

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

\_\_\_\_\_  
ELOUISE PEPION COBELL, et al., )  
 )  
Plaintiffs, )  
 )  
v. )  
 )  
DIRK KEMPTHORNE, Secretary of the )  
Interior, et al., )  
 )  
Defendants. )  
\_\_\_\_\_ )

Case No. 1:96CV01285  
(Judge Lamberth)

**NOTICE OF FILING OF INTERIOR DEFENDANTS'  
TWENTY-SIXTH STATUS REPORT**

Interior Defendants hereby give notice of the filing of their twenty-sixth report due in accordance with the Order of December 21, 1999.

A copy of the report is attached hereto.

Dated: July 31, 2006

Respectfully submitted,  
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Assistant Attorney General  
STUART E. SCHIFFER  
Deputy Assistant Attorney General  
J. CHRISTOPHER KOHN  
Director

/s/ John J. Siemietkowski  
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CERTIFICATE OF SERVICE

I hereby certify that, on July 31, 2006 the foregoing *Notice of Filing of Interior Defendants' Twenty-Sixth Status Report* was served by Electronic Case Filing, and on the following who is not registered for Electronic Case Filing, by facsimile:

Earl Old Person (*Pro se*)  
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/s/ Kevin P. Kingston  
Kevin P. Kingston



THE SECRETARY OF THE INTERIOR  
WASHINGTON

JUL 27 2006

J. Christopher Kohn  
U.S. Department of Justice  
Civil Division  
Commercial Litigation Branch  
P.O. Box 875  
Ben Franklin Station  
Washington, D.C. 20044-0875

Re: Cobell v. Kempthorne – Status Report to the Court Number Twenty-Six

Dear Mr. Kohn:

Enclosed is the Department of the Interior's *Status Report to the Court Number Twenty-Six (For the Period April 1, 2006 through June 30, 2006)*. Please forward a copy to the Court.

My signature on this report reflects my reliance on the assurances of those who have compiled the report that the information contained herein is accurate.

Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Dirk Kempthorne", written over a large, stylized flourish.

DIRK KEMPTHORNE

Enclosure

# Status Report to the Court Number Twenty-Six

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For the Period  
April 1, 2006 through June 30, 2006



July 27, 2006

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**I. INTRODUCTION**

This *Status Report to the Court Number Twenty-Six* (Report) represents the period from April 1, 2006, through June 30, 2006. The Report is presented for the purpose of informing the Court of actions taken since the issuance of the preceding quarterly report. In addition, the Report references some matters that might be of interest to the Court, including delays in and obstacles to trust reform activities, and a report on the progress of the historical accounting of individual Indian beneficiary funds managed by Interior.<sup>1</sup>

This Report is prepared in a manner consistent with previous reports to the Court. Managers from the Office of the Chief Information Officer, Bureau of Indian Affairs, Bureau of Land Management, Minerals Management Service, Office of the Special Trustee for American Indians, and Office of Historical Trust Accounting submit reports on the status of their respective Indian trust activities.

A change in the Report format Interior brings to the Court's attention is that Section E, Trust Services, Subsection 1, Current Accounting Activities, will not include a subsection on Accounting Discrepancies. Previous reports explained that certain historic discrepancies resulted from overpayments to Indian beneficiaries and several legislative initiatives have been presented to Congress requesting authority to resolve these discrepancies. Should this matter be resolved, it will be addressed in a future report to the Court.

A glossary of acronyms and abbreviations is included in this Report. The glossary is located at the end of the Report.

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<sup>1</sup> This Report contains information on the broad trust reform efforts underway at Interior. Accordingly, it may include information on reform efforts that are not within the scope of the *Cobell* litigation.

**A. INFORMATION TECHNOLOGY**

**Introduction**

This section describes the status of Interior IT systems, particularly the systems that house or provide access to IITD or provide various computing capabilities, including functions critical to the proper administration of the individual Indian trust responsibilities within Interior. In addition, this section describes various efforts being made to improve IITD security within Interior, pursuant to OMB Circular A-130 Appendix III, and the status of Internet connectivity.

**Accomplishments and Completions**

**Computer Security:**

Interior continued to make progress in enhancing IT security by planning and conducting exercises for contingencies, addressing privacy issues and implementing corrective actions for weaknesses tracked through the POA&M process. The most noteworthy accomplishments, completions and challenges during the reporting period are described below.

***ESN:***

- Reconfigured DNS services from individual bureau servers to a single Interior-wide server. This enhances the security posture of the Department by reducing the number of external-facing systems that must be managed and secured.

***Prevention and Monitoring:***

- Interior has determined that the process for external vulnerability scanning needs refining and has initiated process review and improvement. Expected changes will further enhance the integrity of the external scanning results.
- There were no successful security incidents detected during this reporting period that resulted in the compromise of trust systems or data.

***MMS***

- MMS completed a thorough investigation of the incident involving the MRM Internet Portal that was previously reported to the Court on August 25, 2005, and in the *Status Report to the Court Number Twenty-Three*. MMS has taken appropriate remediation actions based on a risk analysis and has informed the Interior CIO of its intent to make the MRM Internet Portal operational.

***Policies and Guidance***

- The Interior CIO issued “Data Standardization Procedures (OCIO DIRECTIVE 2006-011)” to the assistant secretaries and heads of bureaus and offices on April 18, 2006. Generally, the standardization of data enables seamless sharing of data and allows for easier translation and reconciliation of data, thus reducing costs involved in converting data to an acceptable form before use.

- The Interior CIO issued memorandum “Departmental Web Standards Handbook” to the Deputy Secretary, Associate Deputy Secretary, assistant secretaries, heads of bureaus and offices, and bureau chief information officers on May 1, 2006. This memorandum transmitted the first version of the Departmental Web Standards Handbook, which provides guidance for the development and management of web-related initiatives.
- The Interior CIO issued “Controlled Logical Access Policy (OCIO DIRECTIVE 2006-015)” to the heads of bureaus and offices, and bureau chief information officers on June 1, 2006. This directive transmitted Interior’s policy on the factors to be considered to determine the appropriate authentication methods for information systems. These factors include the information system’s security categorization and residual risks.
- The Interior CIO issued “Office of Management and Budget (OMB) Requirements for Safeguarding Personally Identifiable Information (OCIO DIRECTIVE 2006-016)” to the Deputy Secretary, assistant secretaries, deputy assistant secretaries, Associate Deputy Secretary, heads of bureaus and offices, and bureau chief information officers on June 15, 2006. This directive transmitted guidance to review policies and procedures involved in safeguarding Personally Identifiable Information (PII) as required in OMB’s memorandum M-06-15.
- The Secretary of the Interior issued “Important Notice on Safeguarding Personally Identifiable Information” to all employees on June 20, 2006. This notice reminded all employees of their responsibility in safeguarding PII entrusted to them. It also emphasized what information is considered PII, the consequences of mismanagement of that information and the policy and procedures for reporting violations.
- BLM issued the following Instruction Memoranda (IM):
  - IM 2006-133 was issued on April 17, 2006, and establishes current fiscal year policies for IT security controls for computers used on incident support activities.
  - IM 2006-137 was issued on April 20, 2006, and sets policies requiring regular updates of security patches for laptop and notebook computers.
  - IM 2006-140 was issued on April 25, 2006, and implements the departmental POA&M standard.
  - IM 2006-154 was issued on May 11, 2006, and establishes procedural requirements for requesting background investigations for BLM employees and contractors.



***Training and Awareness***

- Interior participated in a nation-wide Federal Continuity of Operations Program exercise. This exercise tested existing IT disaster and recovery plans, including notification of key personnel, relocation of primary processing to backup sites and return to normal operations following the event. This exercise evaluates plans for continued operation in the event of local, regional or nation-wide events, and enables planners to identify potential weaknesses or deficiencies in the plans.

**Plans of Action and Milestones:**

- Interior has reduced weaknesses, tracked by POA&M, an average of 9.4 percent for each of the last two quarters. Interior remediated and closed out 272 weaknesses during this reporting period. Interior continues to address the remaining 1,098 open weaknesses.

**A-130 Certification and Accreditation:**

- NBC has completed an independent security assessment of its IT environment to determine the current status of their information security program and establish a target for improvement for any weaknesses. Remediation plans have been developed for identified weaknesses and are being tracked through the POA&M process.
- Land Ownership Tracking System (LOTS) was erroneously referred to as a BIA system in the last *Status Report to the Court*. LOTS is operated by an Indian Tribe to track land ownership and is not an Interior trust system. It is expected that the functionality of LOTS will be incorporated into TAAMS once TAAMS is made available to tribes.
- OHANet was issued a new accreditation on June 30, 2006 after undergoing re-certification and accreditation due to significant changes in access and security controls.

**IT Systems Architecture:**

- DOI upgraded the DEAR software to eliminate the need for each bureau to have separate databases that require periodic updates to the master database. This upgrade enables all modifications to bureau EA records to be made in real-time to the master DEAR database repository.
- OCIO sponsored a two-day design review, attended by representatives from all bureaus and offices, to formulate plans for establishing one set of logical access controls in support of several proposed or forthcoming Department-wide IT systems (e.g., Enterprise Messaging System, Financial Business Management System, DLRM). The enterprise-wide active directory would enable identification and authentication of authorized users to Interior's IT systems. The review team determined that the "best security practice" would be to segment, on a unique subnet, the systems that required higher security controls, regardless of whether they were trust or non-trust. This allows for increased security, greater control of user access and more rigorous monitoring of traffic between that subnet and the rest of the networks.

## **STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

**July 27, 2006**

**Information Technology**

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- The MMS Council of Information Management Officials and senior IT staff convened for an IT summit. The purpose of the summit was to focus on how MMS could centralize IT functions to eliminate redundancies, achieve cost savings, and provide better service delivery to the programs. Among the initial priority areas of focus was IT security. A focus team was formed and charged with developing recommendations for reorganizing IT security in MMS.

### **E-Authentication and HSPD-12:**

- Interior met OMB's quarterly milestones for E-Authentication. These included reporting to OMB all existing and planned web-based systems that require electronic authentication and identifying the application that will provide the e-authentication service.

### **Staffing:**

- Interior filled several key positions this reporting period, including a CISO, IT Enterprise Trust Architect and NBC CISO.

### **Current Status**

#### **A-130 Certification and Accreditation:**

- All trust systems that are currently in DEAR have full ATO status.
- BIA's TAAMS is undergoing re-certification and re-accreditation and is expected to be completed during next reporting period.

#### **ZANTAZ:**

- All tapes from bureaus and offices affected by ZStage issues documented in previous reports to the Court have been restored with the exception of the 268 blank BIA tapes.
- A statement of work has been developed and forwarded to Interior's contracting office that seeks a forensic analysis of the 268 blank BIA tapes documented in the previous status report to the Court.
- The tape that was sent to ZANTAZ by BIA on March 31, 2006, as noted in the previous report to the Court, has been restored. The tape contained 154 mailboxes holding 41,894 unique messages.
- The three BIA ZStage irregularities noted in the previous report to the Court are awaiting a response from ZANTAZ.
- BLM discovered that messages had not been transmitted to ZANTAZ from May 8, 2006, through May 26, 2006, due to a corrupted configuration file. The problem was corrected and 25 backup tapes are ready to be shipped to ZANTAZ.

- OSM suffered a ZANTAZ outage that resulted from a physical break in the connection line to ZANTAZ. All data was cached by the SENDMAIL buffer and re-sent upon repair of the line. No data was lost.
- NBC noted irregularities related to anti-virus software upgrades at BLM. NBC reported the issue to BLM, which is working with ZANTAZ to resolve it. It is unclear whether some messages between NBC Denver and BLM users reach the digital safe.

**Reports:**

These reports were among those issued during this reporting period.

- OMB issued “Safeguarding Personally Identifiable Information (M-06-15),” to the heads of departments and agencies on May 22, 2006. The memorandum responds to a growing concern about safeguarding PII, which had been spotlighted in the news with the theft of a VA laptop containing PII. It discusses the law and background in safeguarding PII and directs a review of all related policies and processes and requires corrective actions as appropriate. It also required that agency employees be reminded of their responsibilities to safeguard PII and of the penalties for violating the rules.
- OMB issued “Protection of Sensitive Agency Information (M-06-16),” to the heads of departments and agencies on June 23, 2006. The memorandum directs agencies to protect sensitive data on mobile devices and to ensure remote access connections involving sensitive data are properly secured within 45 days. This memorandum was issued due to a growing list of agencies where PII was potentially or actually compromised. It directs encryption of all data stored on mobile devices and requires two-factor authentication for remote access, time-out of connections after a period of inactivity and logging of all PII data accesses.

**Delays and Obstacles**

Like other federal agencies, Interior must address many challenges regarding the integration, performance, funding, security, and data integrity of IT systems. Interior initiated or completed steps to address some of the challenges reported in this and previous reporting periods. However, delays and obstacles listed below impede progress in achieving Interior’s IT management goals.

**Litigation**

- Employee fears about becoming personally implicated in the *Cobell* litigation continue to undermine communication and decision-making, slow the deployment of enterprise-wide systems, and are contributing factors to low employee morale. These fears have recently been reinforced by plaintiffs’ latest Court filing seeking contempt against Interior officials.

- On June 2, 2006, Interior filed with the Court a notice of its intent to bring ALIS and the Indian component of AFMSS on-line. In response to plaintiffs' threats of contempt, BLM decided to keep these two systems off-line for the time being. Although BLM is manually processing all Indian-related Applications for Permits to Drill and related applications, lack of access to automated solutions continues to slow the leasing process, thereby negatively impacting the flow of revenue to Indian trust beneficiaries.

**Staffing**

- Interior is experiencing high staff and management turnover in critical IT positions, particularly IT security. Recruitment challenges to attract qualified candidates continue, particularly in light of litigation impacts.
- Interior's Deputy CISO, NBC's CIO, BIA's CIO, BLM's Deputy CIO and BIA's C&A Program Manager positions were vacant at the end of this reporting period.

**Funding and Resources**

- Planning for replacement of aging systems is significantly impacted due to problems with deploying enterprise-wide applications. Without connectivity between the disconnected and online bureaus and offices, new systems would require two instances (one for the on-line network and one for the off-line network).
- As previously reported, the DLRM system is expected to provide a long-term solution for the legacy functionality of the CGI leasing software module, formerly a part of the TAAMS project. This project is currently on hold due to resource constraints (e.g. project funding).
- Savings are generated by retiring obsolete systems and reducing duplication of retained data. These savings are critical to enhancing and developing new trust systems with more robust security and operational capabilities. As previously reported, MRM expected to dispose of 30,000 legacy backup tapes that contain data redundant to data in the new MRMSS. Due to objections by tribal litigants, MRM has continued postponement of disposal of these tapes pending resolution of objections.

**Denied Internet Access**

- Several Interior bureaus and offices (BIA, OHA, OST and SOL) have not been permitted by the Court to have Internet access since December 5, 2001. Lack of Internet access impedes work processes and the ability to communicate effectively, both internally and externally. For example:
  - OMB's e-Government initiative requires agencies to web-enable as many of their applications as possible. Without internet access, Interior cannot comply with this and other OMB initiatives, like consolidation of agencies' network infrastructures.
  - Implementation of true enterprise-wide applications is difficult. Plans and funding call for only a single instance of an application to service all bureaus and offices.

Many of these applications rely upon the internet to service external as well as internal customers. Providing access to the disconnected bureaus and offices would eliminate duplicate systems, networks, and data. Duplicate systems require a significant increase in resources to manually transfer data between the two systems.

- Coordination and dissemination of new policies and training is delayed due to the need to deliver material physically. Even after receipt, considerable re-work is required to tailor web-based training programs to run locally. A recent example is the FY 2006 Annual Federal Information System Security Awareness Training. This course is normally completed on-line through DOI LEARN, but must also be duplicated in stand-alone CD-ROM and paper forms for the off-line bureaus.
- Ensuring Continuity of Operations and Continuity of Government through the implementation of contingency plans requires rapid notification of an event. The lack of Internet access degrades Interior's capabilities to notify all of its bureaus and offices in a timely and efficient manner. Additionally, without remote access, disconnected bureaus and offices will be unable to provide services to their customers in the event of extended contingency periods that may result from pandemics or major natural events.
- The concerns over potential future Court-ordered Internet shutdowns or other Court-ordered disruptions create uncertainty over how to proceed with enterprise initiatives and security improvements. Contingency planning for either external or internal disconnections (and all potential permutations) takes resources from planned and daily activities.

**Assurance Statement**

I concur with the content of the information contained in the Information Technology section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 24, 2006

Name: *Signature on File*  
W. Hord Tipton  
Interior Chief Information Officer

**B. CADASTRAL SURVEY**

**Introduction**

Cadastral surveys provide assurance that land boundaries for individual Indian and tribal trust lands are identified appropriately. By federal law, surveys of Indian lands are to be performed under BLM's direction and control. Official surveys, whether preexisting or new, identify the location of land boundaries of Indian trust assets and determine official acreage. The official surveys are integral to realty transactions, resource management activities, litigation support and the federal system of patent, allotment and survey records maintained by BLM. Ownership information, distribution of trust assets, and management of trust accounts may be related to or based upon information recorded in official surveys.

**Accomplishments and Completions**

**Inventory of Cadastral Needs**

The development of a FY2007, FY2008 and FY2009 nationwide inventory of requests for cadastral survey services in Indian Country was a major focus of BLM and BIA during this reporting period.

Approximately 1,450 survey services with an estimated cost of \$127.4 million were requested for FY2007, FY2008 and FY2009. The breakout for survey services requested for each year is as follows: FY2007, 901 requests at an estimated cost of \$72.5 million; FY2008, 311 requests at an estimated cost of \$30.7 million; and FY2009, 239 requests at an estimated cost of \$24.2 million. BLM and BIA used CARS to determine the highest priority of the requested surveys, and to support distribution of the proposed appropriation of \$16.4 million for survey services to be performed during FY2007. The proposed \$16.4 million appropriation for cadastral survey services is expected to facilitate completion of Indian trust projects with estimated values totaling \$128 million.

**Cadastral Survey Trust Manager**

During this reporting period, the Cadastral Survey Trust Manager was hired. This individual will coordinate BLM's efforts for improving the condition of the infrastructure of the PLSS within Indian country and facilitate the creation of a standardized source of digital land information based on existing survey or resurvey data. The Cadastral Survey Trust Manager will direct FTM efforts and set policy and guidance for the implementation of the Cadastral portion of the FTM. This manager will also develop and maintain a national inventory of cadastral field survey and GCDB collection needs for Tribes, reservations and BIA regions.

**Current Status**

**Interior Standards for Indian Trust Lands Boundary Evidence**

BLM provided the draft standards in April 2006 for Indian Trust Lands Boundary Evidence to PMB for inclusion in the Departmental Directives system. After these standards are incorporated by the Department, BLM and BIA will start using these standards to improve boundary evidence within Indian Country.

**Rights-of-Way Over Indian Lands**

BLM provided comments on the draft regulations for 25 CFR 169, Rights-of-Way Over Indian Lands in support of the Regulatory Initiative.

**Implementation of the FTM**

During this reporting period, the BLM continued to implement FTM goals. These goals as they relate to cadastral survey are: (1) funding for the 12 BLM Indian lands surveyors located in the BIA Regions; (2) creation of the CFedS program (where state licensed land surveyors can be certified to perform commercial activities under the direction and control of BLM); (3) improving the maintenance of the PLSS within Indian Country; and (4) creation of one standardized source of land status information based on cadastral data that delineates the official legal land descriptions.

The CFedS program completed filming the majority of its video lectures to be used in the certification process. The program also began accepting applications for the first pilot class, which is scheduled to begin during the next reporting period.

The inventory of the survey boundary conditions of the exterior boundaries of 325 Indian reservations was evaluated and serves as the basis for prioritizing funding allocations and the commitment of resources to meet BLM's fiduciary trust responsibilities. A number of funding proposals for improving the surveys were provided to the Department for consideration.

**Delays and Obstacles**

**Disconnection from the Internet**

The Court-ordered disconnection from the Internet continues to adversely impact the way communications are handled between BLM, BIA, OST and SOL, including the way CARS is being implemented and the review of the Interior Indian Trust Lands Boundary Standards. BLM's productivity has decreased, and the cost associated with dual networks has caused the cost of survey services to increase. This issue continues to impact BLM's ability to provide cadastral services in an effective and cost efficient manner to clients.

**STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

**July 27, 2006**

**Cadastral Survey**

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**Funding of the FTM**

Planning and scheduling of out-year FTM work is dependent on future funding.

**Assurance Statement**

I concur with the content of the information contained in the Cadastral Survey section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 12, 2006

Name: *Signature on File*

Donald A. Buhler

Chief Cadastral Surveyor

Bureau of Land Management



**C. MINERALS MANAGEMENT SERVICE**

**Introduction**

Minerals Revenue Management, an MMS program, is responsible for collecting, accounting for, and distributing mineral revenues from both federal and Indian mineral leases, and for evaluating industry compliance with laws, regulations and lease terms. MRM maintains reported information and distributes revenues at the lease level. BIA maintains individual Indian ownership records that are used to provide information to OST for disbursement of the lease revenues to individual Indian beneficiaries.

**Current Status**

**Indian Oil Rule**

MMS continued with the rulemaking process for the valuation of oil produced from tribal and allotted Indian lands. The proposed rule was published in February 2006, and the comment period ended on April 14, 2006. During this reporting period, MMS received and reviewed comments from Tribes, industry trade associations, industry producers, and an individual.

**Payment Receipt Date Verification**

On May 18, 2006, MMS provided BIA and OST with some corrections to payment data on prior transactions. Transactions for individual beneficiaries with corrected payment dates and/or types will require analysis by BIA and OST to determine if principal or interest is due to the beneficiaries. No further action is required on this issue by MMS.

**MRM Legacy Media**

As previously reported, MRM expected to dispose of 30,000 legacy backup tapes that contain data redundant to data in the new MRMSS. Due to objections by tribal litigants, MRM has continued postponement of tape disposal pending resolution of the objections.

**STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

**July 27, 2006**

**Minerals Management Service**

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**Assurance Statement**

I concur with the content of the information contained in the Minerals Management Service section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: June 30, 2006

Name: *Signature on File*  
Cathy J. Hamilton  
Chief of Staff  
Minerals Revenue Management  
Minerals Management Service

**D. OFFICE OF HISTORICAL TRUST ACCOUNTING**

**Introduction**

OHTA was established by Secretarial Order No. 3231 on July 10, 2001, and is charged with planning, organizing, directing and executing the historical accounting of IIM and tribal trust accounts. Since its 2001 inception, neither OHTA nor its contractors have stored the IIM transaction data used to perform historical accounting on a system connected to the Internet.

**Current Status**

**Meta-Analysis Report**

On June 23, 2006, the National Opinion Research Center at the University of Chicago (NORC), a contractor for OHTA, issued its Report on a meta-analysis study it undertook of reconciliations and audits of the IIM and Tribal Trust Funds. Meta-analysis is a statistical technique for summarizing, integrating, comparing, and interpreting a collection of disparate studies that have a common topic or a common theme. Meta-analysis can be used to strengthen results by combining the findings of similar studies on the same topic. It can also be used to broaden the domain of the information, enabling the assertion of a stronger conclusion than is possible on the basis of any of the separate studies. A particular use of meta-analysis is to provide evidence of robustness of results over different assumptions or approaches undertaken in different analyses.

Historical audit and reconciliation studies addressing the soundness of the Indian Trust systems have been conducted by the General Services Administration's Indian Trust Accounting Division, Arthur Andersen LLP (which conducted tribal trust fund reconciliations covering 1972-1992), the Government Accountability Office, and Interior's Office of the Inspector General, among others. NORC's research identified 536 reconciliations and 286 audits conducted by these entities from the late 19<sup>th</sup> century to the present of 934 potentially relevant studies. NORC was able to obtain copies of 822 studies, of which 332 were deemed to be out-of-scope in that the findings did not address the soundness of the Trust Systems. Of the 490 in-scope studies reviewed, 227 are reconciliations and 263 are audits.

Reconciliations look for *actual error* by identifying any instances in which the records of the transactions for the chosen time and accounts do not match the source documents. Of the 227 reconciliations, 210 had net underpayment dollar error of under 0.1%, based on aggregate dollars reconciled, and only 5 had net underpayment dollar error above 1.0%.

Audits look at system processes and pass judgment on the overall management and compliance with accounting standards as a way of measuring *risk of error*. This risk is independent of whether actual error occurred. NORC reports that the findings of the 263 audits indicated that there were some chronic problems in the overall management or compliance. These problems have been, or are being, addressed.

**STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

**July 27, 2006**

**Office of Historical Trust Accounting**

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This NORC report provides a *qualitative* assessment of the studies to identify those with sufficient data to support a judgment about the reliability of the study findings. NORC is planning a *quantitative* meta-analysis to bring results into sharper focus with more rigorous statistical analysis of data.

NORC found no evidence of widespread fraud in the Indian Trust system. NORC reports that there is considerable evidence from the meta-analysis that the system has performed far better than is generally recognized.

**Judgment and Per Capita IIM Accounts**

OHTA continues to perform historical accounting procedures on Judgment and Per Capita IIM accounts. During this reporting period, OHTA reconciled an additional 4,871 Judgment IIM accounts.

Results through June 30, 2006, are summarized in the table below.

	<u>Judgment Accounts</u>		<u>Per Capita Accounts</u>	
	<u>Number of Accounts</u>	<u>Percent of Total</u>	<u>Number of Accounts</u>	<u>Percent of Total</u>
Total at December 31, 2000 (including accounts open at or after October 25, 1994, but closed prior to December 31, 2000)	80,539	100%	19,033	100%
Reduction for accounts subsequently determined to be outside of the scope of the population	(867)	(1%)	N/A	N/A
Reconciled January 1, 2001, through March 31, 2006	(54,337)	(68%)	(17,108)	(90%)
Reconciled this reporting period	<u>(4,871)</u>	<u>(6%)</u>	<u>-----</u>	<u>-----</u>
Remaining to be reconciled at June 30, 2006	<u>20,464</u>	<u>25%</u>	<u>1,925</u>	<u>10%</u>

**Mailings to Judgment and Per Capita IIM Account Holders**

As previously reported, on March 9, 2006, a fourth submission for permission to mail 20,402 Historical Statements of Account (Statements) was filed with the U.S. District Court, and, on March 24, 2005, a third submission to mail 28,107 Statements was also filed with the Court. Mailing of these 48,509 Statements is still pending Court approval.

## **STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

**July 27, 2006**

**Office of Historical Trust Accounting**

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In its October 22, 2004, Order, the Court permitted OHTA to transmit Statements to 17,096 Judgment IIM account holders; of this number, 4,974 Statements could not be sent because the account holders were classified as WAU. During the previous reporting period, 826 of these WAUs were mailed to new addresses obtained by OST. OHTA continues to work with OST and contractors to identify addresses for the 4,148 remaining WAU account holders.

Although OHTA has not mailed any new Statements during this reporting period, late in this reporting period, OHTA identified addresses for an additional 690 WAU account holders. These addresses were provided to OST for verification, and OHTA expects to mail the Statements during the next reporting period. OHTA continues to re-mail Statements that are returned as forwarding addresses become available.

### **Confirming Accuracy of Electronic Records Era Accounting**

During FY2006, the following activity occurred to provide assurances for the accuracy of transactions and accounts in the Electronic Records Era (1985-2000).

#### ***Land-Based IIM Transactions***

- As of June 30, 2006, all but three of 1,822 identified High Dollar transactions have been reconciled. OHTA expects to complete these three reconciliations during the next reporting period.
- A land-to-dollars pilot test was commenced at the Horton and Colville Agencies. This test is designed to detect whether surface or subsurface revenues were recorded in the IIM system.

#### ***All IIM Accounts (Land-Based, Judgment, and Per Capita)***

- Data validation for transaction completeness was substantially completed for the Alaska, Western and Pacific Regions, and commenced in the Northwest Region (4 of 12 total Regions). This process consists of multiple tests designed to detect data and transactions missing from the electronic data set, as well as potential posting errors.
- A transaction mapping test was performed on transfers and reversals to ensure that funds transferred among IIM accounts were properly recorded.
- A balance comparison test was conducted to confirm that the transactions printed on a Historical Statement of Account will correspond to the final balance shown.
- An account number review was conducted to ensure that reused and changed account numbers were appropriately identified, allowing OHTA to print statements with the appropriate transactions for each account.

## **STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

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### **OHTA SDA Distribution Project - Undistributed SDA Balances at December 31, 2002**

During this reporting period, 116 SDA involving \$950,180 were resolved and distributed. There remain 11,554 SDA involving \$17,580,352 to resolve and distribute. Distributions of SDA balances to rightful owners during the period January 1, 2003, through June 30, 2006, total \$40,994,801, including interest of \$3,082,418 posted from January 1, 2003, through the date of distribution. Of the SDA remaining at June 30, 2006, 8,033 accounts have balances less than \$500 (70% of SDA) involving \$671,457 (4% of SDA dollar balances).

### **Imaging/Coding – Individual Indian Trust Documents**

During this reporting period, OHTA completed scanning 160,319 pages, coding 43,355 documents and loading 47,010 documents into ART. As of June 30, 2006, the ART contained 8.7 million coded IIM images, 5.2 million coded tribal images (13.9 million total coded images). These images constitute 1.4 million documents. All documents are checked for quality and accuracy before they are loaded into ART for reconciliation.

### **Revision to *Accounting Standards Manual***

As previously reported, periodic revisions are routinely made to the *Accounting Standards Manual*. Another revision was issued on April 28, 2006.

### **Accounting Plan**

As previously reported, Interior expects to modify the January 6, 2003, accounting plan. Modifications will be based on lessons learned from work already completed, court decisions, statistical sampling parameters, accounting costs, and the history of congressional funding.

### **Delays and Obstacles**

Enacted appropriations for FY2003 through FY2006 have been below the President's requests, thus limiting the historical accounting that could be performed.

### **Assurance Statement**

I concur with the contents of the information contained in the Office of Historical Trust Accounting section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 20, 2006

Name: *Signature on File*  
Bert T. Edwards, Executive Director  
Office of Historical Trust Accounting

## II. OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS

### Introduction

The Office of the Special Trustee for American Indians was created by the American Indian Trust Fund Management Reform Act of 1994. The 1994 Act provides direction to the Department of the Interior on accounting for Indian trust funds and reforming the operation of the Indian fiduciary trust. The Special Trustee's responsibilities under the Act include creating a comprehensive strategic plan for the operation of the trust and providing oversight of the accounting for Indian trust funds and the reform of the trust.

### Special Trustee's Observations

During this reporting period, a new Secretary of the Interior, Dirk Kempthorne, was confirmed by the United States Senate. Briefing papers were presented to Secretary Kempthorne, and several meetings have been held with the Secretary to advise him of the status of the Indian trust, including trust reform initiatives, the historical accounting effort and the *Cobell* litigation. It is my opinion that Secretary Kempthorne fully supports the trust reform and accounting efforts underway. In addition, meetings continue to be held with members of Congress to seek resolution of the costly *Cobell* litigation through legislation.

During this reporting period, seven agencies in the Great Plains Region made the conversion to the TAAMS leasing system. This enables BIA to track leasing activity, ownership and income distribution electronically to ensure more accountability and efficiency in the Indian trust system. These efforts follow conversion activities in the Southern Plains Region completed earlier this year, where work continues to encode and validate information and clean up data transferred from legacy systems. Handbooks have been distributed by BIA to support trust activities, new business processes are being taught and desk operating manuals are in development. Conversion to the new TAAMS system is expected to be completed in both the Great Plains and Rocky Mountain Regions during the next reporting period.

Publication of proposed regulations, as a part of the Regulatory Initiative, is expected to begin during the next reporting period. The publication of the proposed regulations will be staggered to allow time for review and consultation by Tribes and other stakeholders. Additional tribal consultation meetings are scheduled for July and August 2006.

A major accomplishment during this reporting period was the dedication of the National Indian Programs Training Center in Albuquerque, NM. The availability of this space provides the BIA and other Interior bureaus and offices a permanent facility to offer classes and training to employees engaged in all areas of Indian affairs work. No such training center has been available in the past, and courses had to be presented wherever space could be located on a temporary basis. The new facility contains state-of-the-art equipment and will be managed by DOI University employees who have extensive experience in providing on-site training.

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Office of the Special Trustee for American Indians

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Appropriation bills have been passed by the House and Senate. It is not expected that a conference committee will be formed to resolve the differences between the House and Senate during FY2006. As a result, Interior is likely to be operating on a continuing resolution at least through much of the first quarter of FY2007. The House proposal limits the available funding for OHTA to \$45 million and the Senate limits it to \$50 million. The Administration requested \$56.4 million. If the lower amounts are finally enacted, the result may be to extend the time for completion of the historical accounting. In addition, report language in HR 109-465, requires “the Department to report quarterly on the use of Bureau of Indian Affairs, Operation of Indian Programs funds for ongoing litigation support costs associated with the Cobell case.” This arises out of a concern from Congress that Interior is using BIA operating funds to finance the litigation expenses of *Cobell*.

Another part of the appropriation relates to the Indian Land Consolidation Program. The Administration requested an increase of \$25.4 million for a total of \$59.4 million. Both houses of Congress have proposed leaving the program funding at the current level of \$34 million. Fractionation of Indian land ownership continues to be among the greatest difficulties, if not the greatest facing the Indian trust.

Continued lack of Internet connectivity continues to cause loss of productivity and requires use of expensive, alternative methods to obtain and transmit information. The Internet is a key delivery mechanism for communications and services to individuals and Tribes, and must be available to Indians and Tribes as access becomes available. With Internet access, many account holders would be able to obtain account and asset information “online” rather than having to use the call center or make personal visits to field offices.

### **Assurance Statement**

The comments and observations are provided by the Special Trustee for American Indians and reflect the opinion of the Special Trustee only.

Date: July 21, 2006

Name: *Signature on File*

Ross O. Swimmer

Special Trustee for American Indians



**A. TRUST REVIEW AND AUDIT**

**Introduction**

OTRA reports directly to the Special Trustee for American Indians. OTRA was created by OST as a response to trust initiatives developed during the tribal consultation process of 2002. OTRA conducts performance audits, examinations and reviews of Interior entities as well as Tribes that manage fiduciary trust activities. Examinations are routinely conducted at locations that perform trust operations, and are planned to result in a performance rating. Also, compliance reviews are undertaken in response to information and complaints received from beneficiaries, employees and the public.

**Accomplishments and Completions**

The Indian Trust Rating System (ITRS) is now being applied to all Indian trust examinations. The purpose of the ITRS is to measure performance of fiduciary trust activities accomplished in whole or part by the respective Interior offices and/or the Tribes that have compacted trust activities. The rating system evaluates key components of management, asset management, compliance, and operations that are common to all organizations that manage fiduciary trust activities. The Indian trust examination process includes conducting on-site visits to evaluate operations and compliance, performing sufficient testing to verify the integrity of trust operations, and analyzing the effectiveness of management and management controls. Based upon the results of an examination, OTRA assigns an overall rating reflecting the quality of the administration of fiduciary trust functions.

**Current Status**

**Indian Trust Examinations**

OTRA performed 13 trust reviews. One draft report was issued for comment and eight final reports were issued.

OTRA completed 30 trust record assessments and issued 18 final reports.

OTRA followed-up on the findings in the reports already issued. Fifteen letters were sent to regions, agencies and Tribes asking for updates on the findings reported in the reviews. OTRA received five responses and continues to await updates requested during this and previous reporting periods.

**Compliance Reviews**

Six cases were in inventory. Two reviews were closed. Field work or report drafting continued on the remaining cases.

**Delays and Obstacles**

Lack of Internet access impedes OTRA's work processes and its ability to communicate effectively, both internally and externally.

**Assurance Statement**

I concur with the content of the information contained in the Trust Review and Audit section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 20, 2006

Name: *Signature on File*

D. Jeff Lords

Director, Office of Trust Review and Audit

Office of the Special Trustee for American Indians

**B. OST-OFFICE OF THE CHIEF INFORMATION OFFICER**

**1. RECORDS MANAGEMENT**

**Introduction**

The Office of Trust Records was established in 1999 to develop and implement a program for the economical and efficient management of trust records, consistent with the 1994 Act, the Federal Records Act and other statutes and implementing regulations. The OTR records management program has been developed and implemented, and continues to evolve, to ensure that necessary Indian records are maintained, records retention schedules are consistent with retention needs, and records are safeguarded throughout their life-cycles.

**Accomplishments and Completions**

**American Indian Records Repository**

Approximately 142,261 indexed boxes are located in the AIRR as of the end of this reporting period. Thus far, NARA reports that it is currently storing 146,312 cubic feet of indexed inactive records at AIRR. Some boxes are larger than one cubic foot (e.g., map boxes).

**Records Indexing Project**

Indexing of approximately 143,080 boxes has been completed as of the end of this reporting period. The number of completed boxes (indexed and quality reviewed) differs from the number of boxes stored at AIRR because not all completed boxes were sent to AIRR from the Annex before the end of the reporting period.

Approximately 9,235 boxes of inactive records were moved from BIA/OST field locations to the Lenexa Annex for indexing during this reporting period. Once indexed, these boxes will be stored in the AIRR.

**Training**

OTR provided records management training for 105 BIA and OST identified records contacts and 31 tribal employees during this reporting period.

**Equipment Purchases**

221 pieces of fireproof filing equipment were delivered to BIA, OST and tribal offices during this reporting period.

**Current Status**

**Safeguarding Records**

As reported, 283 boxes of inactive records that were or may have been damaged or contaminated by mold, mildew, mouse droppings or other adverse elements were shipped to NARA for remediation in June 2005.

NARA completed remediation of the original boxes in April 2006 except for those materials in six boxes that were beyond NARA's capabilities to repair. The materials NARA could not repair consisted of one box that has about 25% of its contents covered with a tar-like substance; one entire box that had mold and the files are stuck together; and one box of green bar printouts from 1989 oil and gas royalty disbursements that have holes in the printout caused by insects. Three boxes have extensive water damage and the contents are stuck together and NARA recommended the contents should not be separated or further damage will result. OTR contracted with a paper conservationist to review the damaged materials to determine if further remedial action can or should be taken with the boxes that NARA could not repair. The conservator's opinion is that much of the information can be salvaged by either physical stabilization or recovery of the information through reproduction techniques. OTR plans to contract for conservator services in the next reporting period.

**Records Retention Schedules**

The BIA Geographic Information System records schedule was resubmitted to NARA during this reporting period. NARA had requested additional information for its review of the schedule.

**Records Management Policies and Procedures**

As reported previously, OTR received a request from the OST Regional Fiduciary Trust Administrator for the Northwest and Alaska Regions to conduct an investigation into possible unauthorized destruction of federal records or non-records material stored at the OST field office in Portland. In addition, as reported in the OTR Monthly Activity Report for April 2006, a notebook containing microfiche was determined to be missing from the same office. OST's investigation, which included OTR and OTRA, was concluded subsequent to the current reporting period. OST determined that the documents and microfiche disposed of or lost were non-records.

As reported in the OTR Monthly Activity Report for June 2006, OTR was informed by OTRA that the BIA Crow Agency, Forestry Department, was vandalized on or about June 7, 2006. A laptop and USB memory drive are missing. The laptop contains duplicate information regarding forest plot reports which include tree heights, diameter, number of trees per plot, regeneration information, fuels data, canopy cover, pictures of plots with general east/west directions, and road-to-center plot. It also contains information on the last 30 years of forest inventories (completed in 10-year increments). There is no ownership data on the laptop or memory drive. The incident, and the loss, was reported to BIA Law Enforcement Service.

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**July 27, 2006**

**Records Management**

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**Delays and Obstacles**

Lack of Internet access continues to hinder OTR's ability to provide remote access to the record index database for authorized users of the records. If Internet access were available, authorized researchers could conduct their searches from their respective work sites and only visit AIRR when necessary to inspect specific boxes or request documents from specific boxes.

**Assurance Statement**

I concur with the content of the information contained in the Records Management section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 19, 2006

Name: *Signature on File*

Ethel J. Abeita

Director, Office of Trust Records

Office of the Special Trustee for American Indians

**C. TRUST ACCOUNTABILITY**

**1. TRUST BUSINESS PROCESS MODELING**

**Introduction**

Interior is working to build a highly effective fiduciary trust services organization by implementing the business objectives contained in the CTM. Those business objectives are being used to guide implementation of the FTM. Implementation of the FTM is a collaborative effort of BIA, OST, BLM, MMS and OHA, and is integrated with Interior's other trust reform initiatives. The FTM is being implemented to transform the current trust business processes into more efficient, consistent, integrated and fiscally responsible business processes that meet the needs and priorities of the beneficiaries.

**Accomplishments and Completions**

Reengineering staff conducted follow-up site visits to further assess post-conversion activities and lockbox implementation at pilot agencies. A report with recommendations on the site visits was submitted to senior management for review.

The DOP for Lockbox Receipting will be completed during the next reporting period; the draft has been submitted to senior management for review. Reengineering staff presented this DOP at pre-conversion meetings for the Great Plains Region. Superintendents, tribal representatives, and line officers from several agencies within the Great Plains Region were in attendance.

**Current Status**

As a part of the Interior Regulatory Initiative, reengineering staff participated in revising the draft regulations for Rights-of-Way. It is expected that these regulations will become a part of the Regulatory Initiative.

Drafting continues on the following handbook chapters: Sales and Exchanges of Tribal Trust or Restricted Land; Negotiated Sales, Gifts and Exchanges of Individually Owned Lands; Tribal Tract Purchases; Consolidation by Sale of Highly Fractionated Tracts; Partitions in Kind; and Mortgages and Deeds of Trust. The draft Fluid Minerals handbook and the draft Sand, Gravel and Aggregates handbook have been delivered to BIA for review.

The Collection and Distribution handbook is being drafted and is expected to be ready for delivery to the BIA in the next reporting period.

**Delays and Obstacles**

Lack of Internet access impedes communication with other trust bureaus and offices, and hinders the expansion of reengineered processes that utilize the Internet. This exacerbates the complexity of reengineering the existing trust business processes.

**Assurance Statement**

I concur with the content of the information contained in the Trust Business Process Modeling section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 20, 2006

Name: *Signature on File*  
Margaret Williams  
Deputy Special Trustee, Trust Accountability  
Office of the Special Trustee for American Indians

## **2. TRUST DATA QUALITY AND INTEGRITY**

### **Introduction**

The success of trust reform depends, in part, on the accuracy of data generated from the maintenance of trust assets, ownership of trust assets, distribution of trust income, and management of trust accounts. The DQ&I project focuses on three primary initiatives: (1) assisting BIA with document encoding into the trust systems, (2) validating/correcting CDE to their respective source documents and (3) implementing Post-QA processes.

### **Accomplishments and Completions**

During this reporting period, TPMC's contractors completed:

- DQ&I site assessments at Western and Navajo Regions.
- Encoding of 2,337 Pine Ridge Agency and 296 Fort Totten Agency encumbrance documents into TAAMS Leasing to support each agency's conversion effort.
- Encoding 992 active encumbrance documents, for a total of 1,634 encoded, into TAAMS Leasing at Rosebud Agency.
- TAAMS Title - legacy realty ownership comparison analysis for Fort Totten, Standing Rock, Turtle Mountain, Crow Creek, Pine Ridge, Fort Berthold, Rosebud, Sisseton, and Winnebago Agencies.
- Post-QA review of encumbrance document encoding for Crow Creek, Lower Brule, Yankton, Fort Totten, Cheyenne River, Turtle Mountain and Standing Rock Agencies, using scanned images.
- Two Global ID research and encoding tasks for SPRO, which resulted in 309, for a cumulative total of 651, Global ID changes being made in TAAMS Title.
- Encoding of 166 active encumbrance documents, for a total of 432, into TAAMS Leasing for Miami Agency.
- Analysis of ownership data for 155 Miami Agency tracts and provided assistance with researching and correcting variances identified.
- Encoding 63 Alabama-Coushatta encumbrance documents into TAAMS Leasing for the SPRO.



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**July 27, 2006**

**Trust Data Quality and Integrity**

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- Encoding of missing required data into TAAMS Title for 1,061 RMRO-LTRO encumbrance documents, for a total of 5,993, which allowed the full record to be mapped electronically into TAAMS Leasing.
- Scanning of 4,191 active encumbrance documents, for a total of 10,044 documents scanned, at RMRO-LTRO to prepare for encumbrance document validation/correction task.

### **Current Status**

The DQ&I Project continues to assist the BIA with TAAMS Leasing conversion efforts by:

- Validating and correcting Shawnee Agency beneficiary ownership data.
- Recording 1,242 conveyance and encumbrance documents, for a total of 5,575 at RMRO-LTRO.
- Scanning Sisseton Agency encumbrance documents; scanned images are used to conduct Post-QA review on BIA encoding into TAAMS Leasing.
- Performing 58 probate order inventory verifications, for a total of 82 performed to date, for the Concho and Miami Agencies.
- Initiating another Global ID and research and encoding task for the SPRO LTRO, achieving 10% completion.
- Verifying the accuracy of land owner ID numbers in probate orders for the SPRO-LTRO; land owner ID numbers for 66 of 380 probate orders were verified by the end of the quarter.
- Performing CDE validation/correction on 71 Horton Agency trust land tracts.

### **Delays and Obstacles**

Lack of access to the Internet has resulted in: (1) communication delays; (2) adverse project coordination issues; (3) increased administrative program costs; and (4) the overall DQ&I project being unable to take full advantage of available information technology.

**STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

**July 27, 2006**

**Trust Data Quality and Integrity**

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**Assurance Statement**

I concur with the content of the information contained in the Trust Data Quality and Integrity section of the *Status Report to the Court Number Twenty- Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 24, 2006

Name: *Signature on File*

John E. White

Trust Reform Officer

Office of the Special Trustee for American Indians

### 3. INDIAN FIDUCIARY TRUST TRAINING PROGRAM

#### Introduction

Interior has a continuing responsibility to provide adequate staffing, supervision and training for trust fund management and accounting activities. Fiduciary trust training is essential to the success of Interior's trust reform efforts and forms an integral part of all training for Interior employees who are involved in the management of Indian trust assets.

#### Accomplishments and Completions

During this reporting period, Cannon Financial Institute awarded the *Certified Indian Fiduciary Trust Specialist* designation to ten OST personnel.

Dedication ceremonies for the NIPTC were held on Thursday, April 27, 2006.

#### Current Status

OST offered one session of the course, *Fiduciary Overview Program*, presented by Cannon Financial Institute, with 29 OST, BIA and tribal personnel attending during this reporting period. A total of 822 people have attended this course since March 2003. This course compares and contrasts the federal Indian trust administered through Interior with private sector trusts administered through banks and other financial institutions.

During this reporting period, Cannon Financial Institute personnel presented five of the specialty courses to 95 OST, BIA and tribal personnel. The specialty courses, *Risk Management*, *Probate*, *Trust Accounting*, *Asset Management*, *Fiduciary Behavior* and *Guardianships* are part of the *Certified Indian Fiduciary Trust Specialist* certification program as described in previous reports.

During this reporting period, OST training staff conducted 12 training sessions in TFAS, CSS, StrataVision and the historical query database for 149 OST, BIA and contractor staff.

OST and BIA staff presented the three-day course, *Trust Fundamentals*, to 34 OST, BIA and tribal staff. This course includes such topics as the history and policy of Indian trust, current trust reform activities, job roles and responsibilities, and organization and working relationships.

#### Delays and Obstacles

The lack of Internet access inhibits electronic communication with other governmental agencies and contractors, hinders the research of training tools and potential contractors, and restricts OST's ability to access online training programs.

**STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

**July 27, 2006**

**Indian Fiduciary Trust Training Program**

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**Assurance Statement**

I concur with the content of the information contained in the Indian Fiduciary Trust Training Program section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 14, 2006

Name: *Signature on File*

Dianne M. Moran

Director, Trust Training

Office of the Special Trustee for American Indians

**4. RISK MANAGEMENT**

**Introduction**

The objectives of the risk management initiative are to design, deliver, and implement a comprehensive risk management program that includes extensive management controls for monitoring and evaluating Interior's Indian trust asset management program. The risk management program continues to be implemented by TPMC. OTRA monitors and evaluates management corrective action plans to mitigate control deficiencies.

**Accomplishments and Completions**

As previously reported, RM-PLUS content for OST trust programs is under review to meet the revised OMB Circular A-123 requirements. These revisions became effective in FY2006 and include expanded requirements for documentation, monitoring and reporting. During this reporting period, the Senior Assessment Team identified OST's Significant Financial Reports to be addressed in accordance with OMB Circular A-123. A management control plan, a testing work plan and the sample selection were also drafted.

During this reporting period, OST updated and closed out eight corrective action plans that mitigated identified risks. The eight remaining corrective action plans are expected to be updated and/or closed during the next reporting period.

**Current Status**

RM-PLUS content for TBCC, Lockbox and Financial Reporting has been completed, which will permit the risk assessments to be performed during the next reporting period.

OSM provided its required IT security documents, was provided training and conducted its risk assessment utilizing RM-PLUS during this reporting period.

OST continues to work with BLM on the required IT security documents for its training and testing of risk assessments, which are currently scheduled for August 1, 2006.

**Delays and Obstacles**

The lack of Internet access complicates the implementation and use of RM-PLUS, since it is designed as a web-based application.

**Assurance Statement**

I concur with the content of the information contained in the Risk Management section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 20, 2006

Name: *Signature on File*  
Margaret Williams  
Deputy Special Trustee, Trust Accountability  
Office of the Special Trustee for American Indians

**5. REGULATIONS, POLICIES AND PROCEDURES**

**Introduction**

OTP in OST was established on April 21, 2003, to assist Interior in establishing “consistent, written policies and procedures for trust fund management and accounting” as stated in the 1994 Act. OTP oversees and facilitates the development, promulgation and coordination of trust-related regulations, policies, procedures and other materials to guide the proper discharge of Interior’s fiduciary responsibilities. OTP is separate from BIA’s PPA, which is responsible for policies, procedures and regulations affecting all BIA activities. PPA activities thus are reported in the BIA section of the reports to the Court.

**Accomplishment and Completions**

The OST Directives System Handbook received final approval from OST management and was published. OTP will work with program offices during the next reporting period to implement the changes.

**Current Status**

Work on the Reporting and Reconciliation DOP is 75% complete. Approval and issuance of the entire DOP now is expected during the next reporting period.

Due to realignment of processes specific to the Osage Nation and assumption of some of those processes by BIA, final issuance of the Account Maintenance DOP and the Disbursing DOP is now expected in the next reporting period.

**Delays and Obstacles**

Lack of access to the Internet and its repository of online statutes, the Federal Register and other resources continues to present challenges to this office.

**Assurance Statement**

I concur with the content of the information contained in the Office of Trust Regulations, Policies and Procedures section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 12, 2006

Name: *Signature on File*  
Philip Viles, Director  
Office of Trust Regulations, Policies and Procedures  
Office of the Special Trustee for American Indians

**D. FIELD OPERATIONS**

**1. APPRAISAL**

**Introduction**

The Office of Appraisal Services, under a management contract with NBC-ASD, is responsible for Indian Land valuations. The contract was established to provide impartial estimates of market value for a variety of real property interests on land owned in trust or restricted status by individual Indians, Alaska Natives, and Indian Tribes. Various regulations governing Indian trust lands require valuations. To meet this requirement, an appraisal or other valuation method is used to determine fair market value of Indian lands.

**Accomplishments and Completions**

The fractionated interest study was completed during this reporting period and is expected be presented to the TESC for approval during the next reporting period.

**Current Status**

OAS continues to examine its operations, make improvements and monitor staff training requirements. Audits of the workload are used to impose deadlines and help reduce the backlog.

The position of OME Chief was filled during the reporting period, and the office currently is filling critical positions.

A mass-appraisal system currently is being developed for the Great Plains Region.

Roll out of the ITARS pilot is expected during the next reporting period.

As part of the DOI Regulatory Initiative, OAS staff participated in revising the draft regulations for Rights-of-Way. It is expected that these regulations will become a part of the Regulatory Initiative.



**Appraisal Backlog**

As of this reporting period, the appraisal backlogs are as follows:

<b>Region</b>	<b>Appraisal Backlog As of 03/31/06</b>	<b>Appraisal Backlog * As of 06/30/06</b>
Northwest	166	150
Rocky Mountain	661	326
Midwest	42	69
Western	69	26
Southwest	15	3
Eastern Oklahoma	75	157
Navajo	80	71
Pacific	4	4
Alaska	399	410
Eastern	0	0
Southern Plains	45	7
Great Plains	0	2
<b>TOTAL</b>	<b>1,556</b>	<b>1,225</b>

\* The backlog often includes all requests from BIA, even when the property to be appraised has yet to be defined and whether or not an appraisal is required for a proposed transaction. The requests are addressed in priority order based on factors such as court-ordered transactions, economic transactions, and rights-of-way transactions.

This table does not include appraisal backlog information from the compacted and contracted Tribes. OAS continues its efforts to obtain the backlog information from Tribes.

**Delays and Obstacles**

The inability to utilize the Internet as a tool to communicate with outside contacts to research comparable sales and other information is a continuing hardship.

Difficulties continue in recruiting qualified appraisers for permanent, temporary and contract positions, particularly in remote locations.

**Assurance Statement**

I concur with the content of the information contained in the Appraisal section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 24, 2006

Name: *Signature on File*  
Brian M. Holly, MAI  
Appraisal Services Directorate  
National Business Center

**E. TRUST SERVICES**

**1. CURRENT ACCOUNTING ACTIVITIES**

**Introduction**

Current accounting activities focus on: (a) whereabouts unknown accounts; (b) trust funds accounting system; (c) special deposit accounts; and (d) small balance accounts.

WAU are classified as such for various reasons, including (1) new accounts established without an address, (2) mail returned for invalid address and (3) account holder refused or did not claim mail. A variety of methods and means are used to locate WAU account holders.

TFAS is a generic term for a COTS trust fund accounting system that provides the basic receipt, accounting, investment, disbursing and reporting functions common to commercial trust funds management operations.

SDA are temporary accounts for the deposit of trust funds that cannot immediately be credited to the proper account holders. As explained in the BIA/OST Interagency Procedures Handbook, this type of account is to be used only as an exception to the rule that trust funds immediately be deposited to the credit of, and then distributed as soon as practicable to, the individual and tribal beneficiaries. The SDA project has two sub-projects: the retrospective (pre-January 1, 2003, receipts) and the prospective (post-December 31, 2002, receipts) phases. OHTA has responsibility for "resolution" (i.e., research and distribution of funds) of the retrospective phase, while BIA has comparable responsibility for the prospective phase. This section of the report to the Court thus addresses only the prospective phase.

Small balance accounts are defined as those with balances of \$.01 - \$1.00 and no activity in the preceding eighteen months. Management expenses for these accounts are considerable, in part because (as directed by Congress) annual statements must be sent to these account holders.

**a. Whereabouts Unknown Accounts**

During this reporting period the management and operation of the WAU Project was transferred to OST – Field Operations. In an effort to improve the efficiency of the project, all WAU account update activities are being entered into the same tracking system being used by the Trust Beneficiary Call Center and the Fiduciary Trust Officers. Use of the tracking system should enhance reporting abilities and prevent duplicate account updates.

**Current Status**

During this reporting period, 10,733 accounts with a combined balance of \$7.7 million were added to the WAU list, and 3,316 account holders with a combined balance of \$4.6 million were located.

## STATUS REPORT TO THE COURT NUMBER TWENTY-SIX

July 27, 2006

Current Accounting Activities

Priority continues to be placed on securing current addresses for account holders of the rolling top 100 highest dollar balance WAU accounts. During this reporting period, 18 of the top 100 WAU accounts, with combined account balances in excess of \$1.3 million, were updated with current addresses.

As of June 30, 2006, there were 53,867 WAU accounts with a combined balance of \$65,767,600. The following table illustrates the number of accounts stratified by account balance and WAU category.

Account Balance	Correspondence/ Check Returned	Account Setup No Address	Awaiting Address Confirmation	Refused/ Unclaimed Mail	Total
Equal to or over \$100,000	16	9	0	0	25
Under \$100,000 and equal to or over \$50,000	37	9	0	0	46
Under \$50,000 and equal to or over \$5,000	2,239	786	0	1	3,026
Under \$5,000 and equal to or over \$1,000	5,919	1,499	5	7	7,430
Under \$1,000 and equal to or over \$100	8,016	2,955	12	3	10,986
Under \$100 and equal to or over \$1	11,544	4,539	30	3	16,116
Under \$1	3,524	12,667	46	1	16,238
<b>Total</b>	31,295	22,464	93	15	53,867

### Delays and Obstacles

The influx of WAU accounts categorized as “Account Setup No Address” causes the total number of WAU accounts to remain relatively constant. These accounts primarily result from a lack of current addresses for individual heirs named in probate orders or recipients of per capita distributions. Also, accounts are being created in TFAS for non-financial asset owners in order to generate asset statements. Many of these owners do not have current addresses. As a result, the total number of WAU is expected to increase significantly.

As of the end of the reporting period there were 16,883 supervised IIM account holders (minors, emancipated minors, adults in need of assistance, and non-compos mentis) coded as WAU. Updating supervised account addresses coded as WAU presents a challenge, since BIA Social Services must verify and update the address changes to these accounts.

The lack of Internet access limits communication effectiveness. OST and its contractor must rely primarily on mail and telephone communication with IIM account holders.

**b. Trust Funds Accounting System**

**Accomplishments and Completions**

During this reporting period, seven agencies from the Great Plains Region were converted to the TAAMS Leasing module. The seven agencies are: Fort Totten, Turtle Mountain, Crow Creek, Lower Brule, Cheyenne River, Standing Rock and Yankton. The interface between TAAMS and TFAS allows for quarterly account statements of performance to be produced for beneficiaries, including related ownership and encumbrance information of trust assets managed at the converted agencies. This interface is expected to permit the distribution of these enhanced account statements to begin during the next reporting period.

**c. Special Deposit Account Activity**

**Current Status**

BIA has the responsibility for distribution of SDA funds received since January 1, 2003 (prospective receipts). It is the policy of BIA to distribute funds within 30 days of receipt into SDA. During this reporting period, there were 6,829 receipt transactions posted to SDA.

During this reporting period, aged funds were held in 92 more SDA than in the previous reporting period. Undistributed aged receipts decreased by 346 and the combined dollar amount decreased by \$450,292.45. As of June 30, 2006, funds were held in SDA with a combined dollar amount of \$1,534,468.02, which represented 3,763 undistributed receipts aged over 30 days from January 1, 2003, through June 30, 2006. As of June 30, 2006, there were 707 receipts in 203 SDA aged more than one year for a combined dollar amount of \$542,633.67.

During this reporting period, OST contractors continued to assist the Fort Belknap Agency to reduce its backlogs by encoding probate orders into BIA's IRMS. Reducing backlogs assists agencies with their SDA distribution efforts. OST staff and contractors also assisted BIA staff in performing work necessary to distribute aged receipts at the FIMO, and the Eastern Navajo, Rosebud and Pine Ridge Agencies.

**Delays and Obstacles**

Lack of use of the Internet continues to delay access to information useful to resolving SDA.

**d. Small Balance Accounts**

As of June 30, 2006, there were 24,070 accounts that have a \$.01 - \$1.00 balance with no activity for the previous 18 months. The total sum included in those accounts is \$2,459.82. Statements are sent to account holders for these accounts on an annual basis pursuant to direction from Congress.

**STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

**July 27, 2006**

**Current Accounting Activities**

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**Assurance Statements**

I concur with the content of the information contained in the Whereabouts Unknown Accounts subsection of the Current Accounting Activities section of the *Status Report to the Court Number Twenty-Six*. The information provided in this subsection is accurate to the best of my knowledge.

Date: July 19, 2006

Name: *Signature on File*  
Bryan Marozas  
Program Manager  
Beneficiary Call Center

I express no opinion on the content of the Whereabouts Unknown Accounts subsection, above. I concur with the content of the information contained in the balance of the Current Accounting Activities section of the *Status Report to the Court Number Twenty-Six*, and this information is accurate to the best of my knowledge.

Date: July 20, 2006

Name: *Signature on File*  
Margaret Williams  
Deputy Special Trustee, Trust Accountability  
Office of the Special Trustee for American Indians

**III. BUREAU OF INDIAN AFFAIRS**

**A. TRUST REGULATIONS, POLICIES AND PROCEDURES**

**Introduction**

The Office of Planning and Policy Analysis (PPA) in the Office of the Assistant Secretary – Indian Affairs was established on April 21, 2003. PPA is responsible for developing and promulgating Indian Affairs directives. PPA is separate from OST's Office of Trust Regulations, Policies and Procedures, whose activities are reported in the OST section of the status reports to the Court.

**Accomplishments and Completions**

**Forest Management Deductions, Indian Forest Management Handbook, Vol. 11** – The handbook supporting 53 IAM was published during the reporting period and is referenced at 53 IAM 11-H, Forest Management Deductions.

**Current Status**

**Regulatory Initiative** – During this reporting period, comments received during the initial consultation period were considered and incorporated into the draft regulations. The regulations being proposed during this phase of the Regulatory Initiative amend regulations addressing: probate (25 CFR 15); rules applicable to probate hearings and appeals (43 CFR 4); Indian land records and title documents (25 CFR 150); conveyance of Indian trust or restricted land and removal of trust or restricted status (25 CFR 152); life estates and future interests (25 CFR 179); and create a new CFR part addressing tribal probate codes (25 CFR 18). These regulations are expected to be proposed during the next reporting period. Additional tribal consultation meetings have been scheduled for July and August 2006.

**25 CFR 216 – Surface Exploration, Mining, and Reclamation of Lands** – The project was delayed, with publication of the proposed revisions now expected during the first quarter of CY2007.

**25 CFR 162 – Leases and Permits, Subparts C and D – Residential Leases and Business Leases** – Publication of the final rule has been cancelled because the proposed regulatory changes to this part will now be included in the Regulatory Initiative.

**25 CFR 224 – Tribal Energy Resource Agreements** – The proposed rule is under internal review and now is expected to be published during the fourth quarter of CY2006.

**25 CFR 292 – Gaming on Trust Lands Acquired After October 17, 1998** – During this reporting period, consultation with tribal leaders and the public on the draft regulations were held in Connecticut, New Mexico, California, and Minnesota. The proposed rule now is expected to be published during the third quarter of CY2006.

**STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

**July 27, 2006**

**Trust Regulations, Policies and Procedures**

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**Delays and Obstacles**

Lack of access to the Internet has hindered PPA's ability to research statutes and departmental manuals and makes distribution of documents for review by Tribes more difficult and costly.

**Assurance Statement**

I concur with the content of the information contained in the Trust Regulations, Policies and Procedures – BIA section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 12, 2006

Name: *Signature on File*

Debbie L. Clark

Deputy Assistant Secretary – Indian Affairs (Management)

Bureau of Indian Affairs



**B. FRACTIONATION**

**Introduction**

Fractionation of Indian trust and restricted land stems from the federal Indian policy of the 19<sup>th</sup> Century. Fractionation occurs as land passes from one generation to the next and more and more heirs or devisees acquire an undivided interest in the land. This is a complex and potentially emotionally-charged issue, due primarily to cultural differences, historical legacy and family associations of the present owners with the original Indian owners of those lands. Efforts to address this complex issue are coordinated primarily through the BIA Indian Land Consolidation Office, which seeks to help Tribes make use of the opportunities offered by the Indian Land Consolidation Act, as amended in 2004. ILCO is operating several acquisition projects and, from there, a nationwide plan is being implemented to promote consolidation of the ownership of Indian land.

**Accomplishments and Completions**

- Acquired 21,056 fractional interests during this reporting period, for a cumulative total of 234,772 interests for ILCP in the Midwest, Northwest, Western, Eastern Oklahoma, Navajo, Rocky Mountain and Great Plains Regions.
- Of the total interests acquired, 85.5% were interests of less than 2% ownership in the respective tracts of land.
- Acquired a cumulative total equivalent of 285,367.69 acres for the project reservations.

**Current Status**

ILCO has fully implemented the revised strategy for all reservations participating in ILCP. Each acquisition site has been notified to implement new criteria to target purchases of fractionated interests on tracts of land that have at least 200 interests. This new criteria is expect to reduce the number of highly fractionated tracts and increase the number of interests acquired on 1,577 targeted tracts.

ILCO has suspended acquisition activities on the Salish-Kootenai Reservation because there were no surface tracts and only two mineral tracts that met the revised criteria. ILCO also suspended the acquisition program on the Quinault Reservation because of the relatively low number of target tracts available for purchase and on the Gila River Reservation because of the high cost per acre of land. Program funding from these locations has been redirected to other locations where more interests can be purchased for less cost. These three reservations will be replaced by three highly fractionated reservations.

The Sisseton-Whapeton Reservation in South Dakota has been added to ILCP. A meeting with the Winnebago Tribe of Nebraska was held on June 28, 2006. ILCO is awaiting a tribal resolution supporting the restart of ILCP on that reservation. ILCO is also awaiting a reply to a letter of invitation sent to the Wind River Reservation. These three reservations are among the top ten most highly fractionated reservations in the nation.

Other ILCP activities include:

- Coordinating with OAS and LTROs to prepare for acquisitions at reservations added to the program.
- Continuing to target and acquire additional *Youpee* interests.
- Continuing implementation of LCTS. LCTS is expected to be fully deployed by the end of FY2006.

**Delays and Obstacles**

- Probate and LTRO backlogs and *Youpee* issues continue to impede acquisitions.
- Lack of Internet access results in slower processing of applications from potential sellers and hinders searches for WAU account holders.
- Delay in obtaining land and mineral values impede acquisitions.

**Assurance Statement**

I concur with the content of the information contained in the Fractionation section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 14, 2006

Name: *Signature on File*  
Robert R. Jaeger  
Director, Indian Land Consolidation Office  
Bureau of Indian Affairs

**C. PROBATE**

**Introduction**

Federal law permits Indian owners to pass title to their trust assets by testamentary devise or by intestate succession, and imposes upon Interior the duty of determining the legal heirs. BIA, OHA and OST must coordinate their work to complete the probates of Indian estates. Information on the status of probates is contained within the ProTrac system. Each BIA regional office and corresponding agency is responsible for encoding new cases, examining “initial load” cases and making corrections. The majority of the data-cleanup for ProTrac has been completed, which should make ProTrac a more complete source of probate data.

**Current Status**

**Case Preparation**

According to ProTrac, 7,337 probate cases are in the case preparation stage.

**Case Adjudication**

According to ProTrac, 6,571 probate cases are in the case adjudication stage. As reported by OHA, deciding officials received 2,372 cases and issued decisions in 1,454 cases. OHA reported 4,874 cases pending.

**Case Closure**

According to ProTrac, there are 4,843 cases in the closing stage. Cases in the closing stage are ones that have been adjudicated but not distributed in TFAS, LTRO, or in the Lease Distribution System. According to ProTrac, 1,344 cases have been closed during this reporting period.

**Financial Case Closure**

OST reported that it distributed funds and closed 2,884 accounts in TFAS, representing 2,773 estates. As of the end of June 2006, TFAS contained 30,428 open estate accounts, which is a decrease of 152 from the 30,580 estate accounts at the end of the last reporting period.

**Probate Handbook**

Due to recently effective AIPRA provisions, the final version of the probate handbook will be delayed to allow incorporation of the procedures necessary to implement AIPRA.

**Delays and Obstacles**

The following obstacles have been identified as having an impact on the progress of the probate program:

- Lack of access to the Internet, which includes the inability to use electronic mail communication between OHA and BIA/OST;
- Continued fractionation of ownership of Indian lands;
- Numerous initiatives competing for resources (e.g., *Youpee* revestitures, *Cobell* requirements);
- Cultural diversities regarding the subject of death;
- BIA probate reorganization has not been completed.

**Assurance Statement**

I concur with the content of the information contained in the Probate section of the *Status Report to the Court Number Twenty-Six*. The information provided in this section is accurate to the best of my knowledge.

Date: July 11, 2006

Name: *Signature on File*  
William Titchywy  
Acting Special Projects Director  
Western Region  
Bureau of Indian Affairs

**ACRONYMS AND ABBREVIATIONS**

1994 Act (or Act)	American Indian Trust Fund Management Reform Act of 1994
A-123	Office of Management and Budget Circular A-123, Management's Responsibility for Internal Control
A-130	Office of Management and Budget Circular A-130 Appendix III
ADM	Attorney Decision Makers
AFMSS	Automated Fluid Mineral Support System
AIMS	ActivCard Identity Management System
AIPRA	American Indian Probate Reform Act
AIRR	American Indian Records Repository
ALIS	Alaska Land Information System
ALJ	Administrative Law Judges
ARO	Alaska Region office
ARRTS	Appraisal Request and Review Tracking System
ART	Accounting Reconciliation Tool
AS-IA	Assistant Secretary-Indian Affairs
ASD	Appraisal Services Directorate
ATO	authority to operate
BIA	Bureau of Indian Affairs
BIAM	Bureau of Indian Affairs Manual
BISS	Box Index Search System
BLM	Bureau of Land Management
BOR	Bureau of Reclamation
BPA	Blanket Purchase Agreement
BRM	Business Reference Model
C&A	Certification and Accreditation
CARS	Cadastral Automated Request System
CDE	Critical Data Elements
CFedS	Certified Federal Surveyor
CFI	Continuous Forest Inventory
CGI	Software vendor successor to TAAMS vendor
CGIS	Cadastral Geographic Information Systems
CIFTA	Certified Indian Fiduciary Trust Analyst
CIFTS	Certified Indian Fiduciary Trust Specialist
CIO	Chief Information Officer
CIRC	Computer Incidents Response Center
CISO	Chief Information Security Officer
CISSP	Certified Information System Security Professional
CMS	Credential Management System
COTS	Commercial off-the-shelf
CPIC	Capital Planning and Investment Control
CSIRC	Computer Security Incident Response Capability
CSIRT	Computer Security Incident Response Team
CSS	Customer StrataStation

## **STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

**July 27, 2006**

### **Acronyms and Abbreviations**

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CTM	Comprehensive Trust Management Plan
DAA	Designated Approving Authority
DEAR	DOI Enterprise Architecture Repository
DDoS	Distributed Denial of Service
DLRM	DOI Land and Resource Management
DM	Departmental Manual
DMZ	De-Militarized Zone
DNS	Domain Name Server
DOI	Department of the Interior
DOP	Desk Operating Procedure
DoS	Denial of Service
DQ&I	Data Quality and Integrity
DRM	Data Reference Model
EA	Enterprise Architecture
ENA	Eastern Navajo Agency
EORO	Eastern Oklahoma Region office
ERO	Eastern Region office
ESN	Enterprise Services Network
ETP	Enterprise Transition Plan
FAMS	Facilities Asset Management System
FAR	Federal Acquisition Regulation
FBMS	Financial Business Management System
FFMIA	Federal Financial Management Improvement Act
FIMO	Farmington Indian Minerals Office
FIPS	Federal Information Processing Standards
FISMA	Federal Information Security Management Act
FMFIA	Federal Managers' Financial Integrity Act
FRC	Federal Records Center
FRD	Functional Requirements Document
FTM	Fiduciary Trust Model
FTO	Fiduciary Trust Officer
GAO	Government Accountability Office
GCDB	Geographic Coordinate Data Base
GIS	Geographic Information System
GLO	General Land Office
GLADS	Great Lakes Agency Database System
GPRO	Great Plains Region office
GPS	Global Positioning System
GSA	General Services Administration
GSS	General Support Systems
HSPD-12	Homeland Security Presidential Directive 12
IAM	Indian Affairs Manual
IATO	Interim Approval to Operate
ICR	Internal Control Review
IEA	Interior Enterprise Architecture

## **STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

**July 27, 2006**

## **Acronyms and Abbreviations**

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IFTR	Indian Fiduciary Trust Records
IG	Inspector General
IIM	Individual Indian Money
IITD	Individual Indian Trust Data
ILCA	Indian Land Consolidation Act
ILCO	Indian Land Consolidation Office
ILCP	Indian Land Consolidation Project
IM	Instruction Memorandum
InfoDat	Indian Forestry Database
Interior	Department of the Interior
IP	Internet Protocol
IPJ	Indian Probate Judges
IPv6	Internet Protocol Version 6
IQCS	Incidence Qualification and Certification System
IRM	Information Resources Management
IRMS	Integrated Records Management System
IRS	Internal Revenue Service
ISA	Information Security Assessment
IT	Information Technology
ITARS	Indian Trust Appraisal Request Tracking System
ITRS	Indian Trust Rating System
IV&V	independent verification and validation
LAN	Local area network
LCTS	Land Consolidation Tracking System
LMS	Learning Management System
LR2000	Legacy Rehost 2000 System
LRIS	Land Records Information System
LTIC	Land Tenure in Indian Country
LTRO	Land Titles and Records Office
MA	Major Applications
MAD/LCP	Management Accounting Distribution/Land Consolidation Program
MADS	Management Accounting Distribution System
MMD	Missing Mandatory Documents for Unrestricted Accounts
MMS	Minerals Management Service
MOU	Memorandum or Memoranda of Understanding
MRM	Minerals Revenue Management
MRMSS	Minerals Revenue Management Support System
MWRO	Midwest Region office
NARA	National Archives and Records Administration
NBC	National Business Center
NILS	National Integrated Lands System
NIPTC	National Indian Programs Training Center
NIST	National Institute of Standards and Technology
NORC	National Opinion Research Center
NPS	National Park Service

## **STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

**July 27, 2006**

### **Acronyms and Abbreviations**

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NRO	Navajo Region office
NWRO	Northwest Region office
O&G	Oil and Gas
OAS	Office of Appraisal Services
OCIO	Office of the Chief Information Officer
OHA	Office of Hearings and Appeals
OHTA	Office of Historical Trust Accounting
OIG	Office of the Inspector General
OME	Office of Minerals Evaluation
OMB	Office of Management and Budget
OSM	Office of Surface Mining
OST	Office of the Special Trustee for American Indians
OTFM	Office of Trust Funds Management
OTP	Office of Trust Regulations, Policies and Procedures
OTR	Office of Trust Records
OTRA	Office of Trust Review and Audit
PAR	Performance and Accountability Report
PII	Personally Identifiable Information
PIV	Personal Identity Verification
PLSS	Public Land Survey System
PMB	Policy, Management and Budget
PMSO	Project Management Support Office
POA&M	Plans of Actions and Milestones
Post-QA	Post Quality Assurance
PPA	Office of Planning and Policy Analysis
PRIS	Production and Response Information System
PRO	Pacific Region office
ProTrac	Probate Case Management and Tracking System
QA	Quality Assurance
QC	Quality Control
RAF	Recommended Action Forms
RAS	Rangeland Administration System
RDRS	Royalty Distribution and Reporting System
REM	Real Estate Module
RFP	Request for Proposal
RM-PLUS	Risk Management Assessment/Evaluation tool
RMRO	Rocky Mountain Region office
ROW	Rights-of-Way
SANS	SysAdmin, Audit, Network, Security
SCADA	Supervisory Control and Data Acquisition
SDA	Special Deposit Accounts
SDLC	System Development Life Cycle
SMEs	Subject Matter Experts
SMS	System Management Servers
SOL	Office of the Solicitor



**STATUS REPORT TO THE COURT NUMBER TWENTY-SIX**

**July 27, 2006**

**Acronyms and Abbreviations**

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SPRO	Southern Plains Region office
SSA	Social Security Administration
SSM	System Security Manager
SSP	System Security Plan
ST&E	Security Test and Evaluation
Statements	Historical Statements of Account
STIGs	Security Technical Implementation Guides
SUS	System Update Servers
SWRO	Southwest Region office
TAAMS	Trust Asset and Accounting Management System
TAP	Technical Architecture Profile
TBCC	Trust Beneficiary Call Center
TESC	Trust Executive Steering Committee
TFAS	Trust Fund Accounting System
TPMC	Trust Program Management Center
TRAC	Trust Tracking and Coordination
Treasury	Department of the Treasury
TRM	Technical Reference Model
TRO	Temporary Restraining Order
UAT	User Acceptance Testing
USGS	United States Geological Survey
USPAP	Uniform Standards of Professional Appraisal Practice
VBNS	Very High Performance Backbone Network Service
VPN	Virtual Private Network
WAN	Wide area network
WAU	Whereabouts Unknown
WRO	Western Region office