement, Policies/Procedures/Directives, Risk Management, Training, Product Development Initiative (including Special Projects). The OCIO provides the IT systems support, however, Trust Accountability staff work closely with IT staff. Reengineering will continue to review processes and identify tools available in the market that DOI can use to better manage the Indian trust. Once it has done the work to model the process and get it ready for pilot, the Product Development Initiative group will take over and let any contracts, as needed, as well as involve the Trust Regulations, Policies and Procedures and Training groups to begin the process of writing detailed desk operating procedures and developing the training required when the product is integrated into the trust program. Trust Accountability will work with OCIO as necessary when dealing with new or modified information technology. Once the business process is developed and piloted, Trust Accountability will release it into production and turn it over to the trust operations program. OST's risk management program ensures that between the manager self-assessments, the reviews conducted by OTRA and the independent outside audit, OST managers can provide reasonable assurance that their programs are operating efficiently and effectively, the financial reports are reliable and OST is complying with laws and regulations.

During the last quarter of FY 2007, Trust Accountability piloted a debit card program to reduce the number of checks issued. A survey conducted in FY 2008 reported high satisfaction levels among the debit card users. The pilot went nationwide and OST plans to convert 10,000 beneficiaries to the debit card program by the end of FY 2009. During FY 2009, the OST debit card program won an award at the Debit Card Expo for its pilot success. OST offsets the debit card program costs through the reduction in costs realized from not mailing checks. It costs OST \$2.05 to mail a check versus \$0.13 to process a debit card load or bank direct deposit. These preliminary cost savings estimates do not include costs associated with the other offices that work to generate a check by system data entry or the staff that must work to locate lost or stolen checks. Other efforts to reduce the number of checks received for trust resource payments is the implementation of PayGov, which will allow lessee to make payments by EFT or ACH.

Risk Management also collaborates with other bureaus and offices providing trust services in order to be reasonably assured that these bureaus and offices are operating properly in terms of their impact on OST’s trust operations and trust fund financial statements.

Trust Training (\$1,810,000/5 FTE): The Office of Trust Training (OTT) program provides oversight, development and coordination of training efforts for DOI and tribal staff compacting or contracting trust functions. Training supports trust management reform by ensuring current and future personnel with trust responsibility duties have the necessary skills and knowledge to efficiently and effectively carry out their duties. In FY 2010, OTT will re-visit the way training is delivered to determine if travel to remote locations is necessary to maintain an effective and efficient workforce. OST will also perform an in depth evaluation on training programs that may be more cost effectively performed at NIPTC and implement such training programs. OTT’s performance data is based on the number of OST employees that are required to receive the Cannon Certified Indian Fiduciary Trust Specialist (CIFTS) certification. Specialists are designated upon completion of certification requirements. Cannon offers 8 courses which are required for certification. The certification courses are offered three times during the year. In FY 2009 and FY 2010, the review and exam sessions will be offered twice each year.

Trust Training - Performance Data	2008 Actual	2009 Estimate	2010 Estimate
Number of certification classes offered for the Cannon Certified Indian Fiduciary Trust Specialists (CIFTS)	26	20	20

Trust Regulations, Policies and Procedures (\$1,432,000/9 FTE): The Office of Trust Regulations, Policies and Procedures (OTP) oversees, coordinates, and facilitates the adoption and implementation by DOI of consistent written policies and procedures governing the performance of the Secretary’s fiduciary trust responsibilities. OTP is responsible for ensuring organizational knowledge and access to applicable trust regulations, policies, procedures, and practices. OTP assists in and tracks the development of appropriate trust regulations, policies, procedures, manuals, and training materials. OTP ensures that fiduciary principles consistent with the Secretary’s fiduciary trust responsibilities and the Reform Act are integrated into the trust regulations, policies, procedures, manuals and training materials that guide DOI’s discharge of those responsibilities.

During FY 2009 and FY 2010, OTP will implement a comprehensive electronic fiduciary library that includes the trust policies/procedures, etc. that other bureaus and offices follow. Additionally, the continuation of the Trust Liaison Group meetings, which consists of representatives from bureaus and offices providing trust services will continue to meet. Additionally, with the re-connection to the internet, OTP will be able to explore additional ways to obtain, maintain and make available to staff trust policies/procedures and other directives.

Office of Policy and Procedures Performance Data	2008 Actual	2009 Estimate	2010 Estimate
Number of policies/directives developed/revised	26	26	26
Number of procedures developed/revised	27	27	27
Number of interim procedures developed	1	0	0
Number of delegations of authority developed/revised	23	23	23
Number of work tickets and forms revised	13	13	13
Number of handbook bulletins developed/revised	24	23	23

Trust Program Management Center

(\$17,120,000/23 FTE):

(Dollars in Thousands)

Programs		2008 Actual	2009 Enacted	2010			Change From 2009 (+/-)
				Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Risk Management	(\$000)	651	615	+10	0	625	+10
	FTE	4	4			4	0
Reengineering	(\$000)	3,216	2,411	-329	0	2,082	-329
	FTE	8	8			8	0
Probate Clean Up	(\$000)	8,247	9,906	0	0	9,906	0
	FTE	0	0			0	0
Product Development Initiative	(\$000)	1,127	1,131	+24	0	1,155	+24
	FTE	9	9			9	0
Data Quality and Integrity	(\$000)	2,841	3,347	+5	0	3,352	+5
	FTE	2	2			2	0
Trust Program Management Center Total	(\$000)	16,082	17,410	-290	0	17,120	-290
	FTE	23	23	0	0	23	0

The Trust Program Management Center (TPMC) provides project development and coordination to accomplish and continuously improve OST trust reform program administration and project management efforts. TPMC provides guidance and support necessary to successfully implement trust reform activities outlined in the CTM as well as monitor and report on progress made and resources expended toward overall trust program objectives. The work carried out by the TPMC supports creation of an Interior trust organization with the structure, policies, and procedures that fulfill Interior’s trust responsibilities, all with a beneficiary focus.

Risk Management (\$625,000/4 FTE): Implementing the FTM directly relates to the OST Risk Management Program performance measure. Our trust reform efforts are grounded in a risk-based approach. The Risk Management Program has been steadily moving from a reactive approach of trying to achieve an acceptable level of risk to a proactive approach.

approach is accomplished through identification of risk associated with program activities and placing proper controls to mitigate identified risk. As OST continues implementation, OST programs related to the trust reform initiatives are conducting risk assessments to provide reasonable assurance that the OST programs are operating efficiently and effectively and the financial reporting is free of material misstatement. OST intends to strengthen its risk management program by: increasing the quantity of field locations tested; improving OST staff expertise based on offering of risk management training; increasing Risk Management staff to support internal programs and Office of Financial Management led internal control efforts across bureaus more efficiently; enhancing the existing risk management tool (RM-PLUS) to facilitate more efficient assessing and reporting; and continued alignment of RM-PLUS with regulatory and legislative requirements, in particular, OMB Circular A-123, with appendices.

Risk Management - Performance Data	2008 Actual	2009 Estimate	2010 Estimate
Number of Program Self-Assessments Performed in Automated Tool (RM-Plus)	63	63	63
Number of Programs Tested	50	37	37

Reengineering (\$2,082,000/8 FTE): Reengineering continues to ensure that the most effective and efficient business processes are being utilized. Periodic review of DOI’s Strategic Plan, the CTM, DOI’s business environment and other trust-related activities is accomplished by Reengineering staff to ensure the FTM continues to align with DOI’s responsibilities for trust reform, as well as enhance beneficiary services.

From FY 2006 through FY 2008, Reengineering concentrated their efforts on DOI’s Regulatory Initiative and standardization of BIA Handbooks. The initial focus was to develop regulatory changes required by AIPRA and assist DOI through Federal Register publication of Final Rules. Subsequent regulatory changes concentrated on further implementation of trust reform initiatives identified in the FTM. In FY 2007, Reengineering implemented processes which allow for trust funds, collected at the Indian trust funds commercial lockbox to be automatically distributed to beneficiary accounts maintained in TFAS. In addition, Reengineering drafted BIA handbooks to standardize existing operating procedures and began development of performance metrics that will determine how long it should take to process transactions. Once the metrics are identified, staffing and the level of experience required can be determined. Reengineering staff want to take a hard extensive look at any enhancements the internet can provide. Reengineering, working with the BIA, is evaluating and recommending ways to become more efficient and effective by streamlining: (1) Land Titles and Records Office (LTRO) operations, (2) Probate preparation processes, (3) surface leasing processes and (4) Indian trust fund billing, collection, and distribution processes. As part of metric development, the priority of processing primarily based on risk is also determined.

During FY 2009 and FY 2010, the Reengineering staff will be working with BIA to finalize the Title Plant Handbook with detailed procedures as well as work with the title plant managers to identify what remains to be done in order to reach the goal of maintaining current title. The Reengineering team is also working with the Office of Appraisal Services to revamp their handbook to include at least best practices for mineral appraisals. Two other Reengineering

efforts over this two year period are the oil and gas conversion and Reengineering’s efforts to support BIA with the oil boom at the Three Affiliated/Ft. Berthold Agencies.

Re-engineering – Performance Table	2008 Actual	2009 Estimate	2010 Estimate
Standard Lease and Conveyance Project - Development, testing and deployment of prototypes for *agricultural leasing and ** land acquisition	N/A	1**	1**
Post TAAMS Conversion - # of workflow assessments performed	7	5	5
DOI Regulatory Initiative - # of regulations finalized and published	3	4	4
Policies and Procedures (external) - # of BIA policies and procedures updated as a result of the DOI regulatory initiative	5	7	7
Policies and Procedures (external) - # of other BIA realty related policies and procedures (non-DOI reg related)	5	5	5
Policies and Procedures (external) - # of other BIA land use compliance policies and procedures (non-DOI reg related)	1	2	2
Policies and Procedures (external) - # of other BIA land ownership and use policies and procedures (non-DOI reg related)	3	3	3
Reengineer OST Trust Services - # of business processes reengineered	2	3	3
Reengineer OST Trust Services - # of policies and procedures update	2	3	3
Program Metrics - # of BIA program metrics developed	6	5	5
Training Curriculum Development and Support - Provide subject matter expertise in the development of FTM training curriculum	4	3	3
Communication - Provide project management support in the development and implementation of the communications plan	1	1	1
Automation - Provide project management support in the development and implementation of automating manual processes	3	2	2
Risk Management - Provide project management support in the development and implementation of reconciling on/off budget accounts; review TAAMS/TFR, previous OTRA findings and external audit findings; A-76 studies and review BLM	2	2	2
Staff Realignment - Identify potential realignment of job functions due to standardization, modernization and efficiencies within BIA and OST offices	N/A	2	2
Workforce Planning - Develop workforce plan that reexamines and proposes staffing levels and funding needs within BIA and OST	N/A	2	2

Probate Cleanup (\$9,906,000/0 FTE): The responsibility for directing overall probate cleanup efforts rests with BIA. OST oversees backlog elimination efforts; ensures coordination of policies, practices and systems; provides funding to the Office of Hearings and Appeals for probate adjudication; and provides guidance in identifying problems and potential solutions in the process of eliminating probate backlogs. The immediate goal of OST is to work with BIA to identify, reconcile, and align the probate information contained in TAAMS, TFAS and the BIA’s Probate Tracking System. By accomplishing this, Interior’s probate processing activity will be better monitored to help ensure probate work is completed and probate order backlog processing is timely identified and minimized.

OHA Probate Performance Data 2008-2010				
	# of cases pending beginning of year	# of new cases received	# of cases decided	# of cases pending end of year
FY 2008	3,765	7,165	7,120	3,810
FY 2009	3,810	6,500	6,630	3,680
FY 2010	3,680	6,500	6,630	3,550

Product Development Initiative (\$1,155,000/9 FTE): The Product Development Initiative program provides support to new and reengineered processes, supports the pilot implementation of new or revised policies, tests procedures and stabilizes processes prior to release to the program operations within any DOI bureau or office conducting Indian trust business. The program can lead both short and long term Indian trust projects which involve developing and implementing new business processes and procedures. Also, this program leads complex trust fund distribution activities which involve extensive research. In addition, this program will monitor the SDA policy to ensure compliance.

In FY 2007, this program developed a streamlined/automated methodology for distributing Youpee Escheat funds. In FY 2008, this program tested the methodology and training offered to BIA personnel in the use of this streamlined/automated method. In FY 2009 and FY 2010, OST anticipates the BIA will be fully utilizing the streamlined/automated method to distribute Youpee Escheat funds as a contractor identifies the deposits in the Youpee accounts to a tract.

Data Quality and Integrity (DQ&I) (\$3,352,000/2 FTE): The DQ&I program funds a trust data cleanup project where TAAMS Critical Data Elements (CDE) are validated and/or corrected and Post-Quality Assurance (Post-QA) reviews of TAAMS system entries are conducted to help ensure updates to CDE are accurate. In FY 2007, the DQ&I project supported the BIA's effort to convert to the TAAMS leasing module by: (1) assisting the BIA with their encumbrance encoding; (2) encoding conveyance documents into the TAAMS title module; (3) correcting multiple landowner identification (ID) numbers, and (4) analyzing landowner ID numbers and ownership interests in the TAAMS title module to determine their accuracy. During TAAMS pre-conversion activities, there were also certain tracts and encumbrances which were not analyzed due to the low risk associated with those tracts and encumbrances. During FY 2009 and FY 2010, the DQ&I project is concentrating on any remaining post-conversion clean up, title plant or realty backlogs, and the land database to support the self validation process developed. DQ&I also continues to support Post Quality Assurance.

Also, during FY 2009, FY 2010, and FY 2011, the DQ&I project, with funding assistance from BIA, will continue to resolve post-conversion variance, multiple owner identification numbers (MOID), title plant projects, realty projects and the continued enhancement of the database holding the tract for the self validation process.

2010 Program Performance

The FY 2010 allows the successful implementation of all the trust reform improvements identified below.

- Reengineer business processes in order to make multi-year efforts that began in FY 2009 more timely and efficient targeting title plant, realty, appraisals and oil and gas.
- Ensures risks are identified and mitigated, whenever possible, in the management of the Indian trust.
- Improves the accuracy and timeliness of updating Indian trust data maintained in TAAMS on a continual basis through the continued review and trouble-shooting of the new systems and implementing corrections.

- Ensures policies and procedures, as they pertain to Indian trust management, are standardized, uniform, updated and, most importantly, communicated and trained on.
- Ensures all DOI personnel, with Indian trust responsibilities, are trained to efficiently and effectively carry out their trust duties through the review and roll-out of skills models.
- Lead and implement DOI's trust reform improvements by leveraging the Internet, fully utilizing information technology, and implementing refined and streamlined business processes.
- In partnership with the U.S. Treasury, implement Check 21 processing to eliminate paper clearing of checks received at the Indian trust funds lockbox.
- In partnership with the U.S. Treasury, implement online electronic payment of trust funds due from Lessees (Gov Pay).
- Partner with BIA to implement electronic document preparation and signature approval in the TAAMS environment.
- Develop new policies and procedures for new processes implemented.
- Develop a change management policy and procedure for system change management.

Activity: Program Operations and Support
Subactivity: Field Operations

	2008 Actual	2009 Enacted	2010			Change From 2009 (+/-)
			Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Field Operations (\$000)	23,659	23,476	+650	0	24,126	+650
Office of Appraisal Services (\$000)	8,686	8,739	+164	2,000	10,903	+2,164
Field Operations	32,345	32,215	+814	2,000	35,029	+2,814
<i>FTE</i>	297	313	0	0	313	0

Summary of 2010 Program Changes for Field Operations

Request Component	(\$000)	FTE
<u>Program Changes:</u>		
Office of Appraisal Services	+2,000	0
TOTAL Program Changes	+2,000	0

Justification of 2010 Program Changes

The FY 2010 budget request for Field Operations (excluding the Office of Appraisal Services program) is \$24,126,000 and 250 FTE, a program change of \$0 and 0 FTE from the FY 2009 Enacted. The FY 2010 budget request for the Appraisal Services program is \$10,903,000 and 63 FTE, a program increase of +\$2,000,000 and 0 FTE from the FY 2009 Enacted.

The Office of Appraisal Services (OAS) proposes a program increase of +\$2,000,000. In FY 2007, FY 2008, and FY 2009, OAS required over \$2 million in carryover to sustain program operations.

The scope of merit-based activities:

- Attain 96% of appraisal reports within requestor business requirements.
- Improve and adjust the appraisal business process.
- Deploy a desktop appraisal application that generate USPAP and UASFLA compliant appraisal reports.

Appraisal Services

(+\$2,000,000/0 FTE)

Over the past few years, the leadership and management of the Appraisal Services program has improved significantly due to the establishment of new positions within OST. There is now a Deputy Chief Appraiser and a Director, Administrative Operations. These changes have enhanced the consistency in tracking and reporting backlogs and reduced the number of appraisal backlogs. Increased funding will support performance program evaluations and compliance audits. The +\$2,000,000, program increase would restore OAS’ funding to fulfill actual program spending levels.

Program Overview

Field Operations

(\$24,126,000/250 FTE)

Field Operations is the primary point of contact for Tribal, individual Indian and Alaska Native beneficiaries seeking information and services regarding their trust assets. The field staff assists beneficiaries on a daily basis at regional, agency, and urban locations regarding account statements, account balances, other account attributes, receipts, disbursements, leases and leasing, probate processing, and provides any other trust asset information or assistance beneficiaries may need. Regional Trust Administrators (RTAs) and Fiduciary Trust Officers (FTOs) in selected locations provide the managerial presence for responsive and proactive beneficiary services at the local level in cooperation and collaboration with BIA and other Departmental Agencies engaged in Indian trust matters.

OST continues evaluating its service areas/outputs relative to existing ABC activity codes. Some codes will be updated and others will be modified to facilitate meaningful information in evaluating outputs to costs. Field Operations continues to use a combination of financial reports and ABC data to assess costs associated with targeted performance levels.

RTAs provide technical assistance on trust matters, supporting the Department of the Interior in meeting its fiduciary obligations to individual Indians, Alaska Natives and Tribes. This assistance includes responding to complex Congressional, Tribal and individual beneficiary inquiries; monitoring statutory and regulatory developments, and providing risk management and litigation support activities. RTAs provide direct line authority and supervision to 52 agency level FTOs. In addition, they are responsible for reviewing and authorizing complex and high dollar trust transactions.

The FTOs are located across Indian Country and in select urban locations with significant trust beneficiary populations. This local presence allows beneficiaries easy, direct access to individuals dedicated to meeting their trust needs. FTOs and support staff provide beneficiaries with convenient access to trust account information and other trust products and services. FTOs, like the RTAs, are delegated with disbursement approval authority and oversight responsibility. The goal is



Fiduciary Trust Officer and staff conducting beneficiary outreach.

to provide services to beneficiaries that are trusted, timely, accurate, and responsive to their needs. FTO responsibilities include coordinating trust asset management activities with the BIA and other related government agencies in their respective geographic area. FTOs provide guidance to support staff in the examination, verification, and management of accounts and accounting information. They also ensure that responses to trust beneficiary requests are tracked and addressed in a timely, courteous, and accurate manner. The FTOs' activities and beneficiary focus significantly enhance the Department's ability to meet its trust obligations to individual Indians, Alaska Natives and Tribes.

The Trust Beneficiary Call Center (TBCC), located in Albuquerque, New Mexico is a nationwide toll free call center (1-888-678-6836) that provides a convenient "one-stop" service for all beneficiary inquiries. Beneficiaries can now easily access information regarding their account statements, account balances, other account attributes, receipts, disbursements, leases and leasing, probate processing, and other trust activities, including reform developments and implementation (e.g., TAAMS leasing conversions, lockbox, oil and gas activity, and debit card) at their convenience by calling the toll free number. The call center's operating hours are 7:00 AM to 6:00 PM MT Monday through Friday and 8:00 AM to Noon MT on Saturday. Contract personnel trained in various trust beneficiary issues and with access to all trust systems make up the majority of TBCC staff that operates the call center. Field Operations monitors the contractors work and provides technical direction and guidance and managerial direction as needed.

After four and-a-half years of operation, the call center has received over 430,000 calls and provided a first-line resolution for calls in excess of 92% of the requests. This level of front line resolution is substantially higher than the industry average of 49% for government and non-profit organizations. Historical trend analysis suggests TBCC will receive approximately 150,000 inquiries annually by FY 2010. First-line resolution by TBCC means that the call center is able to address the beneficiary's inquiry without having to refer the call to the field for assistance. This allows BIA and OST field staff to focus on other trust service duties without interruption. Occasionally, the complexity of the beneficiary's inquiries requires that OST staff obtain

information from other agencies in the Department of the Interior that generally is not provided without extensive research. The TBCC's service center tracking system deployed throughout the field assures that beneficiaries receive consistent and timely responses and information and allows field staff to track requests and avoid duplication. Overall, this allows BIA and OST field staff to concentrate more of their efforts and energies to extending trust services locally.

Field staff will look to increase productivity of trust resources, engaging beneficiaries in trust asset/resource management and developing collaborative efforts with other tribal, private, and governmental entities to increase valuation and marketability of trust assets. Furthermore, Field staff will concentrate their efforts in working with local Indian communities, tribes, and individual Indians providing information through various outreach programs.

The management and operation of the "Whereabouts Unknown" (WAU) project was transferred to OST – Field Operations from Trust Accountability in FY 2006. There are currently 83,673 WAU beneficiaries representing \$72.1 million at the end of FY 2008. In FY 2008, Field Operations located approximately 26,000 "Whereabouts Unknown" (WAU) accountholders and disbursed in excess of \$26,000,000 to former WAU beneficiaries. WAUs are beneficiaries whose current addresses are not known by OST and therefore are unable to receive disbursements or statements from their trust accounts. It is a priority for Field Operations to locate these WAU accountholders.

In FY 2010, under the direction of Field Operations, the focus will continue to be on locating and updating current addresses for WAU accountholders. The responsibility for locating current addresses for WAU accountholders is coordinated across the entire Field Operations enterprise; FTOs and their staff, TBCC staff and contractor assistance. Comprehensive methods and tools are employed by Field Operations to obtain accountholder addresses through the utilization of outreach activities and accessing locator service databases.

Finally, Field Operations plays a crucial role in response to requests from tribes seeking to withdraw trust funds for management outside of the Federal government pursuant to *The American Indian Trust Fund Management Reform Act of 1994*.

2010 Program Performance

In FY 2010, Field Operations will meet its fiduciary obligations to individual Indians, Alaska Natives and Tribes by providing beneficiaries with a dedicated primary point of contact focused on providing beneficiary services in a timely, courteous, and accurate manner. Specifically, Field Operations will take the following actions:

- Maintain and enhance strategic partnerships with respective Department's bureaus and agencies with Indian trust responsibilities. These partnerships enhance communication to beneficiaries and promote a beneficiary focus throughout the Department.
- Continue interaction with Tribal, individual Indian and Alaska Native beneficiaries through at least 1,300 local community outreach programs regarding asset management and trust reform initiatives. Community outreach informs beneficiaries of current trust initiatives and services available to them. It also provides Field Operations, as the primary

point of beneficiary contact, with an additional channel of communication to reach beneficiaries who might not otherwise be in contact with the Department. These outreach events are usually in partnership with other agencies or organizations that can assist beneficiaries by providing information or services relevant to the management of individual and tribal trust assets.

- Continue to participate in the implementation and continuation of reform initiatives (involving TBCC, locating WAUs, collection via Lockbox, AIPRA, debit card, TAAMS post-conversion cleanup, trust program training, risk and records management) in partnership with BIA and other government entities. The participation of Field Operations in trust reform initiatives ensures that these efforts are effective at the local level.
- Proactively identify and assist in the implementation of additional reform activities as needed, i.e., in support of ever-evolving program areas such as trust program training, developing policies and procedures, streamlining business processes, risk and records management. As the primary point of beneficiary contact, Field Operations is uniquely situated to identify and respond to evolving beneficiary needs.
- Continue to locate 30% of whereabouts unknown account holders as of 09/30/08. Disbursement of funds previously held in WAU accounts has a positive economic impact in Indian Country.
- Respond to 90% of beneficiary inquiries within two business days and respond to the balance of these inquiries within 30 days.
- Actively engage 2,000 selected Tribal and individual Indian beneficiaries in management of their trust assets.
- Seek to establish direct deposit or debit card capabilities for 10,000 individual Indian beneficiaries and electronic fund transfers for Indian Tribal governments. Direct deposit and debit cards provide faster disbursement while reducing the risk of lost or stolen funds.
- Continue advocating the importance of estate planning for individual Indian beneficiaries. Proper planning can reduce fractionation and enhance the use and value of trust lands for beneficiaries while reducing long term administrative costs.
- Maintain Trust Officer presence in field offices.
- Address Field Operations recommendations from internal and external program reviews.
- Continue to improve the efficiencies of the lockbox operations.
- Continue to migrate trust transaction activities to the local field level.
- Continue to encourage an engaged workforce.

Program Performance Overview										
End Outcome Goal: Fulfill Indian Fiduciary Trust Responsibilities										
End Outcome Measure/Intermediate or PART Measure/PART Efficiency or Other Outcome Measure	Type	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
Strategy 1: Ownership information that is accurate, timely, and reliable										
Ownership Information: Percent of Whereabouts Unknown accounts resolved. (SP)	A	36% (19,415/ 54,760)	33% (15,322/ 46,630)	37% (19,795/ 53,899)	25% (18,800/ 75,200)	34.4% (25,921/ 75,200)	25% (20,918/ 83,673)	30% (23,400/ 78,000)	+5% (+2,482/ -5,673)	30% (14,901/ 49,673)
Total Actual /Projected Cost (\$000)		\$1,658	\$1,309	\$1,921	\$720	\$635	\$500	\$515	+\$15	\$546
Actual/Projected Cost per Account resolved		\$85.40	\$85.43	\$97.04	\$38.30	\$24.50	\$23.92	\$22.01	-\$1.91	\$36.66
Comments:		<i>In order to operate within the funding for Field Operations for FY 2008 and subsequent years, the WAU project along with several other functional areas were reduced. FY 2008 increases is a result of adding non-income producing accounts to TFAS.</i>								
Δ Contributing Programs:		Field Operations								

Appraisal Services**(\$10,903,000/63 FTE)**

The Office of Appraisal Services (OAS) is responsible for the Indian lands valuation program, which was established to provide impartial estimates of opinions of value for a specific variety of real property interests held or owned in trust or restricted status for Indian Tribes, individual Indians, and Alaska Natives. The types of land transactions include, but are not limited to, sales, leases rights-of-way; exchanges; grazing and range permits and trespass settlements, as well as other types of transactions.

OAS continues to address appraisal requests on trust lands. OAS completed 4,837 appraisals in FY 2008 (excluding appraisals completed using the Agware software appraisal program) and anticipates completing approximately 6,000 appraisals in FY 2009 (again, excluding any appraisals completed using the Agware software appraisal program). OAS also anticipates being in a position to include information from compact/contract tribes in an effort to get a better handle on appraisals throughout Indian Country. It is also anticipated that further refinement and implementation of the Appraisal Request and Review Tracking System (ARRTS) and continued deployment of Agware will improve productivity and provide more efficiencies within the appraisal program.

OAS consists of state certified general appraisers who provide the valuations in accordance with nationally recognized appraisal standards and appraisal policies and procedures of OAS and DOI.

It is the DOI's policy that all appraisal practices completed by DOI must conform to the current Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of The Appraisal Foundation—updated and published regularly—and the current edition of the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA) promulgated by the Interagency Land Acquisition Conference, as applicable.

Appraisal Services Performance Data

	2008 Actual	2009 Estimate	2010 Estimate
Number of cases carried over from previous FY	659	0	0
New appraisal requests received in FY	6,440	6,250	6,250
Number of backlog completed	1,212	0	0
Number of new appraisal requests completed in FY	4,837	6,000	6,000
Number of new pending appraisal requests remaining at the end of FY	1,050	250	250

2010 Program Performance

- Attain 96% of appraisal reports within requestor business requirements.
- Continue to improve and adjust the appraisal business process, where feasible.
- Continue the deployment of an appraisal software application that generates USPAP and UASFLA, where applicable, compliant appraisal reports.
- Update and implement OAS appraisal program policies, procedures, and guidance.

Program Performance Change

	2006 Actual	2007 Actual	2008 Actual	2009 Plan	2010 Base Budget (2009 Plan + Fixed Costs)	2010 President's Budget	Program Change Accruing in 2010	Program Change Accruing in Out-years
					A	B=A+C	C	D
Appraisals: Percent of appraisal reports completed within requestor business requirements.	89% (3,358/ 3,774)	84.3% (5,900/ 7,000)	68.14% (4,837/ 7,099)	96% (6,000/ 6,250)	96% (6,000/ 6,250)	96% (6,000/ 6,250)	0% (0/0)	0% (0/0)
Total Actual /Projected Cost (\$000)	\$9,679	\$9,735	\$8,966	\$8,739	\$10,903	\$10,903	\$0	\$0
Actual/Projected Cost Per unit	\$2,882	\$1,650	\$1,860	\$1,457	\$1,817	\$1,817	\$0	\$0
Comments:	<i>With the implementation of alternative appraisal methodologies and streamlining appraisal processes, OAS has increased its current performance and long-term target to 96%.</i>							

Activity: Program Operations and Support
Subactivity: Trust Services

	2008 Actual	2009 Enacted	2010			Change From 2009 (+/-)
			Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Trust Services (\$000)	10,388	12,022	+315	0	12,337	+315
Total	10,388	12,022	+315	0	12,337	+315
<i>FTE</i>	123	121	0	0	121	0

Summary of 2010 Program Changes for Trust Services

Request Component	(\$000)	FTE
<u>Program Changes:</u>		
Trust Services	0	0
TOTAL, Program Changes	0	0

The 2010 budget request for the Office of Trust Services is \$12,337,000 and 121 FTE, a program change of \$0 and 0 FTE from the 2009 Enacted.

Program Overview

Trust Services

(\$12,337,000/121 FTE)

The United States Congress has designated the Secretary as the trustee delegate with responsibility for the monetary and non-monetary resources held in trust on behalf of American Indian tribes, individual Indians, and other trust funds. In carrying out the management and oversight of the Indian trust funds, the Secretary has a fiduciary responsibility to ensure that trust accounts are properly maintained, invested, and reported in accordance with the *American Indian Trust Fund Management Reform Act of 1994* (Reform Act), Congressional action, and other applicable laws.

Trust Services is currently using metric performance data to assess the efficiency and effectiveness of trust operations as exhibited by:

- Restructuring printing and mailing processes for beneficiary statements to save costs and increase reliability and timeliness.
- Renegotiating existing encoding and post quality assurance contracts to facilitate phasing out of personnel services by using increased automation.
- Utilizing employee performance metrics to assess and validate individual and team performance. Data is used to identify performance standards and training needs.
- Partnering with BIA for development of an integrated accounts receivable system for improved tracking of trust land use payments.

Trust Services is responsible for the individual Indian, Alaska Native and tribal trust funds accounting, investment and reporting fiduciary responsibilities of the Department. This Office provides leadership, guidance and oversight of the development of policies, procedures, and processes to ensure proper management of trust funds on behalf of beneficiaries. Trust Services supports Indian Fiduciary Trust Responsibilities through performance measures of providing timely and accurate financial account information to trust beneficiaries, the timely recording of oil and gas royalties in the trust accounting system and the accurate processing of financial information in trust beneficiary accounts.

Trust Services manages approximately \$3.4 billion of funds held in trust for federally recognized Indian tribes, individual Indian and Alaska Native beneficiaries. Approximately \$3.0 billion is held in approximately 2,700 tribal accounts and other trust funds, including the Alaska Native Escrow Fund. Approximately \$440 million is held on behalf of individual Indians in approximately 380,000 accounts. The balances that have accumulated in the Tribal trust have resulted from claims and judgment awards, investment income, and revenues from approximately 56 million acres of trust lands. Revenues are derived from subsurface mineral extractions (coal, oil, gas, and uranium) timber, grazing, and other surface leases. IIM balances are generally on deposit as a result of restricted accounts (e.g., minors, estates, whereabouts unknown).

Pursuant to the CTM, the program's business objectives are to manage and invest fund assets to provide beneficial rates of return; and to timely and accurately collect, disburse, and account for funds associated with trust assets. Accomplishment of these objectives enables the Department to provide accurate and timely information to trust beneficiaries. The accuracy and timeliness of information is comprised of several factors: timely processing and posting of cash, account maintenance, and investment income transactions; and the accuracy of reconciliation and reporting activities on trust accounts.

Trust Services is responsible for reconciling subsidiary and control accounts and monitoring trust funds activities. This office prepares internal and external financial accounting reports for trust funds. It also is responsible for the accurate and timely preparation and submission of appropriate external reports and required tax forms. The reconciliation of trust fund activities include custodial management of proprietary data, compliance and interface with Treasury cash flow reports, and MMS and BIA receipt of funds and source documents. This Office also ensures that beneficiary Statements of Performance for accounts with valid addresses are mailed.



Check processing machine.

2010 Program Performance

The FY 2010 budget funds fixed costs increases

- Attain 99% accuracy for financial information initially processed in trust beneficiary accounts.
- Record 99% of the Minerals Management Service royalty revenue within 24 hours of receipt.
- Attain 99.5% timeliness of financial account information provided to beneficiaries.
- Continue to process probate backlog and special deposit account clean-up transactions.
- Continue to compile monthly and annual financial statements.
- Ensure that approximately 800,000 beneficiary Statements of Performance are mailed per annum.

Program Performance Overview										
End Outcome Goal: Fulfill Indian Fiduciary Trust Responsibilities										
End Outcome Measure/Intermediate or PART Measure/PART Efficiency or Other Outcome Measure	Type	2005 Actual	2006 Actual	2007 Actual	2008 Plan	2008 Actual	2009 Plan	2010 President's Budget	Change from 2009 Plan to 2010	Long-term Target 2012
End Outcome Measures:										
<u>Beneficiary Services:</u> Percent of financial information accurately processed in Trust beneficiary accounts (manual transactions). (SP)	A	99.7% (1,248,600/ 1,252,688)	99.7% (1,656,841/ 1,661,781)	99.8% (2,005,251/ 2,010,103)	98% (2,058,000/ 2,100,000)	99.5% (1,207,184 / 1,212,763)	99% (1,188,000/ 1,200,000)	99% (1,188,000/ 1,200,000)	0% (0/0)	99% (1,188,000/ 1,200,000)
<i>Total Actual /Projected Cost (\$000)</i>		\$3,952	\$4,071	\$5,714	\$5,885	\$6,391	\$5,733	\$5,700	-\$33	\$5,700
<i>Actual/Projected Cost per Transaction</i>		\$3.15	\$2.45	\$2.85	\$2.86	\$5.29	\$4.78	\$4.75	-\$0.03	\$4.75
Comments:	<i>The numerator and denominator for this measure are manual transactions. The unit cost is based on contractor cost for manual transactions for probate.</i>									
Δ Contributing Programs:	Trust Services									
<u>Beneficiary Services:</u> Percent timeliness of financial account information provided to trust beneficiaries. (SP)	A	99.1% (662,685/ 668,646)	100% (719,058 / 719,058)	92% (688,117/ 747,799)	99.5% (796,000 / 800,000)	100% (766,589 / 766,589)	99.5% (746,250/ 750,000)	99.5% (746,000/ 750,000)	0% (-250 / 0)	99.5% (746,000/ 750,000)
<i>Total Actual /Projected Cost (\$000)</i>		\$447	\$252	\$341	\$712	\$415	\$768	\$800	+\$36	\$800
<i>Actual/Projected Cost per Statement</i>		\$0.67	\$0.36	\$0.50	\$0.89	\$0.54	\$1.02	\$1.07	+\$0.05	\$1.07
Comments:	<i>The addition of asset information included in beneficiary statements increases the number of total statement pages by approximately 100%. Page count per statement is a significant cost driver for the production of statements and accounts for the increase shown in FY 2009. FY 2008, FY 2009 and FY 2010 projected costs include postage (prior years included only costs to produce the statements).</i>									
Δ Contributing Programs:	Trust Services									
<u>Ensure Timeliness of Mineral Revenue Payments to American Indians:</u> Percent of revenue recorded in the Trust Financial Accounting System within 24 hours of receipt (SP)	A	100% (\$140,185,716/ \$140,185,716)	99.8% (\$210,613,673/ \$211,097,665)	100% (\$158,016,229/ \$158,016,229)	99% (\$242,550,000/ \$245,000,000)	99.9% (\$132,688,072/ \$132,874,096)	99% (\$242,550,000/ \$245,000,000)	99% (\$133,650,000/ \$135,000,000)	99% (-\$108,900,000/ -\$110,000,000)	99% (\$133,650,000/ \$135,000,000)
<i>Total Actual /Projected Cost (\$000)</i>		\$4.3	\$4.5	\$6.4	\$6.6	\$12.1	\$6.8	\$7.0	\$0.20	\$7.0
<i>Actual/Projected Cost per day Revenue Recorded.</i>		\$17.20	\$18.00	\$25.60	\$26.40	\$49.73	\$27.20	\$28.00	\$0.80	\$28.00
Comments:	<i>Revenue reported reflects oil and gas collection from Minerals Management Service.</i>									
Δ Contributing Programs:	Trust Services									

Activity: Program Operations and Support
Subactivity: Historical Trust Accounting

	2008 Actual	2009 Enacted	2010			Change From 2009 (+/-)
			Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Historical Trust Accounting	55,504	56,445	+91	0	56,536	+91
Total	55,504	56,445	+91	0	56,536	+91
<i>FTE</i>	<i>34</i>	<i>35</i>	<i>0</i>	<i>0</i>	<i>35</i>	<i>0</i>

Summary of 2010 Program Changes for Historical Trust Accounting

Request Component	(\$000)	FTE
<u>Program Changes:</u>		
Historical Trust Accounting	0	0
TOTAL, Program Changes	0	0

The 2010 budget request for the Historical Trust Accounting is \$56,536,000 and 35 FTE, a program change of \$0 and 0 FTE from the 2009 Enacted.

Office of Historical Trust Accounting (\$0/0 FTE)

OHTA will reduce the IIM historical accounting funding to the \$31.536 million level, which is a reduction of \$8.464 million from FY 2009 enacted. OHTA will fund the Tribal trust historical accounting at \$25 million. The increase of \$8.555 million over the FY 2009 level will allow OHTA to address the increase in the number of Tribes involved in trust accounting lawsuits. The full effect of the Tribal lawsuit increase continues to be discovered as OHTA is asked by Interior’s Office of the Solicitor (SOL) and the Department of Justice (DOJ) to provide account and investment information, produce supporting documents, conduct account and transaction analysis, and to participate in meetings with Tribal representatives to discuss the Tribe’s claims and possible resolution or support the litigation of Tribal cases.

Each tribal case creates a significant increase in OHTA’s workload, possibly including:

- Briefings on the results of the 1996 Tribal Reconciliation Project (TRP)
- Providing copies of the TRP reports and updated disks of reconciliation data and document images to each tribe
- Producing copies of MoneyMax and other investment reports concerning Tribal funds for each Tribal law suit
- Responding to document production requests from each tribe

- Conducting data validation to provide each tribe with trust account databases from 1972 to present
- Providing litigation support to SOL and DOJ in the form of document search, expert analysis, and targeted accounting (for example, conducting analysis of invested earnings as part of settlement discussions)
- Conducting accounting analysis of specific funds mismanagement and investment claims
- Conducting historical accountings of tribal trust accounts and tribal IIM accounts
- Participating in and supporting analysis in settlement negotiations

Program Overview

In 1994, Congress passed *The American Indian Trust Fund Management Reform Act of 1994*. This Act requires the Secretary of the Interior to “account for the daily and annual balance of all funds held in trust by the United States for the benefit of an Indian tribe or an individual Indian which are deposited or invested pursuant to the Act of June 24, 1938 (25 U.S.C. Sec. 4011(a)).” In July 2001, the Office of Historical Trust Accounting (OHTA) was created by Secretarial Order to plan, organize, direct, and execute the historical accounting of Tribal Trust Fund accounts and Individual Indian Money (IIM) accounts. OHTA’s management model is based on a small staff of Federal employees directing the efforts of a number of individual contractors. The contractors provide the critical technical expertise in areas such as accounting services, project management, information technology, data security, statistical analysis, quality control, document search, and collection and reproduction. On July 1, 2007, OHTA was aligned to report to the Special Trustee.



Imagers at work.

The Department and OHTA are now involved not only in the *Cobell v. Salazar* class action litigation, but also 94 lawsuits filed by or on behalf of approximately 116 Tribes. These cases are in Federal District Courts and the Court of Federal Claims.

Following a trial in October 2007 to review the FY 2007 Plan, the *Cobell* Court determined that the historical accounting is “impossible” because Congress will not fund the historical accounting that the Judge believes to be required in this case. A second trial was held in June 2008 to determine what if any remedy might be available to plaintiffs in the *Cobell* case. The Judge determined that plaintiffs are owed not more than \$455,600,000. Both the DOJ Appellate Division and the *Cobell* plaintiff’s appealed the ruling. The Court of Appeals has agreed to hear both appeals. Oral arguments are scheduled for May 2009.

During the delay in the proceedings, the historical accounting work continues. DOJ agrees with this approach and has asked OHTA to continue work under the FY 2007 Historical Accounting

Plan through the pendency of the appeal. Seeing that the final disposition of the *Cobell* case is unknown, the range of outcomes are endless, including other rulings, settlement discussions, and/or further appeals. The effect on OHTA's IIM-related workload is likewise unknown because the Court's ruling could require activities such as mailing certain historical statements of account. Further, the historical accounting work may continue because it is determined that it is still required by law.

At the end of calendar year 2006, many Tribes filed lawsuits because the legislation extending the statute of limitations concerning Tribal trust fund accounting and related claims expired on December 31, 2006. In part, Tribes were concerned that they would lose the right to challenge the TRP if they failed to file suit before that date. There are currently 116 litigating tribes, 94 cases pending, and 28 different judges presiding in District Courts and the Court of Federal Claims. The number of Tribal cases in active litigation or in settlement discussions is increasing. To address this increase OHTA is continuing its strategy of satisfying the critical information needs of the litigating Tribes through OHTA's document production and organization, digitization, and analysis of Tribal accounts. OHTA also will continue to support active litigation and settlement negotiations working with DOJ and SOL.

2010 Program Performance

IIM Historical Accounting

In FY 2010, program performance at OHTA continues to be based on the 2007 *Plan for Completing the Historical Accounting of Individual Indian Money Accounts*. However, a reduced level of effort from the 2007 *Plan* has to occur in FY 2010, because of the need to address priorities in the Tribal Historical Accounting. Funding for the IIM historical accounting has been reduced to \$31.536 million from \$40 million during FY 2009. Also, performance could be modified by pending changes in the status of the *Cobell* lawsuit.

OHTA will continue conducting data validation which includes interest re-calculation for two BIA Regions, thereby concluding this work for the electronic era. OHTA will also continue imaging, coding, and digitizing Paper Era ledgers for IIM accounts. Additionally, OHTA will conduct paper era data validation for two BIA Regions, continue recalculating interest for Paper Era IIM accounts, and continue reconciling transactions from the paper ledger portion of IIM accounts. With the court's permission, OHTA expects to mail IIM historical statements of account from the electronic ledger era, and respond to inquiries or appeals of those HSAs. Finally, in FY 2010, OHTA will research the rightful owners of residual balances in special deposit accounts and distribute \$2 million to individual Indians, Tribes, and third parties.

Tribal Historical Accounting

The increase for Tribal historical accounting funding in FY 2010 to \$25 million will allow OHTA to address the increase in the number of Tribes involved in trust accounting lawsuits. OHTA will continue to compile and validate Tribal Trust Fund transaction and investment data for litigating Tribes, delivering materials to 56 Tribes. OHTA will perform analysis and resolution of receipt claims for 5 Tribes and investment claims for 11 Tribes. OHTA will continue the project evaluating disbursement claims for 116 Tribes, and will continue direct support of the DOJ and Interior's SOL in active litigation and settlement negotiations.

An additional challenge is that the Tribal lawsuits are filed before 28 different judges, each of whom may establish an individual schedule for moving cases forward. OHTA is experiencing active litigation being pursued by many Tribes simultaneously which makes it impossible for OHTA to provide documents, analysis, and support to SOL and DOJ timely in every case.

To help resolve the 94 cases currently pending in various Federal Courts across the country, OHTA's Tribal Program will continue to compile, analyze, and explain an extensive volume of documents and data concerning how the Federal Government managed various funds and land assets held in trust for Native American Tribes. There are 116 tribes that have brought the 94 cases. Some of the 94 cases are being resolved through cooperative settlement negotiations. Other cases, however, are being actively litigated. The level of effort required to resolve the cases through either negotiated settlement or litigation is expanding rapidly because the 94 cases have been pending for years now (several since 2002) and, as the cases mature, the pressure and ways to resolve them become more evident.

To resolve Tribal claims, OHTA is addressing four issues common to all Tribal cases: (1) delivering key trust fund information (e.g., transaction ledgers and databases and investment reports) to Tribes, (2) reporting on the completeness of Tribal receipts, (3) providing an analysis of investments to each Tribe, and (4) testing all Tribal disbursements to create a baseline for future Tribe-by-Tribe discussions.

OHTA Activities - Performance Data 2008-2010	2008 Actual	2009 Estimate	2010 Estimate
IIM Transactions – Data Completeness Validation	7,630,533	4,500,000	3,500,000
IIM Transactions – Interest Re-Calculation Project	80,814	100,000	60,000
IIM Digitized Paper Transactions	5,589	45,000	100,000
Tribal Delivery of Trust Fund Materials	N/A	28	56
Tribal – Receipt Claims	N/A	2	5
Tribal – Investment Claims	N/A	2	11
Tribal – Disbursement Claims	N/A	87	116

Office of the Special Trustee for American Indians
(Dollars in millions)

	Treasury Account ID: 14 – 0120 – 0	2008 Actual	2009 Estimate	2010 Estimate
	Obligations by program activity			
0001	Program operations, support, and improvements	187	179	183
0002	Executive direction	2	2	2
9000	Reimbursable Program	2	5	5
1000	Total new obligations	191	186	190
	Budgetary resources available for obligation			
2140	Unobligated balance available, start of year	20	16	22
2200	New budget authority (gross)	182	187	191
2210	Resources available from recoveries of prior year obligations	5	5	5
2390	Total budgetary resources available for obligation	207	208	218
2395	New obligations	-191	-186	-190
2440	Unobligated balance available, end of year	16	22	28
	New budget authority (gross), detail			
	Discretionary			
4000	Appropriation	182	182	186
4035	Appropriation permanently reduced	-3	0	0
4200	Transferred from other accounts [14-2100]	1	0	0
4300	Appropriation (total discretionary)	180	182	186
5800	Spending Authority from Offsetting Collections	5	5	5
5810	Change in uncollected customer payments from Federal sources (unexpired)	-3	0	0
5890	Spending authority from offsetting collections (total discretionary)	2	5	5
7000	Total New Budget Authority	182	187	191
	Change in obligated balances			
7240	Obligated balance, start of year	37	33	31
7310	Total new obligations	191	186	190
7320	Total outlays (gross)	-193	-183	-190
7345	Recoveries of prior year obligations	-5	-5	-5
7400	Change in uncollected customer payments from Federal sources (unexpired)	3	0	0
7440	Obligated balance, end of year	33	31	26
	Outlays (gross), detail			
8690	Outlays from new discretionary authority	75	132	135
8693	Outlays from discretionary balances	118	51	55
8700	Total outlays (gross)	193	183	190
	Offsets			
	Against gross budget authority and outlays			
8800	Offsetting collections (cash) from Federal sources	5	5	5
	Against gross budget authority only			
8895	Change in uncollected customer payments from Federal sources (unexpired)	-3	0	0
	Net budget authority and outlays			
8900	Budget authority	180	182	186
9000	Outlays	188	178	185
9502	Unpaid obligation, end of year	33	0	0

Note: Table may not add due to rounding.

Object Classification
(Dollars in millions)

	Treasury Account ID: 14 – 0120 – 0	2008 Actual	2009 Estimate	2010 Estimate
	Object Classification			
	Direct obligations			
	Personnel compensation			
1111	Full time permanent	39	51	55
1113	Other than full-time permanent	1	1	1
1115	Other personnel compensation	1	1	1
1119	Total personnel compensation	41	53	57
1121	Civilian personnel benefits	12	13	13
1210	Travel and transportation of persons	3	3	3
1231	Rental Payments to GSA	1	2	2
1232	Rental Payments to others	5	7	7
1233	Communications, utilities	2	2	2
1251	Advisory and assistance services	1	2	2
1252	Other services	35	52	52
1253	Purchases of goods and services from government accts	15	31	31
1260	Supplies and Materials	1	1	1
1310	Equipment	2	2	2
1990	Direct obligations	118	168	172
2990	Reimbursable obligations	5	5	5
	Allocation Account			
	Personnel compensation			
3111	Full-time permanent	8	6	6
3113	Other than full-time permanent	1	1	1
3119	Total personnel compensation	9	7	7
3121	Civilian personnel benefits	2	1	1
3210	Travel and transportation of persons	1	0	0
3231	Rental payments to GSA	2	1	1
3231	Rental payments to others	2	0	0
3233	Communications, utilities, and miscellaneous charges	1	0	0
3252	Other services	51	4	4
3990	Allocation Account - direct	68	13	13
9999	Total new obligations	191	186	190

Note: Table may not add due to rounding.

Office of the Special Trustee for American Indians

Personnel Summary	2008 Actual	2009 Estimate	2010 Estimate
Direct			
Civilian full-time equivalent employment	626	669	689

**Employee Count by Grade
(Total Employment)**

	2008 Actual	2009 Estimate	2010 Estimate
Executive Level V.....	1	1	1
SES.....	11	15	15
Subtotal.....	12	16	16
SL - 00.....	0	0	0
ST - 00.....	0	0	0
Subtotal.....	0	0	0
GS/GM -15.....	27	37	37
GS/GM -14.....	100	108	108
GS/GM -13.....	88	94	94
GS -12.....	49	53	55
GS -11.....	22	26	26
GS -10.....	0	0	0
GS - 9.....	28	30	30
GS - 8.....	22	22	22
GS -7.....	164	168	168
GS - 6.....	30	31	31
GS - 5.....	61	72	73
GS - 4.....	14	18	25
GS - 3.....	5	19	31
GS - 2.....	0	0	0
GS -1.....	0	0	0
Subtotal.....	610	678	700
Other Pay Schedule Systems.....	0	0	0
Total employment (actual/estimate).....	622	694	716

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Activity: Indian Land Consolidation Program

The Indian Land Consolidation Program request will be included in the Bureau of Indian Affairs budget submission.

Office of the Special Trustee for American Indians
Indian Land Consolidation

(Dollars in millions)

		2008 Actual	2009 Estimate
	Indian Land Consolidation (14-2103)		
	Obligations by program activity		
0001	Direct Program Activity	8	5
0949	Reimbursable Program	2	0
1000	Total new obligations	10	5
	Budgetary resources available for obligation		
2140	Unobligated balance available, start of year	5	7
2200	New budget authority (gross)	12	0
2210	Resources available from recoveries of prior year obligations		
2390	Total budgetary resources available for obligation	17	7
2395	New obligations	-10	-5
2440	Unobligated balance available, end of year	7	2
	New budget authority (gross), detail		
	Discretionary		
4000	Appropriation	10	0
4300	Appropriation (total discretionary)	10	0
5800	Offsetting collections	2	0
5890	Spending authority from offsetting collections (total discretionary)	2	0
7000	Total new budget authority (gross)	12	0
7240	Obligated balance, start of year	3	3
7310	Total new obligations	10	5
7320	Total outlays (gross)	-10	-8
7440	Obligated balance, end of year	3	0
8690	Outlays from new discretionary authority	9	0
8693	Outlays from discretionary balances	1	8
8700	Total outlays (gross)	10	8
	Offsets:		
8800	Offsetting collections (cash) from: Federal sources	2	0
8900	Budget authority	10	0
9000	Outlays	8	0
9502	Unpaid obligation, end of year	2	0

Note: Table may not add due to rounding.

Object Classification
(Dollars in millions)

Indian Land Consolidation (14-2103)		2008 Actual	2009 Estimate
2990	Reimbursable obligations	2	0
	Allocation Account-direct:		
3111	Full-time permanent	2	0
3252	Other Services	1	2
3320	Land and structures	5	3
		8	5
9999	Total obligations	10	5

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**Office of the Special Trustee for American Indians
Tribal and Other Trust Funds**
(Dollars in Thousands)

	2008 Actual	2009 Enacted	2010			Change From 2009 (+/-)
			Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
Tribal Special Fund (\$000)	239,560	252,401	0	+13,566	265,967	+13,566
Tribal Trust Fund (\$000)	66,641	70,213	0	+3,775	73,988	+3,775
Total	306,201	322,614	0	+17,341	339,955	+17,341

Summary of 2010 Program Changes for Trust Funds

Request Component	(\$000)	FTE
<u>Program Changes</u>		
Tribal Special Fund	+13,566	0
Tribal Trust Fund	+3,775	0
TOTAL Program Changes	+17,341	0

Justification of 2010 Program Changes

The 2010 budget request for the Tribal Special Fund and Tribal Trust Fund totals \$339,955,000, a program increase of +\$17,341,000 from the 2009 estimated receipts and outlays.

Budget authority for the Tribal Special Fund and Tribal Trust Fund is equal to the receipts of such funds. Receipts generally include settlements and/or judgments from the Judgment Fund, investment income, and proceeds (i.e., maturities, sales) from investments in government sponsored entity securities. Investments in non-Treasury and non-federal agency securities are recorded as an outlay upon purchase.

Budgetary Classification of Tribal Trust Funds

Tribal trust funds are deposited into consolidated accounts in the U.S. Treasury pursuant to: (1) general or specific acts of Congress and (2) Federal management of tribal real properties, the titles to which are held in trust for the tribes by the United States. These funds are available to the respective tribal groups for various purposes, under various acts of Congress, and may be subject to the provisions of tribal constitutions, bylaws, charters, and resolutions of the various tribes, bands, or groups.

Commencing with FY 2000, most tribal trust funds, including special funds, managed by the Office of Special the Trustee were reclassified as non-budgetary. Ownership of these funds did not change, nor did the federal government's management responsibilities; changes were made for presentation purposes only. Some tribal trust funds will remain budgetary, in the Tribal Special or Tribal Trust Funds.

The budgetary funds are included in either a budgetary special fund account or trust fund account. The distinction between a special and a trust fund is purely technical from a budgetary standpoint; if the law creating the fund delineates it as a "trust fund," it is included in the trust fund account. If the law delineates the fund as something other than a trust fund (e.g., a "development fund") it is included in the special fund account.

Tribal Special Fund

This fund includes activities associated with the following accounts:

- *Tribal Economic Recovery Fund*. This fund is authorized by the *Three Affiliated Tribes and Standing Rock Sioux Tribe Equitable Compensation Act of 1992* (P.L. 102-575) and holds funds which have been appropriated pursuant to the Act. Beginning in 1998, interest earned on the principal of this fund is available for both Tribes for economic development, education, and social services programs.
- *Three Affiliated Fort Berthold* (P.L. 102-575). The fund is not designated by law as a trust fund. The act provides for additional compensation to the Three Affiliated Tribes and the Standing Rock Sioux Tribe for the taking of tribal lands related to the Garrison Dam and Reservoir project. The tribes are only entitled to the interest earnings, not the corpus (Sec. 3504(a) (4)).
- *Standing Rock* (P.L. 102-575, Title XXXV). The Act provides for additional compensation to the Three Affiliated Tribes and the Standing Rock Sioux Tribe for the taking of tribal lands related to the Garrison Dam and Reservoir project. The Tribes are only entitled to the interest earnings, not the corpus (Sec. 3504(a) (4)).
- *Papago Cooperative Fund* (P.L. 97-293). The fund was established for the tribe to obtain services that are financed by earnings on investment of the fund.
- *Ute Tribe* (P.L. 102-575, Title V). The fund was established for certain environmental and developmental purposes. One of the expressed purposes of this act is to put the Tribe in the same economic position it would have been had features contemplated by a September 20, 1965 agreement with the United States and others been constructed and thus, resolve tribal claims arising out of the agreement. In addition, the Act qualifies the Tribe's reserved rights and provides for the waiver of tribal claims related to this issue. The funds provided for by Section 504, like all funds provided for by the Act, with the exception of those funds provided for under Section 505, are intended to resolve legal claims related to the Tribe's water rights.
- *Pyramid Lake Indian Reservation* (P.L. 101-618). (Specifically, the Lahonta Valley and Pyramid Lake Fish and Wildlife Fund). The Lahonta Valley and Pyramid Lake Fish and Wildlife Fund consist of payments for the use of certain water and transfers from the Fisheries Fund. Except for the transfers, the use of the funds is subject to appropriations for fish and protection.

- *San Luis Rey Water Authority* (P.L. 100-675). This is settlement legislation that resolves pending water rights litigation between the United States, the Bands local entities. The Act established the San Luis Rey Tribal Development Fund and authorized appropriations of \$30 million to the Fund. Following execution of the proposed settlement agreement, the Secretary of the Treasury is directed to make the funds available upon the request of the Indian Water Authority.
- *Cochiti Wetfields Solution*. In 1994, the Army Corps of Engineers transferred \$4 million pursuant to P.L. 102-358 to fund the Department's responsibilities under the settlement agreement between Cochiti Tribe, the Corps, and the Department. The Secretary of the Interior is responsible for maintenance, repair, and replacement of a drainage system constructed by the Corps for the Cochiti Pueblo.
- *Southern Arizona Water Rights Settlement Act*. This Cooperative Fund was established to provide a source of funds to carry out the obligations of the Secretary under sections 303, 304, and 305 of the Act (Title III, P.L. 97-293, 96 Stat. 1274-1285). Only interest accruing to the fund may be expended.

Tribal Trust Fund

This fund includes activities associated with the following accounts:

- *Funds Contributed for the Advancement of the Indian Race*. This fund accounts for any contributions, donations, gifts, etc., which are to be used for the benefit of American Indians in accordance with the donors' wishes (82 Stat. 171).
- *Bequest of George C. Edgeter*. This fund includes a donation made by George C. Edgeter; income is available according to the terms of the bequest for the expenditure as determined by the Assistant Secretary, Indian Affairs for the relief of American Indians.
- *Ella M. Franklin Fund*. This fund consists of a bequest, the principal of which is invested in U.S. Treasury securities, and the interest is to be used for the relief of American Indians as specified by the donors' wishes (82 Stat. 171).
- *Josephine Lambert Fund*. This fund includes a donation made by Josephine Lambert, income to be used for the health or education of underprivileged Indian children.
- *Orrie Shaw Fund*. This fund includes a donation made by Dr. Orrie Shaw, income used only for the training or education of American Indians.
- *Welmas Endowment Fund*. This fund was established to receive revenue generated by land owned by the decedent for the period of ten (10) years whereby the annual interest earnings of the endowment can be distributed by the Assistant Secretary- Indian Affairs for the education of members of federally recognized tribes; provided that 20% of the annual interest serves to benefit the education of Agua Caliente Tribal members. The Tribe has the option of obtaining complete control of the land, prior to the end of the endowment period, if it elects to fund the endowment so that the principal amount reaches \$750,000.
- *Arizona Intertribal Fund* (P.L. 100-696). The fund represents an exchange agreement for privately held lands in Florida for publicly held land in Arizona. Use of the money is subject to appropriations and is available to pay for supplemental education and child welfare programs.
- *Navajo Trust Fund* (P.L. 100-696). The fund ratifies an exchange of Federal land in Arizona.

- *Crow Creek* (P.L. 104-223). The Act established a corpus that is to be invested and makes the interest earnings available without appropriation for the various activities under Section 5. However, the Act does not appear to transfer ownership of the money to the Tribe or create a legal claim to the funds, until it is paid to them.
- *So Ute Tribal Resource Fund* (P.L. 106-554). This fund was established in FY 2002. As part of the requirements under Section 18 of the Act for disbursing the tribal resource funds, the Colorado Ute are required to submit a resource acquisition and enhancement plan or an investment plan to the Secretary for approval.
- *Ute Mtn Tribal Resource Fund* (P.L. 106-554). The fund was established in FY 2002. As part of the requirements under Section 18 of the Act for disbursing the tribal resource funds, the Colorado Ute are required to submit a resource acquisition and enhancement plan or an investment plan to the Secretary for approval.
- *Chippewa Cree Tribal Compact ADM/Chippewa Cree Future Water Supply* (P.L. 106-163). The fund was established in FY 2001. The trust fund is established under Title I, Sec. 104, Chippewa Cree Indian Reserved Water Rights Settlement Trust Fund. The ownership of the trust fund does not convey to the Tribe until such time as the Tribe waives all claims and meets the underlying settlement requirements.
- *Shivwits Band of Paiute Indians* (P.L. 106-263). The fund was established in FY 2002. Ownership of the trust fund does not convey to the Tribe until such time as funds have been appropriated and deposited into the Trust fund; the St. George Water Reuse Project Agreement, the Santa Clara Project Agreement and the Settlement Agreement are approved and in effect; the State Engineer of Utah has approved all applications necessary to implement the provision of the Santa Clara Project Agreement, St. George Water Reuse Agreement and the Settlement Agreement; the Court has entered a judgment and decree confirming the Shivwits Water Rights and is final as to all parties to the Santa Clara Division and the Virgin River Adjudication.
- *Northern Cheyenne Indian Reserved Water Rights Settlement Trust Fund*. This fund established a \$21.5 million trust fund for the Northern Cheyenne Indian Tribe. These funds may be used by the Tribe to make \$11.5 million available to the State of Montana as a loan to assist in financing Tongue River Dam project costs; land and natural resources administration, planning, and development; land acquisition; and any other purpose determined by the Tribe. In addition, this fund holds \$31.5 million for the enlargement and repair of the Tongue River Dam project.
- *The Crow Creek Sioux Tribe Infrastructure Development Trust Fund of 1996* (P.L. 104-223, 110 Stat 3026). The fund establishes a Crow Creek Sioux Tribe Infrastructure Development Trust Fund. In FY 1997, \$27.5 million was deposited into the Fund. The interest earned from the invested principal is available for payment to the Tribe for tribal educational, health care, recreational, and other projects.

Tribal Special Fund
(Dollars in millions)

	Treasury Account ID: 14 – 8030 – 0	2008 Actual	2009 Estimate	2010 Estimate
	Obligations by program activity			
0001	Direct Program Activity	265	253	266
1000	Total new obligations	265	253	266
	Budgetary resources available for obligation			
2140	Unobligated balance carried forward, start of year	80	55	55
2200	New budget authority (gross)	240	253	266
2390	Total budgetary resources available for obligation	320	308	321
2395	Total new obligations	-265	-253	-266
2440	Unobligated balances carried forward, end of year	55	55	55
	New budget authority (gross), detail			
	Mandatory			
6020	Appropriation (special fund)	240	253	266
	Change in obligated balances			
7310	Total new obligations	265	253	266
7320	Total outlays (gross)	-265	-253	-266
	Outlays (gross), detail			
8697	Outlays from new mandatory authority	240	253	266
8698	Outlays from new mandatory balances	25		
8700	Total outlays (gross)	265	253	266
	Net budget authority and outlays			
8900	Budget authority	240	253	266
9000	Outlays	265	253	266
	Memorandum (non-add) entries			
9201	Total Investments, start of year: Federal securities: Par Value	80	55	55
9202	Total Investments, end of year: Federal securities: Par Value	55	55	55
9203	Total Investments, start of year: Federal securities: Market Value	438	473	473
9204	Total Investments, end of year: Federal securities: Market Value	473	473	473

Note: Table may not add due to rounding.

Tribal Trust Fund
(Dollars in millions)

	Treasury Account ID: 14 – 8030 – 0	2008 Actual	2009 Estimate	2010 Estimate
	Obligations by program activity			
0001	Direct Program Activity	70	70	74
1000	Total new obligations	70	70	74
	Budgetary resources available for obligation			
2140	Unobligated balance carried forward, start of year	69	66	66
2200	New budget authority (gross)	67	70	74
2390	Total budgetary resources available for obligation	136	136	140
2395	Total new obligations	-70	-70	-74
2440	Unobligated balances carried forward, end of year	66	66	66
	New budget authority (gross), detail			
	Mandatory			
6026	Appropriation (trust fund)	67	70	74
	Change in obligated balances			
7310	Total new obligations	70	70	74
7320	Total outlays (gross)	-70	-70	-74
	Outlays (gross), detail			
8697	Outlays from new mandatory authority	67	70	74
8698	Outlays from new mandatory balances	3		
8700	Total outlays (gross)	70	70	74
	Net budget authority and outlays			
8900	Budget authority	67	70	74
9000	Outlays	70	70	74
	Memorandum (non-add) entries			
9201	Total Investments, start of year: Federal securities: Par Value	69	65	65
9202	Total Investments, end of year: Federal securities: Par Value	65	65	65
9203	Total Investments, start of year: Federal securities: Market Value	93	103	103
9204	Total Investments, end of year: Federal securities: Market Value	103	103	103

Note: Table may not add due to rounding.